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CHINA BILLION RESOURCES LIMITED

中富資源有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 274)

GRANT OF SHARE OPTIONS AND CLARIFICATIONS IN RELATION TO THE 2019 AND 2020 ANNUAL REPORTS AND 2020 AND 2021 INTERIM REPORTS

GRANT OF SHARE OPTIONS

This announcement is made pursuant to rule 17.06A of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”).

The board (“**Board**”) of directors (“**Directors**”) of China Billion Resources Limited (“**Company**”) announces that on 16 September 2021, a total of 87,724,887 share options (“**Share Options**”) to subscribe for 87,724,887 ordinary shares of par value of HK\$0.01 each of the Company (“**Shares**”) were granted to eligible participants (“**Grantees**”), subject to the acceptance of the Grantees, by the Company pursuant to the share option scheme adopted by the Company on 22 February 2016 (“**Share Option Scheme**”), representing approximately 5.79% of the issued share capital of the Company. Details of the Share Options granted are as follows:

Date of grant:	16 September 2021 (“ Date of Grant ”)
Number of Share Options granted:	87,724,887 Share Options (each Share Option shall entitle the holder thereof to subscribe for one Share)
Closing price of the Shares on the Date of Grant:	HK\$0.28 per Share
Exercise price of Share Options granted:	HK\$0.284 per Share, which represents the highest of (i) HK\$0.28, being the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Date of Grant; (ii) HK\$0.284, being the average of the closing prices of the Shares as stated in the daily quotations sheet issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) HK\$0.01, being the nominal value of each Share

Consideration for the grant of the Share Options: HK\$1.00 to be paid by each of the Grantees upon acceptance of the Share Options granted

Validity period of the Share Options: The Share Options granted shall be valid for a period of 2 years from the Date of Grant (i.e.: from 16 September 2021 to 15 September 2023, both dates inclusive)

Vesting period of the Share Options: The Share Options can be exercised at any time from 15 November 2021 (inclusive)

Among the Share Options, a total of 45,450,000 Share Options were granted to the following Directors, details of which are as follows:

<u>Name of Grantees</u>	<u>Position</u>	<u>Number of Share Options granted</u>
Qiu Zhenyi	Executive Director	15,150,000
Pan Feng	Executive Director	15,150,000
Zhu Shengsheng	Executive Director	15,150,000

The grant of Share Options to each of the above Directors has been approved by the independent non-executive Directors (with the relevant executive Director who is the Grantee of the Share Option has abstained from voting on the resolution in relation to the grant of the Share Options to him) pursuant to the Listing Rules.

Save as disclosed above, none of the Grantees is a director, chief executive or substantial shareholder of the Company, or any of their respective associate (as defined in the Listing Rules) at the date of the announcement.

CLARIFICATIONS IN RELATION TO THE 2019 AND 2020 ANNUAL REPORTS AND 2020 AND 2021 INTERIM REPORTS

Reference is made to two annual reports of the Company published on 8 May 2020 and 30 April 2021 respectively with respect to the financial years ended 31 December 2019 and 2020 (“**2019 Annual Report**” and “**2020 Annual Report**”) and two interim reports published on 21 September 2020 and 10 September 2021 respectively with respect for the six months ended 30 June 2020 and 2021 (“**2020 Interim Report**” and “**2021 Interim Report**”) (the four reports are collectively referred to as “**Reports**”). Unless otherwise defined, terms used in this announcement shall have the same meanings as defined in the respective Reports. The Company noted that there are some clerical errors in the Reports and would like to make the following clarification:

(1) the last paragraph under the heading “SHARE OPTION SCHEME” in page 35 of the 2019 Annual Report should be amended as follows (changes are marked):

“On the basis of 1,052,424,308 issued Shares as at the date of this report, of which was adjusted by the Capital Reorganisation (as at 31 December 2019: 21,048,486,179 then shares), and no further Shares has been issued or repurchased by the Company before the annual general meeting, the maximum number of shares options that can be exercised under the refreshed mandate limit of the Share Option Scheme is ~~105,242,430~~ 87,724,887 Shares (having taken into account the effect of the Capital Reorganisation) (as at 31 December 2019: ~~2,104,848,617~~ 1,754,497,740 then shares), representing 10% of ~~such the then~~ issued share capital of the Company as at the refreshment date of 28 June 2016, and such limit does not exceed the 30% limit stipulated under Note (2) to Rule 17.03(3) of the Listing Rules. The Directors will be authorised to issue share options to subscribe for a total of ~~105,242,430~~ 87,724,887 Shares, representing ~~10%~~ approximately 8.34% of the total number of Shares in issue as at the date of this report. No share options under the Share Option Scheme were granted, exercised, cancelled, lapsed or outstanding during the Reporting Period and up to the date of this annual report.”

