CHANGTIAN PLASTIC & CHEMICAL LIMITED

UPDATES ON THE NYLON-6 CHIP DEVELOPMENT

The Board of Directors (the "**Board**") of Changtian Plastic & Chemical Limited (the "**Company**") together with its subsidiaries (the "**Group**") wish to update Shareholders on the Nylon-6 Chip development (the "**Nylon-6 Chip Development**").

Due to continuing unstable weather in the past quarter, the construction works for Nylon-6 Chip Development has not been able to progress in accordance with its schedule. The Company expects the completion of the construction works for Nylon-6 Chip Development to be further delayed to end December 2016. As a result of the delay in completion of the Nylon-6 Chip Development, the fine-tuning of machinery and trial production of Nylon-6 Chips are expected to commence only in early 2017. The commercial production and sales will commence once the Company is satisfied with the results of trial production.

Should there be any further material development on the Nylon-6 Chip Development, the Company will make the necessary announcements at the appropriate time.

Shareholders, investors and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and in the event of any doubt, should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
Yang Qingjin

Executive Chairman
CHANGTIAN PLASTIC & CHEMICAL LIMITED
19 October 2016