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**APAC RESOURCES
APAC RESOURCES LIMITED**

亞太資源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1104)

DISCLOSEABLE TRANSACTION

ACQUISITION OF SHARES IN NORTHERN STAR

The Board announces that on 23 April 2020, the Subsidiary acquired in aggregate 300,000 shares in Northern Star (representing approximately 0.04% of the total issued share capital of Northern Star as at the date of this announcement) through on-market transactions conducted on the ASX for an aggregate consideration of approximately A\$3,992,000 (equivalent to approximately HK\$19,701,000) (exclusive of transaction costs), representing approximately A\$13.31 (equivalent to approximately HK\$65.67) per share.

Prior to the Acquisition, the Subsidiary acquired an aggregate of 875,001 shares in Northern Star within a 12-month period prior to the date of the Acquisition (representing approximately 0.12% of the total issued share capital of Northern Star as at the date of this announcement) through on-market transactions conducted on the ASX for an aggregate consideration of approximately A\$9,837,000 (equivalent to approximately HK\$47,955,000) (exclusive of transaction costs), representing approximately A\$11.24 (equivalent to approximately HK\$54.81) per share. 360,001 shares in Northern Star acquired by the Subsidiary in the Previous Acquisitions have been disposed through on-market disposals on the ASX before the Acquisition. For the avoidance of doubt, none of the applicable percentage ratio(s) for the disposal of 360,001 shares in Northern Star exceed 5%, and as such, the disposal is not subject to disclosure requirements under Chapter 14 of the Listing Rules.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio(s) for the Acquisition does not exceed 5% on a stand-alone basis, the entering of the Acquisition is not subject to disclosure requirements under Chapter 14 of the Listing Rules.

As the applicable percentage ratio(s) for the Acquisition, when aggregated with the Previous Acquisitions which were conducted within 12 months of the Acquisition, is more than 5% but less than 25%, the Acquisition together with the Previous Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

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After the Acquisitions, the Group holds 815,000 shares in Northern Star, representing approximately 0.11% of the total issued share capital of Northern Star as at the date of this announcement.

As the Acquisitions were conducted through the open market, the identity(ies) of the counterparty(ies) of the Acquisitions cannot be ascertained by the Group. However, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Directors believe that the counterparty(ies) and its/their ultimate beneficial owner(s) in the Acquisitions is/are Independent Third Parties.

CONSIDERATION

The aggregate consideration for the Acquisitions is approximately A\$13,829,000 (equivalent to approximately HK\$67,656,000) (exclusive of transaction costs) and shall be/have been (as the case may be) fully settled in cash from the Company's internal resources.

The consideration of the Acquisitions were determined by reference to the prevailing trading prices of the shares of Northern Star on the ASX at the time of the relevant acquisitions.

INFORMATION ON THE COMPANY AND THE GROUP

The Company is a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange. The Group is an established 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, mining and energy and investment in financial assets.

INFORMATION ON NORTHERN STAR

Northern Star is a company limited by shares incorporated in Australia, the shares of which are listed on the ASX (Stock Code: NST). It is a global-scale Australian gold producer with Tier-1 world-class projects located in highly prospective and low sovereign risk regions of Australia and North America. Northern Star operated three concentrated centres with a total annual production in the financial year ended 30 June 2019 of 840,580 oz at an all-in sustaining costs of A\$1,296 per ounce and a track record of paying fully-franked dividends.

Based on the audited consolidated financial statements of Northern Star, the consolidated net profit before and after taxation for the financial years ended 30 June 2018 and 2019 and the consolidated net assets of Northern Star as at 30 June 2018 and 2019 are as follows:

	For the year ended 30 June			
	2019		2018	
	<i>A\$'000</i>	<i>HK\$'000</i>	<i>A\$'000</i>	<i>HK\$'000</i>
Consolidated net profit before taxation	214,784	1,176,093	277,772	1,611,605
Consolidated net profit after taxation	154,711	847,151	194,113	1,126,224
	As at 30 June			
	2019		2018	
	<i>A\$'000</i>	<i>HK\$'000</i>	<i>A\$'000</i>	<i>HK\$'000</i>
Consolidated net assets	1,114,935	6,105,050	821,436	4,765,890

Note: The translation of A\$ into HK\$ is based on the exchange rate of HK\$5.8019 to A\$1 and HK\$5.4757 to A\$1 as at 30 June 2018 and 30 June 2019 respectively.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

Northern Star's strategy of balancing organic growth with well executed merger and acquisition has generated over A\$9.8 billion of value for shareholders since its first acquisition in 2010. This strategy has been achieved through operational excellence, investing heavily into exploration, growing production, optimising assets and financially disciplined inorganic growth. Northern Star has returned 31% of all equity capital raised in the form of fully-franked dividends to its shareholders since its first acquisition in 2010.

