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**IR Resources Limited**

**同仁資源有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8186)**

**PROPOSED SHARE CONSOLIDATION  
AND  
PROPOSED CHANGE IN BOARD LOT SIZE**

**PROPOSED SHARE CONSOLIDATION AND PROPOSED CHANGE IN BOARD LOT SIZE**

The Company proposes to implement the Share Consolidation on the basis that every four (4) issued and unissued New Shares upon the Capital Reorganisation becoming effective will be consolidated into one (1) Consolidated Share. The Company also proposes to change the board lot size for trading in the Consolidated Shares from 10,000 New Shares to 50,000 Consolidated Shares upon the Share Consolidation becoming effective. The Share Consolidation will be subject to the approval of the Shareholders.

The SGM will be convened and held for the Shareholders to consider and if, thought fit, approve the Share Consolidation. A circular containing further information on the Share Consolidation and the Change in Board Lot Size and a notice to convene the SGM will be despatched to the Shareholders on or before 31 March 2016.

**PROPOSED SHARE CONSOLIDATION**

The Company proposes to implement the Share Consolidation on the basis that every four (4) issued and unissued New Shares upon the Capital Reorganisation becoming effective will be consolidated into one (1) Consolidated Share. Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Consolidated Shares regardless of the number of share certificates held by such holder.

## **Effects of the Share Consolidation**

Upon completion of the proposed Capital Reorganisation and the Rights Issue, there will be 28,863,460,615 New Shares (assuming there will be no change in the number of issued Shares from the date of this announcement up to the record date of the rights issue mentioned above) in issue. Upon the Share Consolidation becoming effective, there will be 7,215,865,153 Consolidated Shares in issue.

The Consolidated Shares will rank pari passu in all respects with each other in accordance with the Company's bye-laws. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operation, management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares which may arise.

## **Conditions of the Share Consolidation**

The Share Consolidation is conditional upon the following:

- (i) the passing of the necessary resolution(s) by the Shareholders to approve the Share Consolidation at the general meeting of the Company; and
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares to be issued.

## **Listing Application**

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation taking effect.

## **PROPOSED CHANGE OF BOARD LOT SIZE**

The Company also proposes to change the board lot size for trading in the New Shares from 10,000 New Shares to 50,000 Consolidated Shares upon the Share Consolidation becoming effective.

## **EXCHANGE OF SHARE CERTIFICATES**

Subject to the Share Consolidation having become effective, Shareholders may during the specified period submit share certificates for New Shares to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Ltd., at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in exchange, at the expense of the Company, for new share certificates for Consolidated Shares. Thereafter, certificates for New Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each share certificate for New Shares cancelled or each new share certificate issued for Consolidated Shares, whichever number of certificates cancelled/issued is higher. Nevertheless, certificates for New Shares will continue to be good evidence of legal title and may be exchanged for certificates for Consolidated Shares at any time.

## **ODD LOT ARRANGEMENT**

In order to alleviate the difficulties arising from the existence of odd lots of the New Shares arising from the Change of Board Lot Size, the Company will appoint a designated broker to provide matching services for the sale and purchase of odd lots of the New Shares on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the New Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers. Further details in respect of the odd lots trading arrangement will be set out in the circular to be despatched to the Shareholders.

## **EXPECTED TIMETABLE FOR THE CHANGE IN BOARD LOT SIZE**

Despatch of circular .....	On or before Thursday, 31 March 2016
Latest time for lodging proxy form .....	Tuesday, 17 May 2016*
SGM .....	Thursday, 19 May 2016*
Publication of poll results of the SGM .....	Thursday, 19 May 2016

### **The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation:**

Effective date of the Share Consolidation and the Change of Board Lot Size .....	Friday, 20 May 2016
Dealing in the Consolidated Shares commences. ....	9:00 a.m. on Friday, 20 May 2016

