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Grand Ocean Advanced Resources Company Limited

弘海高新資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 65)

CHANGE OF AUDITOR

The Board announces that RSM Hong Kong resigned as the auditor of the Company with effect from 27 September 2017 and BDO Limited was appointed as the auditor of the Company on 27 September 2017 to fill the casual vacancy following the resignation of RSM Hong Kong as the auditor of the Company, and to hold office until the conclusion of the next annual general meeting of the Company.

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Grand Ocean Advanced Resources Company Limited (the “**Company**”, and its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

RESIGNATION OF THE AUDITOR

The Board announces that RSM Hong Kong resigned as auditor of the Company with effect from 27 September 2017, as the Company could not reach a consensus with RSM Hong Kong on the audit fee for the year ending 31 December 2017.

As RSM Hong Kong has continually acted as the auditor of the Company for over ten years, the Board considers that a change of the auditor of the Company at an appropriate time will further uphold the corporate governance best practices of the Company.

RSM Hong Kong has confirmed that there are no circumstances connected with its resignation which should be brought to the attention of the shareholders of the Company. The Board and the audit committee of the Company have confirmed that there is no disagreement between RSM Hong Kong and the Company, and there are no other matters in relation to the resignation of RSM Hong Kong that need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to express its appreciation to RSM Hong Kong for its services rendered to the Group in the past years.

APPOINTMENT OF THE AUDITOR

The Board further announces that, with the recommendation of the audit committee of the Company, BDO Limited has been appointed as the auditor of the Company with effect from 27 September 2017 to fill the casual vacancy following the resignation of RSM Hong Kong as the auditor of the Company, and to hold office until the conclusion of the next annual general meeting of the Company.

By Order of the Board

Grand Ocean Advanced Resources Company Limited

Xu Bin

Chairman and Executive Director

Hong Kong, 27 September 2017

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Xu Bin (Chairman), Mr. Zhang Fusheng (Chief Executive Officer), Mr. Ng Ying Kit and Ms. Huo Lijie; and three independent non-executive Directors, namely Mr. Kwok Chi Shing, Mr. Huang Shao Ru and Mr. Chang Xuejun.