
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this prospectus or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares, you should at once hand the Prospectus Documents to the purchaser or transferee or to the banks, the licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A copy of this prospectus, together with the Application Form, the EAF and the documents specified in the paragraph headed “Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this prospectus, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong and the Securities and Futures Commission in Hong Kong take no responsibility as to the contents of any document referred to above.

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. You should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

No person receiving a copy of this prospectus, the Application Form and/or the EAF in any territory or jurisdiction outside Hong Kong may treat it as an offer or an invitation to apply for the Offer Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person outside Hong Kong (including the ultimate beneficial owner(s) of the Qualifying Shareholders) wishing to make an application for the Offer Shares to satisfy himself as to the observance of the laws and regulations of all relevant jurisdiction, including obtaining any government or other consents, and payment of any taxes and duties required to be paid in such jurisdiction in connection therewith.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.



APAC RESOURCES

APAC RESOURCES LIMITED

亞太資源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1104)

OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE

**Underwriter to the Open Offer
VIGOR ONLINE OFFSHORE LIMITED**

Capitalised terms used in this cover page shall have the same meanings as defined in this prospectus.

The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Friday, 3 July 2015. The procedures for application are set out on pages 22 and 23 of this prospectus.

The Shares have been dealt with on an ex-entitlement basis since Tuesday, 9 June 2015. Such dealings in the Shares will take place whilst the conditions to which the Open Offer is subject remain unfulfilled. A person dealing in Shares on an ex-entitlement basis will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Shareholders contemplating any dealings in the Shares are recommended to consult with their own professional advisers if they are in any doubt.

The Underwriting Agreement contains provisions entitling the Underwriter by notice in writing to the Company served prior to 4:00 p.m. on Monday, 6 July 2015 to terminate the Underwriting Agreement on the occurrence of certain events as set out in the section headed “Termination of the Underwriting Agreement” on pages 7 to 8 of this prospectus.

If the Underwriter terminates the Underwriting Agreement, or if the conditions of the Underwriting Agreement are not fulfilled (or waived by the Underwriter) in accordance with the terms thereof, the Open Offer will not proceed. Shareholders should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

* *For identification purpose only*

18 June 2015

CONTENTS

	<i>Page</i>
Definitions	1
Expected Timetable	6
Termination of the Underwriting Agreement	7
Letter from the Board	9
 Appendices	
I. Financial Information of the Group	I-1
II. Unaudited Pro Forma Financial Information of the Group	II-1
III. General Information	III-1

DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Announcement”	the Company’s announcement dated 27 May 2015 in relation to, among other things, the Open Offer
“Application Form(s)”	the application form(s) to be issued to the Qualifying Shareholders in respect of their assured entitlements under the Open Offer
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks are generally open for business in Hong Kong other than a Saturday, Sunday and public holiday
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“COL”	COL Capital Limited (Stock Code: 383), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Company”	APAC Resources Limited (Stock Code: 1104), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“Director(s)”	Director(s) of the Company
“EAF(s)”	the excess application form(s) to be used in connection with the Open Offer by the Qualifying Shareholders to apply for Offer Shares allotted on an assured basis but not accepted by the Qualifying Shareholders and any unsold fractions of Offer Shares allotted on an assured basis but not accepted by the Qualifying Shareholders

DEFINITIONS

“Executive”	executive director of the Corporate Finance Division of the SFC or any of his delegates
“General Offer”	the possible mandatory conditional cash offer to be made in accordance with the Takeovers Code by Yu Ming Investment Management Limited on behalf of the Potential Offeror to acquire all the Shares not already owned or agreed to be acquired by the Potential Offeror at a price of HK\$0.10 per Share
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons within the meaning of the Listing Rules
“Last Trading Date”	15 May 2015, being the last trading day which was immediately prior to the suspension of trading in the Shares on the Stock Exchange pending the release of the Announcement
“Latest Practicable Date”	15 June 2015, being the latest practicable date for ascertaining certain information for inclusion in this prospectus
“Latest Time for Acceptance”	4:00 p.m. on 3 July 2015 or such later time or date as the Underwriter may agree with the Company, being the latest time for acceptance of, and payment for, the Offer Shares
“Latest Time for Termination”	4:00 p.m. on 6 July 2015 or such later time or date as may be agreed between the Underwriter and the Company, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ms. Chong”	Ms. Chong Sok Un, an executive Director, the Chairman of the Company, and a substantial Shareholder

DEFINITIONS

“Offer Price”	offer price of HK\$0.10 per Offer Share pursuant to the General Offer
“Offer Shares”	the new Shares proposed to be issued and allotted under the Open Offer
“Open Offer”	proposed issue of the Offer Shares by the Company to the Qualifying Shareholders on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date at the Subscription Price of HK\$0.10 per Offer Share, which is subject to the terms and conditions stipulated in the Underwriting Agreement
“Overseas Letter”	letter from the Company to the Prohibited Shareholders explaining the circumstances in which the Prohibited Shareholders are not permitted to participate in the Open Offer
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“Prohibited Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, based on legal advice provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Offer Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Prospectus Documents”	this prospectus, the Application Forms and the EAFs
“Prospectus Posting Date”	18 June 2015 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders or this prospectus for information only (as the case may be) to the Prohibited Shareholders
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date, other than the Prohibited Shareholders
“Record Date”	17 June 2015 (or such later date as the Underwriter may agree with the Company), as the date by reference to which entitlements to the Open Offer were determined

DEFINITIONS

“Registrar”	the branch share registrar of the Company in Hong Kong, being Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Settlement Date”	Tuesday, 7 July 2015, being the second Business Day after latest time for acceptance of and payment for the Offer Shares (or such other date as the Underwriter and the Company may agree)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance, Chapter 57 of the Laws of Hong Kong
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.10 per Offer Share pursuant to the Open Offer
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Taskwell”	Taskwell Limited, an indirect wholly-owned subsidiary of COL and is indirectly held as to approximately 74.34% by VOL
“Taskwell Irrevocable Undertaking”	the irrevocable undertaking given by Taskwell to the Company and the Underwriter to take up in full its entitlements under the Open Offer to subscribe for 26,519,724 Offer Shares
“Underwriting Agreement”	the underwriting agreement dated 18 May 2015 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	a maximum of 2,304,003,571 Offer Shares, being 3,063,883,995 Offer Shares less those Offer Shares agreed to be taken up by VOL and Taskwell under the VOL Irrevocable Undertaking and Taskwell Irrevocable Undertaking respectively

DEFINITIONS

“VOL” or “Underwriter” or “Potential Offeror”	Vigor Online Offshore Limited, a company incorporated in the British Virgin Islands with limited liability and a substantial Shareholder. The issued shares of VOL are all held by Ms. Chong indirectly, an executive Director, the Chairman of the Company and a substantial Shareholder
“VOL Irrevocable Undertaking”	the irrevocable undertaking given by VOL to the Company and the Underwriter to take up in full its entitlements under the Open Offer to subscribe for 733,360,700 Offer Shares
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%” or “per cent”	percentage

EXPECTED TIMETABLE

All times and dates stated in this prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetables below stated in this prospectus are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

**2015
(Hong Kong time)**

Latest time for acceptance of, and payment for, the Offer Shares	4:00 p.m. on Friday, 3 July
Latest time for termination of the Underwriting Agreement.....	4:00 p.m. on Monday, 6 July
Announcement of results of the Open Offer and excess application and whether the obligation to make a general offer is triggered	Friday, 10 July
Certificates for the Offer Shares and refund cheques expected to be despatched on or before.....	Monday, 13 July
Dealings in Offer Shares commence.....	9:00 a.m. on Tuesday, 14 July

Notes:

1. All times and dates refer to Hong Kong local times and dates.
2. The Latest Time for Acceptance will not take place if there is:
 - a tropical cyclone warning signal number 8 or above, or
 - a “black” rainstorm warning signal:
 - (i) in force in Hong Kong at any local time at or before 12:00 noon and no longer in force after 12:00 noon on Latest Time for Acceptance. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
 - (ii) in force in Hong Kong at any local time between 9:00 a.m. and 4:00 p.m. on the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the latest time for acceptance of and payment for Offer Shares does not take place on 3 July 2015, the dates mentioned in this section headed “Expected timetable” may be affected. An announcement will be made by the Company in such event advising the revised times and dates as soon as practicable.

3. Dates or deadlines specified in this prospectus for events in the expected timetable for (or otherwise in relation to) the Open Offer are indicative only and may be extended or varied by agreement between the Company and the Underwriter and in accordance with the applicable rules and regulations. Any consequential changes to the expected timetable for the Open Offer will be published by way of an announcement of the Company.

TERMINATION OF THE UNDERWRITING AGREEMENT

TERMINATION OF THE UNDERWRITING AGREEMENT

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter to terminate its obligations thereunder if at any time prior to the Latest Time for Termination (provided that for the purposes of the termination clause of the Underwriting Agreement, if the date of the Latest Time for Termination shall be a Business Day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next Business Day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):

- (1) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of this prospectus and not having been disclosed in this prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer.

If the Underwriter exercises such right, the Open Offer will not proceed.

Upon giving any of such notice, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and no party thereunder shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement and the Company shall not be liable to pay any underwriting commission.

WARNING OF THE RISK OF DEALING IN THE SHARES

The Open Offer is conditional, *inter alia*, upon the fulfillment of the conditions set out in the section headed "Conditions of the Underwriting Agreement" of the Letter from the Board. The Underwriter is entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as described in this prospectus. The Open Offer is also subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Open Offer may or may not proceed.