(2) the last paragraph under the heading “SHARE OPTION SCHEME” in page 13 of the 2020 Interim Report should be amended as follows (changes are marked):

“On the basis of 1,052,424,308 issued Shares as at 30 June 2020 and no further Shares has been issued or repurchased by the Company before the annual general meeting, the maximum number of shares options that can be exercised under the refreshed mandate limit of the Share Option Scheme is ~~105,242,430~~ 87,724,887 Shares (having taken into account the effect of the Capital Reorganisation), representing 10% of ~~such the then~~ issued share capital of the Company as at the refreshment date of 28 June 2016, and such limit does not exceed the 30% limit stipulated under Note (2) to Rule 17.03(3) of the Listing Rules. The Directors will be authorised to issue share options to subscribe for a total of ~~105,242,430~~ 87,724,887 Shares, representing ~~10%~~ approximately 8.34% of the total number of Shares in issue as at 30 June 2020. No share options under the Share Option Scheme were granted, exercised, cancelled, lapsed or outstanding during the Reporting Period and up to the date of this interim report.”

(3) the last paragraph under the heading “SHARE OPTION SCHEME” in page 40 of the 2020 Annual Report should be amended as follows (changes are marked):

“On the basis of 1,262,713,382 issued Shares as at the date of this report, and no further Shares has been issued or repurchased by the Company before the annual general meeting, the maximum number of shares options that can be exercised under the refreshed mandate limit of the Share Option Scheme is ~~126,271,338~~ 87,724,887 Shares (having taken into account the effect of the Capital Reorganisation), representing 10% of ~~such the then~~ issued share capital of the Company as at the refreshment date of 28 June 2016, and such limit does not exceed the 30% limit stipulated under Note (2) to Rule 17.03(3) of the Listing Rules. The Directors will be authorised to issue share options to subscribe for a total of ~~126,271,338~~ 87,724,887 Shares, representing ~~10%~~ approximately 6.95% of the total number of Shares in issue as at the date of this report. No share options under the Share Option Scheme were granted, exercised, cancelled, lapsed or outstanding during the Reporting Period and up to the date of this annual report.”

(4) the last paragraph under the heading “SHARE OPTION SCHEME” in page 14 of the 2021 Interim Report should be amended as follows (changes are marked):

“On the basis of 1,262,713,382 issued Shares as at 30 June 2021 and no further Shares has been issued or repurchased by the Company before the annual general meeting, the maximum number of shares options that can be exercised under the refreshed mandate limit of the Share Option Scheme is ~~126,271,338~~ 87,724,887 Shares, representing 10% of ~~such~~ the then issued share capital of the Company as at the refreshment date of 28 June 2016, and such limit does not exceed the 30% limit stipulated under Note (2) to Rule 17.03(3) of the Listing Rules. The Directors will be authorised to issue share options to subscribe for a total of ~~126,271,338~~ 87,724,887 Shares, representing ~~10%~~ approximately 6.95% of the total number of Shares in issue as at 30 June 2021. No share options under the Share Option Scheme were granted, exercised, cancelled, lapsed or outstanding during the Reporting Period and up to the date of this interim report.”

Save for the above amendments, the other contents contained in the Reports remain unchanged.

By order of the Board of
China Billion Resources Limited
Qiu Zhenyi
Chairman of the Board

Hong Kong, 16 September 2021

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Qiu Zhenyi
(Chairman of the Board)
Mr. Zhu Shengsheng
(Chief executive officer)
Mr. Pan Feng
Mr. Xie Qiangming

Non-executive Director:

Mr. Sun Aimin

Independent non-executive Directors:

Mr. Cai Jianhua
Mr. Ho Wing Chung
Mr. Yan Xiaotian