The recent US\$775 million acquisition of 50% of Kalgoorlie Consolidated Gold Mines Pty Ltd from Newmont Goldcorp Corporation catapults Northern Star into a plus-1Moz per annum gold producer.

Northern Star has reacted quickly and prudently to the COVID-19 threat to protect the health and safety of its workforce and other key stakeholders in the business. It has also protected its strong financial position with A\$534 million in cash and bullion as at late March 2020.

Northern Star provides a good leverage having considered the gold price which had increased 35% to US\$1,714 per ounce in the year to 23 April 2020. Given the huge expansion in central bank balance sheets to backstop asset values, analysts expect a continued increase in the gold price, with Bank of America recently forecasting US\$3,000 per ounce as a 18-month target. Having considered the market gold price, as well as Northern Star's track record, gold production, historical shareholder returns and cash position, the Directors consider that the Acquisitions are attractive investments and can enhance the returns on investment for the Company.

As the Acquisitions were traded at market price, the Directors (including the independent non-executive Directors) are of the view that the Acquisitions were fair and reasonable, on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

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As the applicable percentage ratio(s) for the Acquisition, when aggregated with the Previous Acquisitions which were conducted within 12 months of the Acquisition, is more than 5% but less than 25%, the Acquisition together with the Previous Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“A\$”	Australian dollar(s), the lawful currency of Australia;
“Acquisition”	the acquisition of 300,000 shares in Northern Star in aggregate by the Subsidiary through on-market transactions conducted on the ASX on 23 April 2020 for an aggregate consideration of approximately A\$3,992,000 (equivalent to approximately HK\$19,701,000) (exclusive of transaction costs);
“Acquisitions”	the Acquisition and the Previous Acquisitions;
“ASX”	the Australian Securities Exchange;
“Board”	the board of Directors;
“Company”	APAC Resources Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1104);
“COVID-19”	novel coronavirus (COVID-19), a coronavirus identified as the cause of an outbreak of respiratory illness;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Northern Star”	Northern Star Resources Limited, a company limited by shares incorporated in Australia, the shares of which are listed on the ASX (Stock Code: NST);

“Previous Acquisitions”	the acquisitions of 875,001 shares in Northern Star in aggregate by the Subsidiary through on-market transactions conducted on the ASX within a 12-month period prior to the date of the Acquisition for an aggregate consideration of approximately A\$9,837,000 (equivalent to approximately HK\$47,955,000) (exclusive of transaction costs);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	APAC Resources Commodity Trading Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Company;
“US\$”	United States dollar(s), the lawful currency of the United States of America; and
“%”	per cent.

Unless otherwise stated, amounts in A\$ have been translated into HK\$ at the exchange rate on the relevant dates of the Acquisition and the Previous Acquisitions at HK\$4.9351 and HK\$4.8750 respectively to A\$1 for illustration purpose only. No representation has been made that any amount in A\$ or HK\$ can be or could have been converted at the relevant date at the above rate or any other rates at all.

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

Hong Kong, 23 April 2020

As at the date of this announcement, the directors of the Company are:

Executive Directors

Mr. Brett Robert Smith (*Deputy Chairman*) and Mr. Andrew Ferguson (*Chief Executive Officer*)

Non-Executive Directors

Mr. Arthur George Dew (*Chairman*) (*Mr. Wong Tai Chun, Mark as his alternate*), Mr. Lee Seng Hui and Mr. So Kwok Hoo

Independent Non-Executive Directors

Dr. Wong Wing Kuen, Albert, Mr. Chang Chu Fai, Johnson Francis and Mr. Wang Hongqian

* *For identification purpose only*