Any dealings in the Shares from the date of the Latest Practicable Date up to the date on which all the conditions of the Open Offer are fulfilled will bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares are advised to consult their own professional advisers.

LETTER FROM THE BOARD



APAC RESOURCES

APAC RESOURCES LIMITED

亞太資源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1104)

Executive Directors:

Ms. Chong Sok Un (*Chairman*)
Mr. Andrew Charles Ferguson
(Chief Executive Officer)
Mr. Kong Muk Yin

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Non-executive Director:

Mr. Lee Seng Hui
(Mr. Peter Anthony Curry as his alternate)
Mr. So Kwok Hoo

Head office and

principal place of business:
32/F, China Online Centre
333 Lockhart Road
Wanchai
Hong Kong

Independent non-executive Directors:

Dr. Wong Wing Kuen, Albert
Mr. Chang Chu Fai, Johnson Francis
Mr. Robert Moyse Willcocks

18 June 2015

*To the Qualifying Shareholders and,
for information only, the Prohibited Shareholder(s)*

Dear Sir or Madam,

**OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR
EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE**

INTRODUCTION

On 27 May 2015, the Company announced that it is proposed to raise not more than approximately HK\$306.4 million before expenses by issuing not more than 3,063,883,995 Offer Shares at the Subscription Price of HK\$0.10 per Offer Share on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date. Qualifying Shareholders will have the right to apply for any Offer Shares in excess of their own assured allotments. The Open Offer is only available to the Qualifying Shareholders and will not be extended to Prohibited Shareholders.

* *For identification purpose only*

LETTER FROM THE BOARD

The purpose of this prospectus is to provide you with information relating to, among other things, the Open Offer, including the information on procedures for application and payment and certain financial information and other information in respect of the Group.

OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE

Issue statistics

Basis of the entitlement: One (1) Offer Share for every two (2) existing Shares held on the Record Date

Subscription Price: HK\$0.10 per Offer Share

Number of Shares in issue as at the Latest Practicable Date: 6,127,767,990 Shares

Number of Offer Shares: 3,063,883,995 Offer Shares

The aggregate nominal value of the total Offer Shares will be not more than HK\$306,388,399.

Assuming that 3,063,883,995 Offer Shares are issued under the Open Offer, the net subscription price for each Offer Share is approximately HK\$0.0979.

Number of Shares in issue upon completion of the Open Offer: 9,191,651,985 Shares

Amount raised before expenses: Not more than approximately HK\$306.4 million

As at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

The maximum number of 3,063,883,995 Offer Shares represents (i) approximately 50.00% of the Company's issued share capital as at the Latest Practicable Date; and (ii) approximately 33.33% of the Company's issued share capital of 9,191,651,985 Shares as enlarged by the allotment and issue of the 3,063,883,995 Offer Shares (being the maximum number of Offer Shares to be allotted and issued under the Open Offer) immediately after completion of the Open Offer.

The Open Offer is not subject to any Shareholders' approval.

The aggregate nominal value of the Offer Shares will be not more than HK\$306,388,399.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price is HK\$0.10 per Offer Share, payable in full upon acceptance of the relevant offer of Offer Shares.

The Subscription Price represents:

- (i) a discount of approximately 50.74% to the closing price of HK\$0.2030 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) a discount of approximately 53.18% to the average closing price of approximately HK\$0.2136 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date;
- (iii) a discount of approximately 50.17% to the average closing price of approximately HK\$0.2007 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date;
- (iv) a discount of approximately 40.08% to the average closing price of approximately HK\$0.1669 per Share as quoted on the Stock Exchange for the last thirty trading days up to and including the Last Trading Date;
- (v) a discount of approximately 40.72% to the theoretical ex-entitlement price of approximately HK\$0.1687 per Share, based on the closing price of HK\$0.2030 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (vi) a discount of approximately 80.40% to the audited consolidated net asset value per Share of approximately HK\$0.5103 as at 30 June 2014, based on the audited consolidated net asset value as at 30 June 2014 and the number of Shares in issue as at 30 June 2014;
- (vii) a discount of approximately 67.67% to the unaudited consolidated net asset value per Share of approximately HK\$0.3093 as at 31 December 2014, based on the unaudited consolidated net asset value as at 31 December 2014 and the number of Shares in issue as at 31 December 2014; and
- (viii) a discount of approximately 59.18% to the ex-entitlement price of HK\$0.245 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

LETTER FROM THE BOARD

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to the then market price of the Shares at the time of negotiation. The Board had also taken into account the following in setting the Subscription Price:

- (a) that it would be in the best interest of the Group to conduct the intended fund raising exercise by way of the Open Offer as compared with other forms of fund raising, including debt which would result in higher gearing and additional finance costs to the Group;
- (b) to ensure that the Open Offer is a success and to encourage existing shareholders to subscribe which would enable the shareholders to maintain their respective shareholdings in the Company and to participate in the future growth of the Group, the Board considered it to be appropriate to set the subscription price for the Offer Share at a discount to the closing share price of the Company of HK\$0.2030 per Share on 15 May 2015, the last trading date prior to the release of the Announcement; and
- (c) having noted that the average price of HK\$0.1669 per Share over the 30 day trading period prior to and including 15 May 2015 as well as the unaudited consolidated net asset value per Share of HK\$0.3093 as at 31 December 2014, the Board considered that a discount of approximately 50.74% to the closing price of 15 May 2015 to be appropriate and reasonable, accordingly the Subscription Price was set at HK\$0.10 per Offer Share.

As the Offer Shares are offered to all Qualifying Shareholders, the Directors would like to set the Subscription Price at a level that would attract the Qualifying Shareholders to participate in the Open Offer. The Directors consider the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

After deducting all relevant expenses relating to the Open Offer, the net price per Offer Share will be approximately HK\$0.0979.

Basis of provisional allotments

The basis of the entitlement shall be one (1) Offer Share for every two (2) existing Shares held on the Record Date, being not more than 3,063,883,995 Offer Shares at the Subscription Price of HK\$0.10 per Offer Share.

Application for all or any part entitlement of a Qualifying Shareholder's assured entitlement should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being applied for.

LETTER FROM THE BOARD

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only. For the Prohibited Shareholders, the Company will send copies of this prospectus to them for their information only, but the Company will not send any Application Forms and EAFs to the Prohibited Shareholders.

To qualify for the Open Offer, a Shareholder must (i) be registered as a member of the Company at the close of business on the Record Date; and (ii) be a Qualifying Shareholder. In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge transfers of the Shares (together with the relevant share certificates) with the Registrar for registration no later than 4:30 p.m. on 10 June 2015.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Closure of register of members

The branch register of members of the Company will be closed from 11 June to 17 June 2015, both dates inclusive, for the purpose of determining the entitlements of the Qualifying Shareholders for the Open Offer. No transfers of Shares will be registered during the book closure period. In order to qualify for the Open Offer, all transfer forms accompanied by the relevant share certificates must be lodged with the Registrar by 4:30 p.m. on 10 June 2015.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Accordingly, the Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong. Shareholder whose address on the register of members of the Company is in a place outside Hong Kong, may not be eligible to take part in the Open Offer. The Company will send this prospectus (but not the Application Form or the EAF), for information purposes only, to the Prohibited Shareholders (if any), if and to the extent legally and practically permissible.

LETTER FROM THE BOARD

Having reviewed the register of members of the Company as at the Latest Practicable Date, the Company noted that there were 5 Overseas Shareholders with addresses in Germany, Switzerland, the United Kingdom and Singapore.

The Company has complied with all necessary requirements specified in Rule 13.36(2)(a) (including notes 1 & 2) of the Listing Rules and has made enquiry with its legal advisers regarding the feasibility of extending the Open Offer to the Overseas Shareholders under the laws of the relevant places and the requirements of the relevant regulatory body or stock exchange.

Based on the legal advice provided by the relevant foreign legal advisers, either (i) there is no legal restriction under the applicable legislation of the relevant jurisdictions or requirement of any relevant regulatory body or stock exchange with respect to the extension of the Open Offer to the Overseas Shareholders in the relevant jurisdictions; or (ii) the Company would be exempted from obtaining approval from, and/or registration of the Prospectus Documents with, the relevant regulatory authorities under the applicable laws and regulations of the relevant jurisdictions since the Company would meet the relevant requirements for exemption under the registered addresses in Germany, Singapore, Switzerland and the United Kingdom, the Directors are of the view that it is expedient to extend the Open Offer to all the Overseas Shareholders in Germany, Singapore, Switzerland and the United Kingdom and hence the said Overseas Shareholders would not be excluded and will be eligible to take part in the open offer. The Prospectus Documents will be sent to each of such Overseas Shareholders.

Based on the relevant legal advice obtained, your attention is drawn to the following statements in respect of Switzerland:

“The Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“**SIX**”) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock ex-change or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company or the Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (“**CISA**”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Shares.”

No person receiving a copy of this prospectus, the Application Form and/or the EAF in any territory or jurisdiction outside Hong Kong may treat it as an offer or an invitation to apply for the Offer Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made

LETTER FROM THE BOARD

without compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person outside Hong Kong (including the ultimate beneficial owner(s) of the Qualifying Shareholders) wishing to make an application for the Offer Shares to satisfy himself as to the observance of the laws and regulations of all relevant jurisdiction, including obtaining any government or other consents, and payment of any taxes and duties required to be paid in such jurisdiction in connection therewith. Completion and return of the Application Form and/or the EAF will constitute a warranty and representation by the relevant applicant(s) to the Company that all registration, legal and regulatory requirements of all relevant territories other than Hong Kong in connection with the acceptance of the Offer Shares have been duly complied with by such applicant(s). For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. If you are in any doubt as to your position, you should consult your professional advisers.

