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INSIDE INFORMATION

STRATEGIC COOPERATION AGREEMENT

This announcement is made by Feishang Non-metal Materials Technology Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 17 October 2017 (after trading hours), the Group and Lituo Enterprise (HK) Limited (“**Lituo**”) entered into the Strategic Cooperation Agreement (the “**Strategic Cooperation Agreement**”), pursuant to which, the parties will establish a strategic cooperation for the purpose of establishing a world-class trading platform and enhancing the return for their shareholders by leveraging their respective business resources and strengths and combining their experience and advantages accumulated through years of investment in various sectors in the People’s Republic of China (the “**PRC**”) (the “**Cooperation**”).

STRATEGIC COOPERATION AGREEMENT

Pursuant to the Strategic Cooperation Agreement, the Cooperation shall include but not limited to:

1. The parties will jointly strengthen the resources trading business development. This will directly enhance mutual trust and communication between the parties and allow them to access the complementary resources of the strategic partners, achieve economies of scale through resources and information complementation and sharing, and strengthen competitiveness;
2. The parties will leverage their respective business resources and strengths and combine their experience and advantages accumulated through various sectors in the PRC to develop the resources trading business; and
3. The Company will provide any consultancy services in relation to the resources industry to Lituo.

ABOUT LITUO

Lituo is the branch of Shanghai Xiong Ta Industrial Co., Ltd.* (上海雄沓實業有限公司) (“**Shanghai Xiong Ta**”) in Hong Kong. The strategic partners of Shanghai Xiong Ta including the subsidiary companies from some state-owned enterprises in PRC. Shanghai Xiong Ta also has a well trading business in metal materials, coal and mining. The senior management team of Lituo is well experience in financial and trading industry. They integrated the financial and industrial entities by their experience, and make a positive effect to Lituo.

To the best of knowledge, information and belief of the Directors after having made all reasonable inquiries, Lituo and its ultimate beneficial owner are independent third parties independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

REASONS FOR AND BENEFITS OF ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT

The Board is of the view that, through the Strategic Cooperation Agreement, a win-win and sustainable strategic partnership will be established by the parties, where both parties can combine their strengths and resources to create greater business value. The Group will diversify its business strategy and seek for suitable business opportunities with potential appreciation of assets to generate better returns for the shareholders of the Company. The Group will also continue to adopt and maintain a prudent yet proactive approach and will closely monitor the operating performance. The Group remains positive on the prospects and is confident that the strategic partnership with Lituo will enhance the returns to the shareholders of the Company.

** for identification purpose only*

Thus, the Board is of the view that the terms of the Strategic Cooperation Agreement are determined on normal commercial terms after arm's length negotiation among the parties, which are fair and reasonable, and the entering into the Strategic Cooperation Agreement is in the interests of the Company and its shareholders as a whole.

By order of the Board
Feishang Non-metal Materials Technology Limited
DENG Li
Executive Director

Hong Kong, 17 October 2017

As at the date of this announcement, the executive Directors are Mr. DENG Li and Mr. ZHANG Yongmin; and the independent non-executive Directors are Mr. CHAN Chiu Hung Alex, Mr. ZHENG Shuilin and Mr. DUAN Xuechen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least seven days from the day of its publication. This announcement will also be published on the Company's website at www.fsnmmaterials.com.