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DEJIN RESOURCES GROUP COMPANY LIMITED

德金資源集團有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 1163)

SECOND DELISTING STAGE AND RESUMPTION CONDITIONS

This announcement is made pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

On 25 May 2016, the Company received a letter from the Stock Exchange informing that the Company had been placed in the second stage of the delisting procedure, which will expire on 24 November 2016. The management of the Company was required to expedite its work progress towards resumption of trading and submit a viable resumption proposal to the Stock Exchange not later than 10 November 2016.

Pursuant to the requirements set out in the letter from the Stock Exchange, the Company shall fulfill the following resumption conditions:

1. demonstrate that the Company has sufficient business operation or value of assets under Rule 13.24 of the Listing Rules;
2. conduct an appropriate investigation on inside trading and related legal proceedings, especially a thorough investigation on the relevant transaction details and legal proceedings of Beijing Tsingda Deshi Technology Limited, disclose the findings of the investigation and take remedial actions;

3. demonstrate that there is no reasonable regulatory concern about management integrity which may pose a risk to investors and damage market confidence;
4. disclose all outstanding financial results and related audit qualifications;
5. demonstrate that the Company has put in place adequate financial reporting procedures and internal control systems to meet obligations under the Listing Rules; and
6. demonstrate that the Company has sufficient working capital to finance its operation for at least 12 months from the expected date of resumption.

The board (the “**Board**”) of directors of the Company is actively negotiating with holders (“**CB Holders**”) of convertible bonds of the Company (“**Convertible Bonds**”) for amendments of terms (“**Proposed Amendments**”) of the Convertible Bonds and plans to convene and hold the meeting of creditors in due course to complete the restructuring of debt. If the Company and the CB Holders fail to make a consensus on the amendments of terms of Convertible Bonds, the Company may put forward the Proposed Amendments to the relevant courts for sanction by way of a scheme of arrangement.

Until 31 August 2016, all CB Holders of the Company should contact the company secretary of the Company, Li Xiaohong, by post, telephone or fax at the address: 8/F., Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong, or tel.: (852) 2911 6530, or fax: (852) 2911 6531 for registration of the bonds.

Meanwhile, the Board is now working diligently in studying and formulating a feasible and practicable business plan that should facilitate the resumption of trading of the Company as early as possible.

Should there be any material developments, the Company will inform shareholders of the Company and the public as and when appropriate.

At the request of the Stock Exchange, the management of the Company conducted a thorough investigation on Beijing Tsingda Deshi Technology Limited and the findings are as follows: since 2010, as Mow Tai Loy, a former director of the Company, Mow Yan Loy Milton and Deng Chong Yun, former members of the senior management of Beijing Tsingda Deshi Technology Limited, which is a controlling subsidiary of the Company, and 孟凱, the so-called personal representative of Mow Yan Loy Milton in the mainland have deliberately withheld the fact from the Board of the Company for a prolonged period and on several occasions that they wantonly committed fraud and illegal activities outside the Company with fictional facts, such as cooperation in the development of mines, mergers and acquisitions of mines, low-priced transfer of Convertible Bonds of the Company and introduction of strategic investors, as excuses under the name of the Company or Beijing Tsingda Deshi Technology Limited. They illegally used the official seal or forged the official seal to illegally sign several invalid so-called loan agreements and cooperation agreements with the others, and even directly forged Convertible Bonds of the Company amounting to hundreds of millions renminbi. As a result, they defrauded a huge amount of money mainly from individuals across Hong Kong as well as various provinces and municipalities in the mainland, which seriously damaged the interests of the Company and its shareholders. In this regard, the Company has officially reported to the Hong Kong Police Force and the security authority of the PRC to file a criminal charge. Judicial authorities of Hong Kong and the PRC are currently conducting a comprehensive criminal investigation on the above criminal acts and have carried out relevant criminal justice measures against certain suspects.

SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 16 May 2014. Trading in the Shares will remain suspended until further notice.

By order of the Board
Dejin Resources Group Company Limited
Yang Bo
Executive Director

Hong Kong, 1 August 2016

As at the date of this announcement, the Board comprises seven executive Directors, namely Mr. Yang Zhihua, Mr. Ouyang Jun, Mr. Cui Zhigang, Mr. Lou Qingyu, Mr. Yang Bo, Mr. Zhao Jinliang and Ms. Cui Xiuzhen; and four independent non-executive Directors, namely Mr. Li Ranzhou, Mr. Ma Ning, Mr. Liu Fei and Mr. Zeng Nai Li.