Rights of Prohibited Shareholders

The Prospectus Documents to be issued in connection with the Open Offer will not be registered under the applicable securities legislation of any jurisdictions other than Hong Kong.

Based on the above and given that the register of members has been closed from Thursday, 11 June 2015 to the Record Date and no transfer of Shares has been registered during the book closure period, there will be no Prohibited Shareholders. Accordingly, there is no Prohibited Shareholder in connection with the Open Offer and no Overseas Letter is required to be sent by the Company.

Application for the Offer Shares

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with this prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Latest Time for Acceptance.

Application for excess Offer Shares

Qualifying Shareholders will have the right to apply for any Offer Shares in excess of their own assured allotments under the Application Forms but are not assured of being allocated any Offer Shares in excess of their assured allotments.

Any assured allotments of Offer Shares which have not been accepted by the Qualifying Shareholders, and the Offer Shares created by aggregation of fractional Offer Shares (if any), will be available for excess application by the Qualifying Shareholders.

Application may be made only by the Qualifying Shareholders by completing the EAF(s) and lodging the same with a separate remittance for the excess Offer Shares being applied for. The Directors will allocate the excess Offer Shares at their discretion, but on a fair and equitable basis to Qualifying Shareholders who have applied for the excess Offer Shares based on a pro-rata basis with reference to the number of the excess Offer Shares being applied for under each application.

LETTER FROM THE BOARD

For the avoidance of doubt, the allocation of the Offer Shares in excess of assured entitlement will not be based on the number of Shares held by the relevant Qualifying Shareholders and no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Offer Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to applications for excess Offer Shares. Any Offer Shares not applied for by the Qualifying Shareholders and not taken by excess application will be taken up by the Underwriter.

The Shareholders with their Shares held by a nominee company should note that the Board will regard the nominee as a single shareholder according to the register of members of the Company. Shareholders should note that the number of excess Offer Shares which may be allocated to them may be different where they make applications for excess Offer Shares by different means, such as making applications in their own names as against through nominees who also hold Shares for other Shareholders.

No odd lot matching services will be provided by the Company in respect of the Open Offer as it appears to be not cost-effective for the Company to appoint any designated broker to stand in the market to provide matching services for odd lot of the Offer Shares having considered the fees to be charged by such broker and the market value of the odd lot of the Offer Shares.

Share certificates and refund cheques for the Open Offer

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at the respective Shareholders' own risk on or before Monday, 13 July 2015. If the Open Offer is terminated, refund cheques will be despatched on or before Monday, 13 July 2015 by ordinary post at the respective Shareholders' own risk.

No transfer of nil-paid entitlements

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable. There will not be any trading in nil-paid entitlements on the Stock Exchange.

Fractions of the Offer Shares (if any)

Entitlement to Offer Shares will be rounded down to the nearest whole number. Fractional entitlements to the Offer Shares will not be issued but will be aggregated and sold for the benefit of the Company.

Conditions of the Open Offer

The Open Offer is conditional upon, *inter alia*, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.

LETTER FROM THE BOARD

Application for listing

The Company has applied to the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares (in board lots of 20,000), which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

THE UNDERWRITING AGREEMENT AND UNDERTAKINGS

Date:	18 May 2015
Underwriter:	VOL, a company incorporated under the laws of the British Virgin Islands, the issued shares of which are all indirectly and beneficially owned by Ms. Chong and its ordinary course of business does not include underwriting; a substantial Shareholder and a connected person of the Company. As at the Latest Practicable Date, VOL, together with its beneficial owner and parties acting in concert (within the meaning of the Takeovers Code, including Taskwell) with any of them, is beneficially interested in 1,519,760,849 Shares, representing approximately 24.80% of the issued share capital of the Company.
Total number of Offer Shares being underwritten by the Underwriter:	A maximum of 2,304,003,571 Offer Shares (being all Offer Shares excluding the Offer Shares which have been undertaken to be subscribed by VOL and by Taskwell) to be issued pursuant to the Open Offer subject to the terms and conditions of the Underwriting Agreement. Taking into account the Taskwell Irrevocable Undertaking and the VOL Irrevocable Undertaking, the Open Offer is fully underwritten.
Commission:	2% of the aggregate Subscription Price in respect of the maximum number of Underwritten Shares

LETTER FROM THE BOARD

The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Group, the size of the Open Offer, and the current and expected market conditions. The Directors (including the independent non-executive Directors) consider the terms of the Underwriting Agreement including the commission rate are fair and reasonable so far as the Company and the Shareholders are concerned.

At the meeting of the Board convened to consider the Open Offer, for the underwriting of the Open Offer, the Board approached VOL, and VOL had expressed its interest in acting as the underwriter for the Open Offer for an underwriting fee of 2% on the Subscription Price of the Underwritten Shares. Having considered that VOL, being a substantial Shareholder which has a good understanding of the business of the Group, had expressed its intention to subscribe in full of its entitlement under the Open Offer and its proposed underwriting fee of 2% being within the lower range of market rates for similar transactions, the Board considered the fee to be fair and reasonable and that it would be in the interest of the Company and the Shareholders as a whole for the Company and VOL entered into the Underwriting Agreement.

According to the Underwriting Agreement, VOL irrevocably undertakes to the Company:

- (1) that the Shares owned by it as at the date of the Underwriting Agreement will remain beneficially owned by it from the date of the Announcement up to the close of business on the Record Date;
- (2) not to sell or dispose or transfer or agree to sell or dispose or transfer any of the Shares held by it from the date of the Announcement up to the close of business on the Record Date;
- (3) that VOL itself, its associates or its nominees shall subscribe for in full or procure the taking up and payment in full the Offer Shares to be allotted and issued to it under its entitlement pursuant to the Open Offer; and
- (4) to lodge the Application Form(s) in respect of the Offer Shares accompanied by the appropriate remittances which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

Placing arrangement for maintaining public float

Pursuant to the public float requirements under Rule 8.08(1)(a) of the Listing Rules, the public Shareholders, at all times, must at least hold 25% of the total issued share capital of the Company. Accordingly, the Underwriter has irrevocably undertaken to the Company that if the underwriting arrangement in respect of the Open Offer results in less than 25% of the total issued share capital of the Company held by the public Shareholders, the Underwriter has undertaken to place down its shareholding interests in the Company to Independent Third Parties in order to comply with the public float requirement under the Listing Rules.

LETTER FROM THE BOARD

Conditions of the Underwriting Agreement

The Underwriting Agreement is conditional, among other things, upon the following conditions being fulfilled:

- (1) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) not later than the Prospectus Posting Date;
- (2) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of this prospectus and the Overseas Letter to the Prohibited Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (3) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the first day of their dealings;
- (4) (if necessary) the Company shall procure a copy of the Prospectus Documents to be delivered to the Registrar of Companies in Bermuda for filing as soon as applicable;
- (5) (if necessary) the Bermuda Monetary Authority granting consent to the issue of the Offer Shares by the Latest Time for Termination or such other time as the Underwriter may agree with the Company in writing;
- (6) the obligations of the Underwriter becoming unconditional and the Underwriting Agreement is not terminated in accordance with its terms;
- (7) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement;
- (8) compliance with and performance of all undertakings and obligations of VOL under the VOL Irrevocable Undertaking;
- (9) compliance with and performance of all undertakings and obligations of Taskwell under the Taskwell Irrevocable Undertaking; and
- (10) compliance with the requirements under the applicable laws and regulations of Hong Kong and Bermuda.

LETTER FROM THE BOARD

Conditions set out above are not capable of being waived. If the above conditions are not fulfilled in whole by the Latest Time for Termination (or such later date or dates as the Underwriter may agree with the Company in writing), the Underwriting Agreement shall terminate and (save for any antecedent breach of the Underwriting Agreement and any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) no party will have any claim against any other party for costs, damages, compensation or otherwise. If the Underwriting Agreement terminates in accordance with its terms, the Open Offer will not proceed.

As at the Latest Practicable Date, none of the conditions have been fulfilled.

Termination of the Underwriting Agreement

If, prior to the Latest Time for Termination:

- (a) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (b) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or

LETTER FROM THE BOARD

- (c) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (d) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (e) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (f) any matter which, had it arisen or been discovered immediately before the date of this prospectus and not having been disclosed in this prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (g) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer.

If the Underwriter exercises such right, the Open Offer will not proceed.

Upon giving any of such notice, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and no party thereunder shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement and the Company shall not be liable to pay any underwriting commission.

VOL Irrevocable Undertaking and Taskwell Irrevocable Undertaking

As at the Latest Practicable Date, VOL directly owned 1,466,721,400 Shares, representing approximately 23.93% of the issued share capital of the Company, and Taskwell directly owns 53,039,449 Shares, representing approximately 0.87% of the issued share capital of the Company. Pursuant to the VOL Irrevocable Undertaking and the Taskwell Irrevocable Undertaking, VOL and Taskwell have irrevocably undertaken to the Company and the Underwriter that they will subscribe for an aggregate of 759,880,424 Offer Shares (being 733,360,700 Offer Shares in respect of VOL and 26,519,724 Offer Shares in respect of Taskwell) which will be allocated to them as Shareholders under the Open Offer.

LETTER FROM THE BOARD

Save for the above, as of the Latest Practicable Date, the Board has not received any information from any of the other substantial shareholders of their intention either to or not to take up the Offer Shares which they are entitled to under the Open Offer.

PROCEDURES FOR APPLICATION

The Application Form is enclosed with this prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of Offer Shares as shown therein subject to payment in full by the Latest Time for Acceptance. Qualifying Shareholders should note that they may subscribe for any number of Offer Shares only up to the number set out in the Application Form.

