



BOYUAN

Boyuan Successfully Completes Second Retraction

Toronto, Ontario — November 4, 2016 — Boyuan Construction Group, Inc. (TSX: BOY, BOY.DB.A), a growing construction company in China of commercial, residential and municipal infrastructure projects, announced the successful completion of its retraction of \$1.5 million of the Company's 11.5% unsecured convertible debentures due October 31, 2018. After the retraction, there are \$8.5 million principal amount of debentures outstanding.

In accordance to the retraction schedule, Debentureholders will be able to exercise their last retraction right based on the remaining date:

| Date of Repurchase Retraction | Deadline to Exercise Retraction Right by Registered Debentureholder | Maximum Aggregate Principal Amount to be Repurchased |
|--------------------------------------|--|---|
| October 31, 2017 | September 1, 2017 | \$1,500,000 |

Debentureholders must submit their retraction request not more than 120 days and not less than 60 days before the date of repayment. All remaining Debentures will be repaid at the extended maturity date of October 31, 2018. If the aggregate principal value of Debentures requested to be retracted exceeds the Maximum Aggregate Principal Amount to be repurchased, as set out above, then the Debentures to be repurchased by Boyuan will be repurchased on a pro rata basis to the nearest multiple of \$1,000, according to the number of Debentures requested to be repurchased by Debentureholders who have exercised their retraction right, so that only whole Debentures will be repurchased from these beneficial Debentureholders.

About Boyuan Construction Group, Inc.

Based in Jiaxing City, China, Boyuan Construction Group, Inc. is in the business of commercial building and residential construction, municipal infrastructure and engineering projects. In its last three fiscal years ending June 30, 2016, Boyuan completed 41 projects for a number of private and public sector clients. Boyuan's current project backlog includes residential, commercial, industrial and mixed-use developments. From its operating bases in Zhejiang Province and in Hainan Province, Boyuan focuses on construction projects in China's fast-growing regions of the Yangtze River Delta and Hainan Province. For more information visit www.boyuanguroup.com.

Caution Regarding Forward-Looking Information: Certain information contained in this press release constitutes forward-looking information, which is information relating to future events or the Company's future performance and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this press release includes, but is not limited to, the retraction schedule for the remaining retraction rights, management's expectation on the procedures for exercising the remaining retraction rights and management's expectation on repaying the debentures on maturity. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this press release. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking information contained in this press release include, but are not limited to: risk of a general cease trade order being issued, risk of risk of macro-economy cycle, risk from competition, risk from

insufficient marketing to secure new projects, risk in obtaining additional financing, risk involving permits and licences, reliance on key management member, risk from supply of raw materials, risk of financial leverage, risk of bad debts in accounts receivables, risk involved in real estate development, foreign exchange fluctuations, political and economic conditions in China and other risks included in the Company's AIF for the fiscal year ended June 30, 2016 and in the Company's public disclosure documents filed with certain Canadian securities regulatory authorities and available at www.sedar.com. The forward-looking information contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law.

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