- Original counter for trading in New Shares in board lots of 10,000 New Shares (in the form of existing share certificates) temporarily closes. . . . . Friday, 20 May 2016
- Temporary counter for trading in the Consolidated Shares in board lots of 2,500 Consolidated Shares (in the form of existing share certificates) opens. . . . . Friday, 20 May 2016
- First day for free exchange of existing share certificate for the Consolidated Shares . . . . . Friday, 20 May 2016
- Original counter for trading in Consolidated Shares in new board lots of 50,000 Consolidated Shares (in the form of new share certificates) re-opens. . . . . Friday, 3 June 2016
- Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) commences . . . . . Friday, 3 June 2016
- Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares. . . . . Friday, 3 June 2016
- Temporary counter for trading in the Consolidated Shares in board lots of 2,500 Consolidated Shares (in the form of existing share certificates) closes. . . . . Friday, 24 June 2016
- Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends . . . . . Friday, 24 June 2016
- Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares. . . . . Friday, 24 June 2016
- Last day of free exchange of existing share certificates for new share certificates for the Consolidated Shares. . . . . Tuesday, 28 June 2016

\* *details of the time and venue of the proposed general meeting and the latest time for lodging the proxy form will be disclosed in the Company's circular to be despatched to the Shareholders.*

Further announcement(s) will be made by the Company for changes, if any, in the expected timetable for implementation of the Share Consolidation and the associated trading arrangements as mentioned in this announcement.

## **REASONS FOR THE SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE**

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of the issuer approaches the extremities of HK\$0.01, the issuer is required either to change the trading method or to proceed with a consolidation of its securities. As such, the Company proposes to implement the Share Consolidation so as to comply with the relevant trading requirements under the GEM Listing Rules. Furthermore, the Share Consolidation will increase the trading price per board lot of the Shares and reduce the overall transaction and handling costs of dealing in the Shares, which in turn enhance the attractiveness of the Shares. Accordingly, the directors of the Company are of the view that the Share Consolidation is in compliance with the GEM Listing Rules and is in the interest of the Company and the Shareholders as a whole.

## **GENERAL**

The SGM will be convened and held for the Shareholders to consider and if, thought fit, approve the Share Consolidation. A circular containing further information on the Share Consolidation and the Change in Board Lot Size and a notice to convene the SGM will be despatched to the Shareholders on or before 31 March 2016.

**Shareholders and potential investors of the Company should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## **DEFINITIONS**

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

“Capital Reorganisation”	the capital reorganisation proposed to be undertaken by the Company, details of which are disclosed in the announcement of the Company dated 24 February 2016
“Change in Board Lot Size”	the proposed change in board lot size for trading in the New Shares from 10,000 New Shares to 50,000 Consolidated Shares upon the Share Consolidation having become effective
“Company”	IR Resources Limited, a company incorporated in Bermuda with limited liability with its issued shares listed on The Growth Enterprise Market of the Stock Exchange
“Consolidated Shares”	ordinary shares of the Company after the Share Consolidation having become effective

“Directors”	the directors of the Company
“GEM Listing Rules”	The Rules Governing the Listing of Securities on The Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“New Share(s)”	the ordinary share(s) of HK\$0.001 each in the share capital of the Company upon the Capital Reorganisation becoming effective
“Rights Issue”	the rights issue proposed to be undertaken by the Company, details of which are disclosed in the announcement of the Company dated 24 February 2016
“SGM”	the special general meeting of the Company to be convened and held for its shareholders to consider, and if thought fit, approve the Share Consolidation
“Shares”	the existing ordinary share(s) of HK\$0.05 each in the share capital of the Company prior to the Capital Reorganisation becoming effective or the New Shares (as the context may be)
“Shareholder(s)”	holder(s) of issued Share(s)
“Share Consolidation”	the proposed consolidation of every 4 issued New Shares into 1 Consolidated Share in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong

By Order of the Board of Directors of  
**IR Resources Limited**  
**Yu Xiao Min**  
*Chairperson*

Hong Kong, 29 February 2016

*As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely, Ms. Yu Xiao Min, Ms. Xu Miaoxia and Mr. Zeng Lingchen; and three independent non-executive directors, namely Ms. Pang King Sze, Rufina, Mr. Hong Bingxian and Mr. Kenneth Hung.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 announcement 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 this announcement misleading.*

*This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for seven days from the date of its publication and on the website of the Company at <http://www.irresources.com.hk>.*