If Qualifying Shareholders wish to exercise their rights to subscribe for all the Offer Shares offered to them as specified in the Application Form or to exercise their rights to subscribe for any number less than their entitlements under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have subscribed for with the Registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by not later than 4:00 p.m. on Friday, 3 July 2015. All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with, or bankers' cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "**APAC Resources Limited — Open Offer Account**" and crossed "**Account Payee Only**".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by not later than 4:00 p.m. on Friday, 3 July 2015, the relevant assured allotment of Offer Shares and all rights and entitlements in relation thereto shall be deemed to have been declined and will be cancelled.

The Application Form contains full information regarding the procedures to be followed if you wish to accept the whole or part of your assured entitlement.

All cheques or cashier's orders accompanying completed Application Form will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of an Application Form with a cheque and/or cashier's order, will constitute a warranty by the applicant that the cheque and/or cashier's order will be honoured on first presentation. Any application in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of Offer Shares will be refunded, without interests, by sending a cheque

LETTER FROM THE BOARD

made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed “Account Payee Only”, through ordinary post at the risk of the applicant(s) to the address specified in the register of members of the Company on or before Monday, 13 July 2015.

Save as described under the paragraph headed “Rights of Overseas Shareholders” above, no action has been taken to permit the offering of the Offer Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving this prospectus or the Application Form in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Offer Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone receiving the Prospectus Documents outside Hong Kong wishing to make an application for the Offer Shares to satisfy himself/herself/itself before subscribing for the assured allotted Offer Shares, as to the full observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in any such jurisdiction in connection therewith. The Company reserves the right to refuse to accept any application for the Offer Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for the Offer Shares will be accepted from any person who is a Prohibited Shareholder.

The Company will not allot any fractions of Offer Shares. The Application Form is for use only by the person(s) name therein and is not transferable.

No receipt will be issued in respect of any application monies received.

APPLICATION FOR EXCESS OFFER SHARES

Qualifying Shareholders are entitled to apply for (i) Offer Shares allotted on an assured basis but not accepted by the Qualifying Shareholders and (ii) any unsold fractions of Offer Shares allotted on an assured basis but not accepted by the Qualifying Shareholders.

If you as a Qualifying Shareholder wish to apply for any Offer Shares in excess of your assured allotment indicated on the Application Form enclosed with this prospectus, you must complete and sign the enclosed EAF in accordance with the instructions printed thereon and lodge it, together with a separate remittance for the full amount payable on application in respect of the excess Offer Shares applied for, with the Registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, by no later than 4:00 p.m. on Friday, 3 July 2015.

All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, or cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to **“APAC Resources Limited — Excess Application Account”** and crossed **“Account Payee Only”**.

LETTER FROM THE BOARD

All cheques and cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies shall be retained for the benefit of the Company. Any EAF in respect of which the accompanying cheque or cashier's order is dishonored on first presentation is liable to be rejected and cancelled. If no excess Offer Shares are allotted to the Qualifying Shareholders, it is expected that a cheque for the full amount tendered on application for the excess Offer Shares without interest will be posted to the Qualifying Shareholder's address on the register of member of the Company by ordinary post at is/her/its/their own risk on or before Monday, 13 July 2015. If the number of excess Offer Shares allotted to the Qualifying Shareholders is less than that applied for, it is expected that a cheque for the amount of the surplus application monies, without interest, will be posted to the Qualifying Shareholder's address on the register of members of the Company by ordinary post at his/her/its/their own risk on or before Monday, 13 July 2015.

No action has been taken to permit the offering of the Offer Shares or the distribution of this prospectus or the EAF in any territory outside Hong Kong and therefore the EAF for excess Offer Shares may not be used by the Prohibited Shareholders. Subject to the paragraph headed "Rights of the Overseas Shareholders" above, no person receiving a copy of the EAF for excess Offer Shares in any territory outside Hong Kong may treat it as an offer or invitation to apply for excess Offer Shares, unless in the relevant territory such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements. Subject as referred to below, it is the responsibility of anyone outside Hong Kong wishing to make an application for the excess Offer Shares to satisfy himself/herself/itself/themselves as to the observance of the laws and regulations of the relevant territory, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such territory in connection therewith. No application for excess Offer Shares will be accepted from any person whose address is outside Hong Kong unless the Company is satisfied (in its absolute discretion) that such acceptance would not involve a breach of any applicable laws or regulatory requirements of any need for compliance with any registration or other legal or regulatory requirements. The Company reserves the right to refuse to accept any application for excess Offer Shares where it believes that doing so would violate the applicable securities or other laws or regulations of the territory of residence of the applicant.

If the Underwriter exercises its right to terminate its obligations under the Underwriting Agreement before the Latest Time for Termination, the Open Offer will not proceed and the monies received in respect of applications for excess Offer Shares without interest will be returned to the Qualifying Shareholders or, in the case of joint applicants, to the first named person, by means of cheques crossed "Account Payee Only" to be despatched by ordinary post to their registered addresses and in the case of joint applicants to the registered address of the applicant whose name first appears on the register of members of the Company at their own risk on or before Monday, 13 July 2015.

LETTER FROM THE BOARD

WARNING OF THE RISK OF DEALINGS IN THE SHARES

The Open Offer is conditional, *inter alia*, upon the fulfillment of the conditions set out above in the section headed “Conditions of the Underwriting Agreement” of this letter. The Underwriter is entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as described in this prospectus. The Open Offer is also subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Open Offer may or may not proceed.

Any dealings in the Shares from the date of this prospectus up to the date on which all the conditions of the Open Offer are fulfilled will bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares are advised to consult their own professional advisers.

POSSIBLE MANDATORY CASH OFFER

As at the Latest Practicable Date, VOL and Taskwell are interested in an aggregate of 1,519,760,849 Shares, representing approximately 24.80% of the issued share capital of the Company. In the event that VOL is called upon to subscribe for the Offer Shares pursuant to the Underwriting Agreement (assuming nil subscription by the Qualifying Shareholders under the Open Offer other than VOL and Taskwell), the shareholding interest of VOL and Taskwell will increase from approximately 24.80% to a maximum of approximately 49.87% of the issued share capital of the Company as enlarged by the issue of the Offer Shares.

If, as a result of taking up any Offer Shares by VOL under the underwriting commitment pursuant to the Underwriting Agreement, VOL and Taskwell acquire more than 5.2% of the voting rights of the Company under the Open Offer, it will give rise to an obligation on the part of VOL, Taskwell, Ms. Chong and parties acting in concert with any of them to make a mandatory offer for all the Shares other than those already owned or agreed to be acquired by them under Rule 26 of the Takeovers Code. The lowest percentage held by VOL and Taskwell in the 12 months prior to and including the date of the Announcement is approximately 24.80%.

In the event that an obligation to make the General Offer is triggered, Yu Ming Investment Management Limited will, on behalf of the Potential Offeror, make a mandatory cash offer in accordance with Rule 26 of the Takeovers Code to acquire all the issued Shares other than those already owned or agreed to be acquired by the Potential Offeror.

It is the intention of the Potential Offeror that the listing of Shares on the Stock Exchange should be maintained. Accordingly, the Potential Offeror will take appropriate steps to ensure that not less than 25% of the issued Shares will be held by the public immediately following the close of the General Offer.

LETTER FROM THE BOARD

If the General Offer is made, it will be made in accordance with the following terms:

For each Offer Share HK\$0.10 in cash

The Offer Price of HK\$0.10 for each Offer Share is the same as the Subscription Price to be paid by the Potential Offeror for each Offer Share under the Underwriting Agreement.

The General Offer is a possibility only. The possible obligation of the Potential Offeror to make the General Offer in accordance with Rule 26 of the Takeovers Code may only arise after completion of the Open Offer. The Open Offer is conditional on the Underwriting Agreement becoming unconditional and the Underwriting Agreement not being terminated by the Latest Time for Termination.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

	As at the Latest Practicable Date		Assuming all Offer Shares are taken up by the Qualifying Shareholders		Assuming none of the Offer Shares are taken up by the Qualifying Shareholders (Note)	
	<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
VOL, Taskwell, Ms. Chong and parties acting in concert with any of them	1,519,760,849	24.80	2,279,641,273	24.80	4,583,644,844	49.87
Shougang Fushan Resources Group limited	956,000,000	15.60	1,434,000,000	15.60	956,000,000	10.40
Public Shareholders	<u>3,652,007,141</u>	<u>59.60</u>	<u>5,478,010,712</u>	<u>59.60</u>	<u>3,652,007,141</u>	<u>39.73</u>
Total	<u><u>6,127,767,990</u></u>	<u><u>100.00</u></u>	<u><u>9,191,651,985</u></u>	<u><u>100.00</u></u>	<u><u>9,191,651,985</u></u>	<u><u>100.00</u></u>

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Company is an investment holding company. The Group is an established natural resource investment fund and commodity trading house which owns strategic interests in natural resource companies with the main business lines comprising of primary strategic investment; resource investment; and commodity trading business, focused primarily on metals and energy.

The Company will raise approximately HK\$306.4 million, before expenses, by way of Open Offer of 3,063,883,995 Offer Shares of the Company and the estimated net cash proceeds from the Open Offer will be approximately HK\$300.0 million. The price per Offer Share net of expenses is approximately HK\$0.0979. One of the two principal businesses of the Group is investment in the resources sector. The Company intends to use the net cash proceeds as to approximately HK\$270

LETTER FROM THE BOARD

million for the Group's investment business with a focus on the natural resources sector to be invested as and when such investing opportunities arise, with the remaining balance of HK\$30 million as working capital of the Group.

