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Lingbao Gold Group Company Ltd.

靈寶黃金集團股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3330)

COMPLETION OF ISSUANCE OF NEW DOMESTIC SHARES UNDER GENERAL MANDATE

The Board announces that all the conditions precedent under the Subscription Agreements have been fulfilled and the Completion took place on 7 February, 2018. An aggregate of 94,000,000 Domestic Shares have been issued to the Subscribers at the price of RMB0.912 (equivalent to approximately HK\$1.096^(Note)) per Share pursuant to the terms and conditions of the Subscription Agreements.

Reference is made to the announcement (the "**Announcement**") of the Company dated 4 January 2018 in relation to the issuance of new Domestic Shares under the General Mandate. Terms defined in the Announcement shall have the same meanings when used herein unless the context requires otherwise.

COMPLETION OF THE SUBSCRIPTION

The Board announces that all the conditions precedent under the Subscription Agreements have been fulfilled and the Completion took place on 7 February 2018. An aggregate of 94,000,000 Domestic Shares have been issued to the Subscribers at the price of RMB0.912 (equivalent to approximately HK\$1.096^(Note)) per Share pursuant to the terms and conditions of the Subscription Agreements.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, each of the Subscribers is an Independent Third Party. None of the Subscribers has become a substantial Shareholder (as defined under the Listing Rules) immediately after the Completion. The net proceeds from the Subscription, after deducting relevant expenses, is approximately RMB85.2 million (equivalent to approximately HK\$102.4 million^(Note)). The net proceeds raised per Share upon Completion is approximately HK\$1.089 per Subscription Share. The Company intends to use such net proceeds to repay the Company's existing short term bank loan.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The 94,000,000 Domestic Shares represent approximately 19.87% and 12.20% of the existing issued Domestic Shares and the existing issued share capital of the Company as at the date of this announcement.

Set out below is the shareholding structure of the Company immediately before and after the Completion.

	Type of Shares	Immediately before the Completion		Immediately after the Completion	
		Number of Shares	Approximate % of shareholding	Number of Shares	Approximate % of shareholding
D&R Asset Management Group Company Limited	Domestic Share	185,339,000	24.06	185,339,000	21.44
Lingbao State-owned Assets Operation Limited Liability Company (靈寶市國有資產經營有限責任公司)	Domestic Share	73,540,620	9.55	73,540,620	8.50
Shanghai Zhengxi Investment Management Partnership (Limited Partnership)	Domestic Share	57,000,000	7.40	57,000,000	6.60
Other Shareholders	Domestic Share	157,095,471	20.40	157,095,471	18.18
Public Shareholders	H-Share	297,274,000	38.59	297,274,000	34.40
Subscribers	Domestic Share	-	-	94,000,000	10.88
Total		770,249,091	100.00	864,249,091	100.00

Note: The figures are calculated based on the middle exchange rate of RMB0.832 to HK\$1.

Unless otherwise specified in this announcement, the English names of the PRC entities are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

By order of the Board
Lingbao Gold Group Company Ltd.
Chen Jianzheng
Chairman

Henan, the PRC, 7 February 2018

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Chen Jianzheng, Mr. Wang Leo, Ms. Zhou Xing, Mr. Zhao Kun and Mr. Xing Jiangze; one non-executive Director, namely Mr. Shi Yuchen; and four independent non-executive Directors, namely Mr. Yang Dongsheng, Mr. Han Qinchun, Mr. Wang Jiheng and Mr. Wang Guanghua.