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**Asia Resources Holdings Limited**  
**亞洲資源控股有限公司\***

(Incorporated in Bermuda with limited liability)  
(Stock Code: 899)

**PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**PLACING AGENT**

**HANI SECURITIES (H.K.) LIMITED**

**THE PLACING**

On 6 November 2009, after trading hours, the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, up to 320,000,000 Placing Shares to not fewer than six Places at a price of HK\$0.26 per Placing Share.

The maximum of 320,000,000 Placing Shares under the Placing represent (i) approximately 18.9% of the existing issued share capital of the Company of 1,692,600,590 Shares as at the date of this announcement; and (ii) approximately 15.9% of the Company's issued share capital of 2,012,600,590 Shares as enlarged by the Placing Shares.

On the assumption that all Placing Shares are fully placed, the gross proceeds arising from the Placing will be approximately HK\$83.2 million and the net proceeds arising from the Placing will amount to approximately HK\$80.7 million which is intended to be used for settlement of part of the acquisition price for the Acquisition and general working capital of the Group. The net proceeds raised per Placing Share upon the completion of the Placing will be approximately HK\$0.252 per Placing Share.

The Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares.

**Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **THE PLACING AGREEMENT**

**Date:** 6 November 2009, after trading hours

**Issuer:** The Company

**Placing Agent:** Hani Securities (H.K.) Limited

The Placing Agent has conditionally agreed to place a maximum of 320,000,000 Placing Shares on a best effort basis. The Directors are of the view that the placing commission payable to the Placing Agent pursuant to the Placing Agreement is at normal market rate, and therefore it is fair and reasonable.

### **Placees**

The Placing Agent agreed to place the Placing Shares on a best effort basis, to no less than six Placees (whom and whose ultimate beneficial owners, the Placing Agent reasonably believes to be independent professional, institutional or other private investor(s) who (i) are not Connected Persons of the Company; and (ii) are independent of each other, the Company and its Connected Persons during the period from the date of the Placing Agreement up to the completion of the Placing.

### **Placing Shares**

The maximum number of 320,000,000 Placing Shares under the Placing represent (i) approximately 18.9% of the existing issued share capital of the Company of 1,692,600,590 Shares as at the date of this announcement; and (ii) approximately 15.9% of the Company's issued share capital of 2,012,600,590 Shares as enlarged by the Placing Shares.

### **Ranking of Placing Shares**

The Placing Shares will, upon issue, rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

### **Placing Price**

The Placing Price of HK\$0.26 represents (i) a discount of approximately 17.46% to the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a discount of approximately 6.47% to the average closing prices of HK\$0.278 per Share for the last 5 consecutive trading days up to and including the Last Trading Day; and (iii) a discount of approximately 0.54% to the average closing

prices of HK\$0.261 per Share for the last 10 consecutive trading days up to and including the Last Trading Day. After deduction of relevant expenses of Placing, the net placing price per Placing Share is HK\$0.252.

The Placing Price was determined with reference to the prevailing market price of the Share and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions and the Placing is in the interests of the Company and the Shareholders as a whole.

### **General Mandate**

The Placing Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the issued share capital of the Company as at the date of the AGM, (i.e. 338,520,118 Shares, representing 20% of 1,692,600,590 Shares in issue as at the date of the AGM). Up to the date of this announcement, no shares have been issued under the General Mandate. The Placing is not subject to Shareholders' approval.

### **Conditions of the Placing**

Completion of the Placing is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares; and
- (ii) the Placing Agreement not being terminated in accordance with the terms of the Placing Agreement, including provisions regarding force majeure event.

### **Termination**

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 6:00 pm on the date of immediately preceding the Completion Date if it comes to the notice of the Placing Agent that:

- (i) the Placing Shares cannot be issued and allotted in accordance with the Memorandum and Bye-laws and with all relevant laws of Hong Kong and Bermuda and shall at the Completion Date, be free from all liens, charges, encumbrances and third-party rights of whatsoever nature and together with all rights attaching thereto at the Completion Date; and

- (ii) the Company does not have full power, authority and shareholders' consent to issue the Placing Shares.

Upon termination of the Placing Agreement pursuant to grounds as stated above, all liabilities of the Company and the Placing Agent under the Placing Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

### **Completion of the Placing**

Completion of the Placing will take place within third Business Days after the fulfillment of the conditions as set out in the Placing Agreement by not later than 5 February 2010 or such later date to be agreed in writing between the Company and the Placing Agent.

**Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Board considers that the Placing represents a good opportunity to broaden the Shareholders base and to raise capital for the Company for its future business developments. The Directors consider that the Placing is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

On the assumption that all Placing Shares are fully placed, the gross proceeds arising from the Placing will be approximately HK\$83.2 million and the net proceeds arising from the Placing will amount to approximately HK\$80.7 million which is intended to be used for settlement of part of the acquisition price for pursuing the project of exploiting the Iron Ore Mine upon completion of the Acquisition (as defined in the Announcement, which term is defined below) and for general working capital of the Group.

As mentioned in the Company's announcement (“**Announcement**”) dated 3 November 2009, the Company has entered into an acquisition agreement for the Acquisition, which is subject to the shareholders' approval. Part of the proceeds

arising from the Placing would be applied to the settlement of the acquisition price for the Acquisition in relation to the Iron Ore Mine.

The net proceeds raised per Placing Share upon the completion of the Placing will be approximately HK\$0.252 per Placing Share.

## **EFFECTS ON SHAREHOLDING STRUCTURE**

The existing and enlarged shareholding structure of the Company immediately before and after the completion of the Placing is set out below:

	<b>As at the date of this announcement</b>		<b>Immediately after completion of the Placing</b>	
	<b>No. of Shares</b>	<b>Approx. percentage</b>	<b>No. of Shares</b>	<b>Approx. percentage</b>
Golden Mount (Note)	210,000,000	12.41%	210,000,000	10.43%
<b>Public</b>				
Landstar Investments Ltd	129,380,827	7.64%	129,380,827	6.43%
Joinsmart Asia Ltd	111,660,000	6.60%	111,660,000	5.55%
China Life Trustees Ltd	84,590,000	5.00%	84,590,000	4.20%
Placeses	-	0.00%	320,000,000	15.90%
Other public shareholders	<u>1,156,969,763</u>	<u>68.35%</u>	<u>797,469,763</u>	<u>57.49%</u>
	<u>1,692,600,590</u>	<u>100%</u>	<u>1,551,440,590</u>	<u>100%</u>

Note: Golden Mount is owned by Mr. Chim Pui Chung who is the father of Mr. Chim Kim Lun, Ricky, a Director.

## **FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

Reference is made to the Company's announcements dated 27 May 2009, 29 June 2009, 21 July 2009 and 24 August 2009. As set out in the Company's announcements dated 29 June 2009, 21 July 2009 and 24 August 2009, the Company had conducted and completed three tranches of placing of 88,500,000 new Shares at the placing price of HK\$0.397 per new Share, 111,660,000 new Shares at the placing price of HK\$0.30 per new Share, and 81,000,000 new Shares at the placing price of HK\$0.25 under the General Mandate (the "Placings"), respectively. The aggregate net proceeds of approximately HK\$87.88 million arising from the Placings have been used or will be used for settlement of part of the acquisition price for pursuing the project of exploiting the Target Iron Mine (as defined in the Company's circular dated 31 March 2009) and for the general working capital of the Group.

Save for disclosed above, the Company has no other fund raising activities in the past twelve months.

## **GENERAL**

The Group is principally engaged in (i) manufacturing and sales of pharmaceutical products and (ii) iron mining business.

## **TERMS USED IN THIS ANNOUNCEMENT**

In this announcement, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein.

“AGM”	the annual general meeting of the Company held on 25 August 2009
“Board”	board of Directors
“Business Day”	any day (not being a Saturday, Sunday and public or statutory holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Asia Resources Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion Date”	the third Business Day next following the day on which permission obtained from the Listing Committee of the Stock Exchange to list and deal in the Placing Shares
“Connected Person(s)”	has the meaning given to that term in the Listing Rules
“Directors”	directors of the Company
“General Mandate”	the general mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Last Trading Day”	6 November 2009, being the last trading day for the Shares, the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individual, institutional or other professional investor procured by the Placing Agent to subscribe for any Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement
“Placing”	the placing of up to 320,000,000 Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Hani Securities (H.K.) Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities), type 4 regulated activity (advising on securities), type 6 regulated activity (advising on corporate finance ) and type 9 regulated activity (assets management) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 6 November 2009 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.26 per Placing Share
“Placing Share(s)”	an aggregate of up to 320,000,000 new Shares to be allotted and issued and placed through Placing Agent pursuant to the terms and conditions of the Placing Agreement
“Share(s)”	the ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By Order of the Board  
**Asia Resources Holdings Limited**  
Chim Kim Lun, Ricky  
*Chairman*

Hong Kong, 6 November 2009

*As at the date of this announcement, the executive Directors of the Company are Mr. Chim Kim Lun, Ricky, Mr. Chan Sung Wai, Mr. Chan Shun Yuen and Mr. Wong King Lam, Joseph and the independent non-executive Directors are Mr. Yiu Fai Ming, Mr. Zhang Xianlin and Tse Yuk Kong.*

\*For identification purposes only