The Euromoney Global Mining 100 Index has a CAGR of 4.5% over the past 20 years due to the long-term global trend of increasing urbanisation and industrialisation, which increases demand for commodities over the long run. However, given the slowdown in China, the index is currently trading near 10-year lows. The current weakness presents an uncommon opportunity to buy quality natural resources assets and companies at discounts to underlying value.

It has been, and remains, the Group's focus to continue to look for deep value investment opportunities in listed and unlisted securities globally in the resources sector, which will generate attractive returns over the long run. Net proceeds from the Open Offer will further add to the Group's readily available internal financial resources, allowing the Group to take advantage of good investment opportunities on a timely basis as and when such opportunities arise.

The Company has not currently identified any investment targets in the natural resources sector and no material negotiations are currently taking place.

The Board has considered other fund raising alternatives before resorting to the Open Offer, including but not limited to debt financing, placing of new Shares and rights issue. Debt financing will result in additional interest burden, higher gearing ratio of the Group and subject the Group to repayment obligations. In addition, debt financing may not be achievable on favourable terms on a timely basis under volatile market conditions. Placing of new Shares would only be available to certain placees who were not necessarily the existing Shareholders and would dilute the shareholding of the existing Shareholders. Although a rights issue can provide a way out to those Shareholders who do not wish to take up the entitlements by selling nil-paid rights, a rights issue will involve extra administrative work and cost for the trading arrangements in relation to the nil-paid rights. Having considered and taken into account the extra administrative work and additional cost which will be involved for the trading arrangement of nil-paid rights, and given that all Qualifying Shareholders can have an equal opportunity to maintain their interests in the Company, the Board considers that it is important for the Group to minimise all costs which may be incurred during the fund raising. The Open Offer allows the Group to strengthen its balance sheet and capital base without facing the burden of higher interest costs. In view of the above, the Board considered that raising funds by way of the Open Offer is more cost-effective and efficient and beneficial to the Company and its Shareholders as a whole than a rights issue as it offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and enables the Qualifying Shareholders to maintain their proportionate interests in the Company and continue to participate in the future development of the Company should they wish to do so. The Board considers it is prudent to finance the Group's long term growth by long term financing, preferably in the form of equity which will not increase the Group's finance costs.

The Directors consider that the Open Offer will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and, hence the Directors consider that fund raising through the Open Offer is in the best interests of the

LETTER FROM THE BOARD

Company and the Shareholders as a whole. However, assuming that the Open Offer proceeds to completion, those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholding in the Company will be diluted.

FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE LATEST PRACTICABLE DATE

The Company has not conducted any fund raising exercise during the past twelve months immediately preceding the Latest Practicable Date.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the appendices to this prospectus.

By Order of the Board
APAC Resources Limited
Andrew Charles Ferguson
Executive Director

1. FINANCIAL INFORMATION

Financial information of the Group for the six months ended 31 December 2014 and each of the three years ended 30 June 2012, 30 June 2013 and 30 June 2014 are disclosed in the following documents which have been published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the websites of the Company (<http://www.apacresources.com> and [apac.quamir.com](http://www.apac.quamir.com)):

- annual report of the Company for the year ended 30 June 2012 published on 22 October 2012 (page 40 to page 107);
- annual report of the Company for the year ended 30 June 2013 published on 25 October 2013 (page 42 to page 112);
- annual report of the Company for the year ended 30 June 2014 published on 31 October 2014 (page 39 to page 112); and
- interim report of the Company for the six months ended 31 December 2014 published on 17 March 2015 (page 15 to page 39).

2. INDEBTEDNESS STATEMENT

As at the close of business on 30 April 2015, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this prospectus, the Group had outstanding securities margin loans of approximately HK\$99,351,000 secured against certain shares of the Group's listed associates. Bank deposits of approximately HK\$80,134,000 were pledged to secure banking facilities of the Group, such facilities had not been drawn down as at the close of business on 30 April 2015.

Save as aforesaid and apart from intra-group liabilities, the Group did not have any other outstanding borrowings, mortgages, charges, debentures, loan capital or bank overdrafts, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities at the close of business on 30 April 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this prospectus.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the existing cash and bank balances and other internal resources available and also the estimated net proceeds from the Open Offer, the Group has sufficient working capital for its present requirements and for at least 12 months from the date of this prospectus in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

Save for (i) the information set out in the section headed “5. Financial and Trading Prospects of the Group” of this appendix; and (ii) the financial performance of the Group for the six months ended 31 December 2014 as set out in the interim report of the Company for the six months ended 31 December 2014 (the “**2014 Interim Report**”), in particular, a significant loss compared with a significant profit attributable to owners of the Company for the year ended 30 June 2014 and a significant drop in net asset value and equity attributable to owners of the Company, which were mainly due to the net impairment provision against the carrying value of the Group’s investment in the two principal listed associates, details of which are set out in the 2014 Interim Report, the Directors confirm that there are no other material changes in the financial or trading position or outlook of the Group subsequent to 30 June 2014, being the date to which the latest published audited financial statements of the Group was made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

For the first five months of 2015, commodities remained subdued amid weak first quarter economic data in China and US. China GDP growth fell to 7% year-on-year in the first quarter of 2015, which is the slowest quarterly growth since 2009 and industrial production growth fell to 5.6% year-on-year in March this year. US GDP in the first quarter of 2015 was recently revised downward from 0.2% growth to a decline of 0.7% (annualised).

However, the outlook for the rest of the year is stronger. Despite a lackluster first quarter, US employment is improving and the market now expects the Federal Government of the United States to lift interest rates in September 2015. China has demonstrated its willingness to stimulate the economy by reducing the reserve requirement ratio by 1% in April, the second time since February 2015, and has lowered interest rates three times since November 2014. Given its role as a key buyer for most commodities, demand for commodities remains intrinsically linked to the performance of the Chinese economy.

Iron ore prices were generally weak in the first five months of 2015 albeit with some seasonal fluctuations. Steel production and iron ore demand growth is slowing while major iron ore producers continue to substantially grow low cost production. In the medium term, analysts expect the market to remain oversupplied, and do not forecast a sustained rebound in the iron ore price.

The outlook for gold remains tied to US economic data and the fortunes of the US Dollar, its perceived value as a safe haven investment, demand from key markets like China and India, and expectations for net buying from central banks. It will also fluctuate in line with sentiment around the health of the global economy generally. While the US dollar denominated gold price has traded around US\$1,200/oz in recent months, the Australian dollar denominated gold price remains relatively strong, and is currently close to A\$1,560/oz.

The Group's primary strategic investments remain focused on sensible low risk acquisitions and general cost cutting, and aim to be well positioned for strong margin expansion when prices turn. Mount Gibson Iron Limited ("**Mount Gibson**") (ASX: MGX), an Australian Stock Exchange listed associate of the Group, suffered from a failure of the Koolan Island Main Pit seawall in late 2014, and as a result, mining operations have been suspended at the Main Pit. This has impacted our commodity business which was mainly comprised of two offtake agreements with Mount Gibson. Nonetheless, Mount Gibson retains a substantial cash balance of A\$324 million at 31 March 2015, which provides significant potential to grow via careful acquisition. It is also focused on optimising and extending production at Extension Hill.

Metals X Limited ("**Metals X**") (ASX: MLX), an Australian Stock Exchange listed associate of the Group, continues to generate significant free cash flow from its gold and tin operations and its last reported cash plus working capital was about A\$123 million. The company plans to start production from its Central Murchison Gold project plus substantially increase output from South Kalgoorlie, Western Australia targeting additional annual production of over 200,000oz per annum by the end of 2015.

ABM Resources NL (ASX: ABU), a resource investment of the Group, is progressing to a full production scenario and is on track to start commercial production in mid-2015.

While headline commodity prices are likely to remain weak, the Group sees an opportunity for significant margin expansion for specific producers, given lower commodity currencies and oil price, and general industry cost deflation. The Group remains defensive and selective with its investments in the near term, and continues to look for deep value opportunities which will generate attractive returns over the long run.

A. UNAUDITED PRO FORMA STATEMENT OF CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of consolidated net tangible assets of the Group attributable to the owners of the Company (the “Unaudited Pro Forma Financial Information”) has been prepared by the Directors in accordance with Rule 4.29 of the Listing Rules to illustrate the effect of the Open Offer on the unaudited consolidated net tangible assets of the Group as if the Open Offer had taken place on 31 December 2014.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited net tangible assets of the Group attributable to owners of the Company as at 31 December 2014, as extracted from the published interim report of the Company for the six months ended 31 December 2014, and is adjusted for the effect of the Open Offer.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not reflect a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Open Offer.

	Unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2014	Estimated net proceeds from the Open Offer	Unaudited pro forma consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion of the Open Offer
	<i>HK\$'000</i> <i>(Note 1)</i>	<i>HK\$'000</i> <i>(Note 2)</i>	<i>HK\$'000</i> <i>(Note 3)</i>
Based on 3,063,883,995 Offer Shares to be issued	1,895,049	300,000	2,195,049

HK cents

Unaudited consolidated net tangible assets of the Group per Share attributable to the owners of the Company as at 31 December 2014 before the completion of the Open Offer (*Note 4*) 30.9

Unaudited pro forma consolidated net tangible assets of the Group per Share attributable to the owners of the Company immediately after completion of the Open Offer (*Note 5*) 23.9

Notes:

- (1) The amount is the unaudited consolidated net assets of the Group, which is extracted from the unaudited condensed consolidated statement of financial position of the Group as at 31 December 2014 stated in the interim report of the Company issued on 27 February 2015.
- (2) The estimated net proceeds from the Open Offer of approximately HK\$300,000,000 are based on 3,063,883,995 Offer Shares to be issued at the Subscription Price of HK\$0.10 per Offer Share and after deduction of estimated related expenses, include among others, underwriting commission, financial advisory fee and other professional fees, which are directly attributable to the Open Offer, of approximately HK\$6,388,400.
- (3) The unaudited pro forma consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion of the Open Offer represents the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2014 plus the estimated net proceeds from the Open Offer as set out in Note 2 above.
- (4) The number of shares used for the calculation of the unaudited consolidated net tangible assets of the Group per Share attributable to the owners of the Company as at 31 December 2014 prior to completion of the Open Offer is based on 6,127,767,990 Shares of the Company as at 31 December 2014.
- (5) Unaudited pro forma consolidated net tangible assets of the Group per Share attributable to the owners of the Company as at 31 December 2014 immediately after completion of the Open Offer is determined based on the unaudited pro forma consolidated net tangible assets of the Group attributable to the owners of the Company immediately after completion of the Open Offer of approximately HK\$2,195,049,000, divided by 9,191,651,985 Shares which represents
 - (i) 6,127,767,990 Shares of the Company in issue as at 31 December 2014; and
 - (ii) 3,063,883,995 Offer Shares to be issued pursuant to the Open Offer.
- (6) No adjustment has been made to any trading result or other transactions of the Group entered into subsequent to 31 December 2014.

The following is the text of an accountants' report, prepared for the sole purpose of inclusion in this prospectus, received from the independent reporting accountants, Deloitte Touche Tohmatsu, in respect of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION**

Deloitte.
德勤

**Independent Reporting Accountants' Assurance Report on the Compilation of Unaudited Pro
Forma Financial Information**

To the Directors of APAC Resources Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of APAC Resources Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2014 and related notes as set out in Appendix II to the prospectus issued by the Company dated 18 June 2015 (the "Prospectus"). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described in Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed open offer of 3,063,883,995 new shares to be issued by the Company at a subscription price of HK\$0.10 per offer share ("Open Offer") on the Group's net tangible assets attributable to the owners of the Company as at 31 December 2014 as if the Open Offer had taken place at 31 December 2014. As part of this process, information about the Group's net tangible assets attributable to the owners of the Company has been extracted by the Directors from the Group's unaudited condensed consolidated financial statements for the six months ended 31 December 2014.

DIRECTORS' RESPONSIBILITIES FOR THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2014 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion:

- (a) the unaudited pro forma financial information of the Group has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

18 June 2015

1. RESPONSIBILITY STATEMENT

This prospectus, for which the Directors collectively and individually accept full responsibility, include particulars given in compliance with the 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 prospectus (other than information relating to the Potential Offeror) is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately upon completion of the Open Offer are as follows:

Share Capital:

20,000,000,000 Shares

Issued and fully paid share capital or credited as fully paid:

6,127,767,990 Shares in issue as at the Latest Practicable Date

3,063,883,995 Offer Shares to be issued

9,191,651,985 Shares in issue and fully paid immediately upon completion of the Open Offer

As at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

All Shares in issue rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital.

The issued Shares are listed and traded on the Main Board of the Stock Exchange. None of the securities of the Company is listed, or dealt in, on any other exchange, nor is any listing of or permission to deal in the securities of the Company being, or proposed to be, sought on any other stock exchange.

There are no arrangements under which future dividends will be waived or agreed to be waived.

No share capital of the Company or any member of the Group is under option, or agreed conditionally or unconditionally to be put under option.

3. DISCLOSURE OF INTERESTS

(i) Directors

(a) Directors' interests in the Company

As at the Latest Practicable Date, the interests of the Directors in the Shares and the underlying Shares and any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Name of Director	Capacity	Number of Shares or underlying Shares held	Approximate % of interest held
Ms. Chong (<i>Note</i>)	Beneficial owner and interest of controlled corporations	4,583,644,844 (<i>Note 2</i>)	74.80
Mr. Andrew Charles Ferguson	Beneficial owner	25,000,000	0.41

Notes:

- The percentage of shareholding is calculated on the basis of the Company's issued share capital of 6,127,767,990 shares as at the Latest Practicable Date.
- Of the 4,583,644,844 Shares, 1,519,760,849 Shares held by (i) VOL as to 1,466,721,400 shares, a wholly-owned subsidiary of China Spirit Limited ("**China Spirit**") in which Ms. Chong maintains a 100% beneficial interest; and (ii) Taskwell as to 53,039,449 shares, a wholly-owned subsidiary of Besford International Limited ("**Besford**") which in turn is a wholly-owned subsidiary of COL. As at the Latest Practicable Date, COL was 74.34% owned by VOL.

Therefore, Ms. Chong is deemed to have interest in the shares in which Taskwell and VOL are interested.

Under the SFO, Taskwell is deemed to be interested in 26,519,724 Shares, being the number of Offer Shares it undertakes to subscribe pursuant to the Taskwell Irrevocable Undertaking. Further, under the SFO, VOL is deemed to be interested the total number of 3,037,364,271 Shares it undertakes to subscribe and underwrite pursuant to the VOL Irrevocable Undertaking and the Underwriting Agreement. As such, together with her interests as set out above, Ms Chong is interested in a total of 4,583,644,844 Shares.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors or chief executives of the Company and their associates had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) *Directors' interests in assets and contracts of the Company*

1. On 25 November 2013, APAC Resources Treasury Management Limited (“**APAC Resources BVI**”, a direct wholly-owned subsidiary of the Company), Mulpha SPV Limited (“**Mulpha SPV**”) and Mulpha International Bhd. (“**Mulpha**”) entered into an agreement (“**2013 Loan Note Agreement**”), pursuant to which APAC Resources BVI agreed to subscribe for the loan note (the “**2013 Mulpha Loan Note**”) of nominal amount of US\$30 million issued by the Mulpha SPV and Mulpha agreed to act as the guarantor to the 2013 Mulpha Loan Note issued by Mulpha SPV.
2. On 4 September 2014, APAC Resources BVI, Mulpha SPV and Mulpha entered into an agreement (“**2014 Loan Note Agreement**”), pursuant to which APAC Resources BVI agreed to subscribe for the loan note (the “**2014 Mulpha Loan Note**”, together with the 2013 Mulpha Loan Note are collectively referred to as the “**Mulpha Loan Notes**”) of nominal amount of US\$10 million issued by the Mulpha SPV and Mulpha agreed to act as the guarantor to the 2014 Mulpha Loan Note issued by Mulpha SPV.

Mulpha SPV was a wholly owned subsidiary of Mulpha. Mr. Lee Seng Hui (“**Mr. Lee**”), a non-executive director of the Company was deemed to be interested in the Mulpha Loan Notes by virtue of his brother, Mr. Lee Seng Huang, a non-independent executive chairman of Mulpha, who had a deemed interest of 40.55% in the issued share capital of Mulpha at the Latest Practicable Date. Details of the Mulpha Loan Notes were disclosed as a discloseable transaction in the announcements dated 23 November 2013 and 4 September 2014 of the Company.

3. Pursuant to facility letters dated 16 December 2011, 19 March 2012, 11 April 2014 and 4 September 2014, Sun Hung Kai Investment Services Limited (“**SHKIS**”) provided several security margin loans (the “**Security Margin Loan Facilities**”) in an aggregate sum of HK\$553 million to the Group. The Security Margin Loan Facilities are secured against certain marketable

securities of the Group. As at the Latest Practicable Date, the outstanding amount under the Security Margin Loan Facilities was approximately HK\$58 million. Mr. Lee, a non-executive director, was interested in the provision of the Security Margin Loan Facility to the Group by virtue of his interest in Sun Hung Kai & Co. Limited, which indirectly holds a 30% interest in the issued share capital of SHKIS.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors were materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors has or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to member of the Group since 30 June 2014, being the date to which the latest published audited accounts of the Group were made up.

(c) *Directors' Service Contracts*

Each of Dr. Wong Wing Kuen, Albert and Mr. Chang Chu Fai, Johnson Francis and Mr. Robert Moyse Willcocks has entered into a letter of appointment with the Company for a term of three years which took effect from 1 June 2012, and shall continue to be valid during the said term until terminated by the relevant Director by giving not less than one months' notice, or terminated by the Company in accordance with the bye-laws of the Company or the Listing Rules. Other than disclosed above, as at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into any service contract with the Company or any other member of the Group which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

(d) *Competing interests*

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective close associates had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group, or has or may have any other conflicts of interest with the Group.

(ii) Substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the following persons (other than the Directors or chief executives of the Company) had interests or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Name of Substantial Shareholder	Capacity	Number of Shares or underlying Shares held	Approximate % of interest held
Benefit Rich Limited	Beneficial owner (<i>Note 2</i>)	956,000,000	15.60
Shougang Fushan Resources Group Limited	Interest of a controlled corporation (<i>Note 2</i>)	956,000,000	15.60
China Spirit	Interest of a controlled corporation (<i>Notes 3, 4 and 5</i>)	4,583,644,844	74.80
VOL	Beneficial owner and interest of controlled corporations (<i>Notes 3, 4 and 5</i>)	4,583,644,844	74.80

Notes:

- The percentage of shareholding is calculated on the basis of the Company's issued share capital of 6,127,767,990 shares as at the Latest Practicable Date.
- These shares are held by Benefit Rich Limited ("**Benefit Rich**"), a wholly-owned subsidiary of Shougang Fushan Resources Group Limited ("**Shougang Fushan**"). Accordingly, Shougang Fushan is deemed to have the same long position as Benefit Rich under the SFO.
- Of the 4,583,644,844 Shares, 1,519,760,849 Shares are held by (i) VOL as to 1,466,721,400 shares, a wholly-owned subsidiary of China Spirit in which Ms. Chong maintains a 100% beneficial interest; and (ii) Taskwell as to 53,039,449 shares, a wholly-owned subsidiary of Besford which in turn is a wholly-owned subsidiary of COL. As at the Latest Practicable Date, COL was 74.34% owned by VOL. Therefore, Ms. Chong is deemed to have interest in the shares in which COL is interested through her 100% interest in China Spirit.
- Under the SFO, Taskwell is deemed to be interested in the 26,519,724 Offer Shares it undertakes to subscribe pursuant to the Taskwell Irrevocable Undertaking. As such, together with their respective interests as set out in note (3) above, each of Taskwell, Besford, COL, VOL and China Spirit is deemed to be interested in a total of 79,559,173 Shares under the Taskwell Irrevocable Undertaking.

