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罕王
HANKING

CHINA HANKING HOLDINGS LIMITED

中國罕王控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 03788)

INSIDE INFORMATION ANNOUNCEMENT

**RESUMPTION OF PRODUCTION AND SALES FROM THE NICKEL ORE
PROJECT IN INDONESIA**

This announcement is made by China Hanking Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company owns a laterite nickel project located in North Konawe Regency, South East Sulawesi Province, Indonesia (the “**Nickel Project**”), which is a world-class super-large nickel mine with JORC Code-compliant resources of 350 million metric tons at an average grade of 1.37% and nickel metal of 4.8 million metric tons.

The Nickel Project of the Company commenced exploration and trading of laterite nickel ore in 2013. On 12 January 2014, the Ministry of Energy and Mineral Resources (the “**ESDM**”) implemented the Minister of ESDM Regulation (No. 1 of 2014) (the “**Regulation**”) to increase domestic mineral's additional value through domestic processing and refining, which imposed restrictions on export of extracted mineral products including from nickel mines in Indonesia. Since then, production from the Nickel Project has been suspended. Since the implementation of the Regulation, a number of companies began to make investments in Indonesia to operate nickel smelting plants and process nickel products in Indonesia. Thus, the rapid expansion of production capacity of nickel smelting has stimulated the establishment of local nickel ore markets in Indonesia. In view of the above, the Nickel Project companies – PT Konutara Sejati (“**KS**”) and PT Karyatama Konawe Utara (“**KKU**”) have entered into the cooperation agreements with several partners to resume mining production from the Nickel Project as scheduled.

Following completion of the preparation work for resumption of mining production and replacement of the mining license for the Nickel Project in the first half of 2017, the Nickel Project commenced mining production in August 2017, and has produced approximately 170,000 metric tons of high-grade laterite nickel at an average grade of 2.1% so far, which have been transported to Qingshan Industrial Park located in Morowali Regency, Central Sulawesi Province, Indonesia in batches since 17 October 2017.

KS and KCU have, after negotiation, established nickel ore supply relationship with a number of companies including PT Indonesia Guang Ching Nickel and Stainless Steel Industry (廣青鎳業不銹鋼公司) and (China Tsingshan) PT Sulawesi Mining Investment ((中國青山)蘇拉威西礦業投資公司).

Dr. Pan Guocheng, the Chief Executive Officer and President of the Company said, “The commencement of production and sales mark a new era of the Indonesia project, which will become a new area of earnings growth for the Company. With the increasing capacity of the local smelting plants, the Company will continue to improve the production capacity and sales revenue of the nickel ores, and the value of the Nickel Project is expected to grow.”

By order of the Board
China Hanking Holdings Limited
Yang Jiye
Chairman and executive director

Shenyang, the PRC, 2 November 2017

As at the date of this announcement, the executive directors of the Company are Mr. Yang Jiye, Dr. Pan Guocheng, Mr. Zheng Xuezhi, Dr. Qiu Yumin and Mr. Xia Zhuo; the non-executive director of the Company is Mr. Kenneth Jue Lee; and the independent non-executive directors of the Company are Mr. Wang Ping, Dr. Wang Anjian and Mr. Ma Qingshan.