



ABN 12 009 076 242

ASX ANNOUNCEMENT

5 September 2017

GRANT OF SHARES

The Board of AustSino Resources Group Ltd (the **Company**) has resolved to make the following arrangements, with effect from 5 September 2017.

Grant of shares to Mr Song Zhi Yuan

Mr Song is a citizen and resident of the Peoples Republic of China. During 2014 / 2015, Mr Song contributed to the financial cost refurbishing the Company's Shanghai office, for which he has not yet received any payment.

Pursuant to a deed of release executed today, the Company has agreed to issue 50,000,000 fully paid shares to Mr Song within 5 days, in full and final satisfaction of any claims which Mr Song would otherwise have in relation to the refurbishment of the Company's Shanghai office.

The shares are to be issued to Mr Song without shareholder approval in accordance with Listing Rule 7.1. They will be held in escrow for 12 months from the date of issue.

Grant of new shares to Zhongying Property Development Company Limited (Zhongying)

The Company and Zhongying signed a subscription agreement in June 2016 under which the Company agreed to issue 200,000,000 fully paid ordinary shares to Zhongying at \$0.01 per share to raise \$2m before costs.

The Company issued an initial tranche of 77,715,047 shares to Zhongying in August 2016, but the remaining 122,284,953 shares were not issued in 2016 and the subscription price for those remaining shares (being AUD1.22m) has accordingly been held in trust in an Australian bank account.

Following further negotiations between Zhongying and the Company's Chairman, Mr Chun Ming Ding, the following arrangements have been agreed between Zhongying and the Company:

1. The original subscription agreement signed by the Company and Zhongying is terminated with effect from today.
2. A new share subscription agreement has been executed today, pursuant to which the Company and Zhongying have agreed that the Company will issue 122,284,953 fully paid shares (New Shares) at an issue price of \$0.01 per Share (AUD1,222,849.53 in aggregate) within 5 days.
3. The New Shares are to be issued to Zhongying without shareholder approval in accordance with Listing Rule 7.1.
4. The New Shares will be held in escrow for 12 months.

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5. Zhongying has given its approval for the Company to transfer the funds currently held in trust to the Company's normal operating bank account as full and final payment of the subscription price for the New Shares.

The funds made available to the Company upon the issue of the New Shares will be used for working capital and to further progress the Company's activities in the Mid West Region of Western Australia.

Further inquiries:

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