5. Under the SFO, VOL is deemed to be interested in the total number of 3,037,364,271 Shares it undertakes to subscribe and underwrite pursuant to the VOL Irrevocable Undertaking and the Underwriting Agreement. As such, together with its direct and indirect interests as set out in notes (3) and (4) above, VOL is deemed to be interested in a total of 4,583,644,844 Shares.

Other than disclosed herein, as at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the Company had not been notified of any other interests or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or any persons (other than the Directors and chief executive of the Company) who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying the right to vote in all circumstance at general meeting of any member of the Group.

As at the Latest Practicable Date, save and except for information above, no other Director nor any parties acting in concert with any of them was interested in any Shares or any convertible securities, warrants, options or derivative in respect of Shares.

4. CORPORATE INFORMATION

Board of Directors

Name

Address

Executive Directors

Ms. Chong Sok Un	32/F, China Online Centre 333 Lockhart Road, Wanchai, Hong Kong
Mr. Andrew Charles Ferguson	32/F, China Online Centre 333 Lockhart Road, Wanchai, Hong Kong
Mr. Kong Muk Yin	32/F, China Online Centre 333 Lockhart Road, Wanchai, Hong Kong

Non-executive Directors

Mr. Lee Seng Hui	32/F, China Online Centre 333 Lockhart Road, Wanchai, Hong Kong
Mr. So Kwok Hoo	32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong

Name	Address
<i>Independent non-executive Directors</i>	
Dr. Wong Wing Kuen, Albert	32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong
Mr. Chang Chu Fai, Johnson Francis	32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong
Mr. Robert Moyses Willcocks	32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong
<i>Senior management</i>	
Mr. Wong Wai Keung Frederick	32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong
Registered office	Clarendon House 2 Church Street Hamilton HM11 Bermuda
Head office and principal business of business	32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong
Company Secretary	Mr. Wong Wai Keung, Frederick
Authorised representative	Mr. Wong Wai Keung, Frederick 32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong
	Mr. Andrew Charles Ferguson 32/F, China Online Centre 333 Lockhart Road, Wanchai Hong Kong

Auditor	Deloitte Touche Tohmatsu 35/F One Pacific Place 88, Queensway Hong Kong
Principal bankers	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road, Hong Kong Bank of Communications Co., Ltd Hong Kong Branch 20 Pedder Street, Central, Hong Kong Industrial and Commercial Bank of China (Asia) Limited ICBC Tower 3 Garden Road, Hong Kong
Principal share registrar and transfer office in Bermuda	MUFG Fund Services (Bermuda) Limited The Belvedere Building 69 Pitts Bay Road Pembroke HM08 Bermuda
Hong Kong branch registrar and transfer office	Tricor Secretaries Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Stock code	1104
Websites	http://www.apacresources.com apac.quamir.com

5. PARTIES INVOLVED IN THE OPEN OFFER

The Company	APAC Resources Limited
Underwriter	Vigor Online Offshore Limited TrustNet Chambers, P.O. Box 3444, Road Town, Tortola, British Virgin Islands
Legal advisers to the Company	<i>As to Hong Kong law:</i> Robertsons 57/F., The Center 99 Queen's Road Central Hong Kong <i>As to Bermuda law:</i> Conyers Dill & Pearman 2901 One Exchange Square 8 Connaught Place Central, Hong Kong
Reporting Accountants	Deloitte Touche Tohmatsu

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

7. MATERIAL CONTRACTS

The following contracts (not being entered into in the ordinary course of business) have been entered into by the members of the Group within two years preceding the Latest Practicable Date and which are or may be material:

- (a) 2013 Loan Note Agreement;
- (b) 2014 Loan Note Agreement;
- (c) the loan agreement entered into between, among others, Fortune Arm Limited (the “**Lender**”) and Rising Peak Investment Guangzhou Company Limited (the “**Borrower**”) and dated 26 January 2014 in relation to the term loan of amount of HK\$218,320,000 (or such other equivalent currency as agreed by the parties), as amended by the supplemental agreement dated 25 July 2014 and second supplemental agreement dated 30 April 2015;

- (d) the agreement of assignment of shareholder's loan dated 26 January 2014 relating to the assignment of a shareholder's loan and entered into between Tian An (Guangzhou) Investments Co., Ltd. ("PRC Company A") as assignor and 亞太資源(青島)有限公司(the "WFOE") as assignee, as amended by the supplemental agreement dated 25 July 2014 and second supplemental agreement dated 30 April 2015;
- (e) the debenture dated 26 January 2014 created by the Borrower as chargor in favour of the Lender as chargee over all the undertakings, property and/or assets of the Borrower, as amended by the supplemental agreement dated 25 July 2014 and second supplemental agreement dated 30 April 2015;
- (f) the pledge dated 26 January 2014 created by the Borrower in favour of the WFOE as mortgagee over all the Borrower's equity interests in PRC Company A, as amended by the supplemental agreement dated 25 July 2014 and second supplemental agreement dated 30 April 2015;
- (g) the charge over the land use right of a parcel of land situated in the Guangdong Province, PRC, created by PRC Company A in favour of the WFOE dated 26 January 2014, as amended by the supplemental agreement dated 25 July 2014 and second supplemental agreement dated 30 April 2015;
- (h) the property mortgages dated 26 January 2014 and created by PRC Company A in favour of the WFOE, as amended by the supplemental agreement dated 25 July 2014 and second supplemental agreement dated 30 April 2015;
- (i) the share mortgage dated 26 January 2014 and created by the mortgagor in favour of the Lender as mortgagee over the share of the Borrower, as amended by the supplemental agreement dated 25 July 2014 and second supplemental agreement dated 30 April 2015;
- (j) the sale and purchase agreements dated 23 January 2014 in relation to the sale and purchase of certain properties, which is under development in the PRC, entered into between, among others, the WFOE as purchaser;
- (k) the Underwriting Agreement;
- (l) the Taskwell Irrevocable Undertaking; and
- (m) the VOL Irrevocable Undertaking.

Save as disclosed above, the Group did not enter into any contract which are or may be material other than those entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries) within the two years preceding the Latest Practicable Date.

8. PARTICULARS OF DIRECTORS

Executive Directors

Ms. Chong Sok Un (莊舜而), *MH*, aged 60, was appointed as an Executive Director of the Company on 6 July 2007 and has been re-designated as the Chairman of the Company since 20 October 2009. Ms. Chong holds various directorships in subsidiaries of the Company. Ms. Chong is currently an executive director and the chairman of COL Capital Limited (Stock Code:383), a company listed on the Main Board of the Stock Exchange. Ms. Chong was awarded the Medal of Honour (MH) by the Government of the Hong Kong Special Administrative Region on 1 July 2011. She is a member of the National Committee of the Chinese People's Political Consultative Conference, Guangdong Province, the Honorary Director of the Chinese Red Cross Foundation, Permanent Honorary Chairman of the Hong Kong Federation of Fujian Associations, Vice Chairman of the Hong Kong Federation of Fujian Associations Ladies Committee and Vice Chairman of Hong Kong Fujian Women Association. She is the namer and director of YOT Chong Sok Un Medical Fund (cancer aid) since 2007 and a member of Yan Oi Tong Advisory Board since 2011. Ms. Chong was the chairman of the 31st Term Board of Directors of Yan Oi Tong from 2010-2011 and a director of the 27th Term Board of Directors of Yan Oi Tong from 2006-2007. She was also a director of Po Leung Kuk from 2009-2010. From 25 June 2007 to 23 April 2009, she was a non-executive director of Alibaba Pictures Group Limited (formerly known as ChinaVision Media Group Limited) (Stock Code: 1060), a company listed on the Main Board of the Stock Exchange.

Mr. Andrew Charles Ferguson, aged 42, was appointed as an Executive Director and the Chief Executive Officer of the Company on 12 January 2010. Mr. Ferguson holds various directorships in subsidiaries of the Company. Mr. Ferguson holds a Bachelor of Science Degree in Natural Resource Development and worked as a mining engineer in Western Australia in the mid 90's. In 2003, Mr. Ferguson co-founded New City Investment Managers in the United Kingdom. He has a proven track record in fund management and was the former co-fund manager of City Natural Resources High Yield Trust, which was awarded "Best UK Investment Trust" in 2006. In addition, he managed New City High Yield Trust Ltd. and Geiger Counter Ltd. He worked for New City Investment Managers CQS Hong Kong, a financial institution providing investment management services to a variety of investors. He has 19 years of experience in the finance industry specialising in global natural resources. Being a fund manager for assets in London and Hong Kong, he was responsible for day to day management of portfolios, risk management, business development, relationship management and working with independent boards, custodians and auditors to ensure that all shareholders' funds were managed properly. He is currently a non-executive director of Metals X Limited (Stock Code: MLX) and ABM Resources NL (Stock Code: ABU); and an alternate director to Mr. Lee Seng Hui of Mount Gibson Iron Limited (Stock Code: MGX), all of which are listed on the Australian Stock Exchange. From 4 July 2012 to 28 June 2013, he was a non-executive director of Praetorian Resources Limited (Stock Code: PRAE), a company listed on the AIM market of the London Stock Exchange.

Mr. Kong Muk Yin (江木賢), aged 49, was appointed as an Executive Director of the Company on 4 November 2009. Mr. Kong holds various directorships in subsidiaries of the Company. Mr. Kong graduated from City University of Hong Kong with a Bachelor's Degree in Business Studies. He is a fellow member of The Association of Chartered Certified Accountants, a member of the Hong Kong Institute of Certified Public Accountants and a Chartered Financial Analyst. He has extensive experience in corporate finance, financial management, accounting and auditing. Mr. Kong is currently an executive director of COL Capital Limited (Stock Code: 383), a company listed on the Main Board of the Stock Exchange. He is also a director of Mabuhay Holdings Corporation and IRC Properties, Inc., companies listed on the Philippine Stock Exchange, Inc.. From 4 July 2007 to 24 June 2014, he was an executive director and non-executive director of Alibaba Pictures Group Limited (formerly known as ChinaVision Media Group Limited) (Stock Code: 1060). He was also an executive director of Landing International Development Limited (formerly known as Greenfield Chemical Holdings Limited) (Stock Code: 582) from 13 October 2009 to 21 January 2010. These two companies are listed on the Main Board of the Stock Exchange.

Non-Executive Directors

Mr. Lee Seng Hui (李成輝), aged 46, was appointed as a Non-Executive Director of the Company on 2 October 2009. Mr. Lee graduated with Honours from the Law School of the University of Sydney. Previously, he worked with Baker & McKenzie and N M Rothschild & Sons (Hong Kong) Limited. Mr. Lee is the chief executive and an executive director of Allied Group Limited (Stock Code: 373) and Allied Properties (H.K.) Limited (Stock Code: 56). He is also the chairman and a non-executive director of Tian An China Investments Company Limited (Stock Code: 28). These three companies are listed on the Main Board of the Hong Kong Stock Exchange. He is currently the chairman and a non-executive director of Mount Gibson Iron Limited (Stock Code: MGX), a company listed on the Australian Stock Exchange. Prior to being re-designated as the chairman of MGX on 19 February 2014, Mr. Lee was the deputy chairman of MGX since 14 December 2012. From 5 March 2008 to 7 November 2013, he was the non-executive director of Tanami Gold NL (Stock Code: TAM), a company which is listed on the Australian Stock Exchange.

Mr. So Kwok Hoo (蘇國豪), aged 61, was appointed as a Non-Executive Director of the Company on 20 October 2009. Mr. So has over 24 years of experience in marketing of electrochemical and industrial products sales in Asia Pacific Region together with property investment experience in Hong Kong. Mr. So holds Bachelor degrees in Applied Science with major in Chemical Engineering and Business Administration obtained in Canada. He is currently an executive director and deputy managing director of Shougang Fushan Resources Group Limited (Stock Code: 639), a substantial shareholder of the Company.

Independent Non-Executive Directors

Dr. Wong Wing Kuen, Albert (王永權), aged 63, has been appointed as an Independent Non-Executive Director of the Company since 6 July 2004. Dr. Wong holds a Doctor of Philosophy in Business Administration degree from the Bulacan State University, Republic of the Philippines. He is a fellow member of The Institute of Chartered Secretaries and

Administrators, The Hong Kong Institute of Chartered Secretaries, The Taxation Institute of Hong Kong, Association of International Accountants and Society of Registered Financial Planners. He is a member of Hong Kong Securities Institute, The Chartered Institute of Arbitrators and The Chartered Institute of Bankers in Scotland and a full member of Macau Society of Certified Practising Accountants. Currently, Dr. Wong is the principal consultant of KND & Co. CPA Limited, a private professional accounting firm in Hong Kong. He is also an independent non-executive director of Solargiga Energy Holdings Limited (Stock Code: 757), China Merchants Land Limited (Stock Code: 978) and China VAST Industrial Urban Development Company Limited (Stock Code: 6166). These three companies are listed on the Main Board of the Hong Kong Stock Exchange. He was a non-executive director of Rare Earths Global Limited, a company which was listed on the London Stock Exchange AIM Market, until the company was delisted on 2 May 2014.

Mr. Chang Chu Fai, Johnson Francis (鄭鑄輝), aged 60, was appointed as an Independent Non-Executive Director of the Company on 6 July 2007. Mr. Chang obtained a Bachelor's Degree in Commerce from Concordia University in Montreal, Canada in 1976 and a Master's Degree in Business Administration from York University in Toronto, Canada in 1977. He has over 37 years of experience in banking, corporate finance, investment and management and has held various executive positions at financial institutions and directorships of listed companies. Mr. Chang is currently the Managing Director of Ceres Consultancy Limited and a registered person under the Securities and Futures Ordinance. He is also an independent non-executive director of Tian An China Investments Company Limited (Stock Code: 28). He was the vice chairman and executive director of Royale Furniture Holdings Limited (Stock Code: 1198) and retired from the board at the conclusion of the company's annual general meeting held on 5 June 2015. He was the deputy chairman and an independent non-executive director of SkyOcean International Holdings Limited (formerly known as Allied Overseas Limited) (Stock Code: 593) from 28 October 2004 to 27 January 2014. These three companies are listed on the Main Board of the Hong Kong Stock Exchange.

Mr. Robert Moyse Willcocks, aged 66, was appointed an Independent Non-Executive Director of the Company on 27 July 2007. Mr. Willcocks holds a Bachelor's Degree in Arts and a Bachelor's Degree in Laws from the Australian National University in Australia and a Master's Degree in Laws from the University of Sydney in Australia. He has been an advisor to companies in the mining and resources industry for more than 31 years. He is a former partner with the law firm now called King & Wood Mallesons. He is a former director of Ban-Pu Australia Pty Ltd, Oakbridge Pty Ltd and Bond University Limited and was a member of the Australian Government's International Legal Advisory Committee for the term of its programme. He has held directorships in a number of companies listed on the Australian Stock Exchange, including Emperor Mines Limited, RIMCapital Limited (Chairman), eStar Online Trading Limited, Energy World Corporation Limited, CBH Resources Limited, Orion Petroleum Limited (Chairman) and Mount Gibson Iron Limited (Alternate Director). He is currently an independent director of Living Cell Technologies Limited (Stock Code: LCT) and a non-executive director of ARC Exploration Limited (Stock Code: ARX), both of which are listed on the Australian Stock Exchange. He is non-executive chairman of Trilogy Funds Management Limited, a Responsible Entity under Australian Law.

Senior Management**Mr. Wong Wai Keung, Frederick (黃煒強)**

Chief Financial Officer and Company Secretary

Mr. Wong joined the Company in January 2011 as Chief Financial Officer of the Company and also appointed as the Company Secretary of the Company between 21 April 2011 and 6 December 2011 before he was reappointed on 6 February 2013. Mr. Wong also holds various directorships in subsidiaries of the Company. He is a fellow member of each of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants, and holds a master's degree in electronic commerce. Mr. Wong has over 30 years of accounting, finance, audit, tax and corporate finance experience with international CPA firm and listed companies in the United Kingdom, New Zealand, Hong Kong and Thailand.

9. MISCELLANEOUS

- (i) The secretary of the Company is Mr. Wong Wai Keung, Frederick. Mr. Wong is a fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants.
- (ii) The registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.
- (iii) The principal place of business is 32/F, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong.
- (iv) The Hong Kong branch registrar and transfer office of the Company are Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (v) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (vi) As at the Latest Practicable Date, save for the Taskwell Irrevocable Undertaking and the VOL Irrevocable Undertaking, the Board had not received any information from any of the other Substantial Shareholders (as defined under the Listing Rules) of their intention either to or not to take up the Offer Shares to be provisionally allotted or offered to them under the Open Offer.
- (vii) The English text of this prospectus shall prevail over the Chinese text.

10. EXPERT AND CONSENT

The following are the qualification of the expert who has given opinion or advice contained in this prospectus:

Name	Qualification
Deloitte Touche Tohmatsu	Certified Public Accountants

Deloitte Touche Tohmatsu has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and references to its name in the form and context in which it appear.

Deloitte Touche Tohmatsu does not has any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

Deloitte Touche Tohmatsu does not have or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 30 June 2014, being the date to which the latest published audited accounts of the Group were made up.

11. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents, together with copies of the written consent referred to in the paragraph headed “10. Expert and Consent” in this appendix have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

12. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges, registration and other related expenses, are estimated to amount to approximately HK\$6.4 million and are payable by the Company.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company at 32/F, China Online Centre, 333 Lockhart Road, Wanchai Hong Kong during normal business hours on any weekday other than public holidays from the date of this prospectus, up to and including the Latest Time for Acceptance:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the material contracts referred to in the paragraph headed “7. Material Contracts” in this appendix;
- (c) the annual reports of the Company for each of the two financial years ended 30 June 2013 and 2014;
- (d) the 2014 Interim Report;
- (e) the accountants’ report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this prospectus;
- (f) the written consent of the expert referred to in the section headed “10. Expert and Consent” in this appendix;
- (g) a copy of each circular published since 30 June 2014, being the date of the latest published audited accounts (if any); and
- (h) the Prospectus Documents.