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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**

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The Company proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares 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 Shares to 20,000 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, among other things, further information on the Share Consolidation and the Change in Board Lot Size and the notice to convene the SGM will be despatched to the Shareholders on or before 31 May 2016.

#### **THE PROPOSED SHARE CONSOLIDATION**

The Company proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares will be consolidated into one (1) Consolidated Share. Fractional Consolidated Shares, if any, arising from the Share Consolidation, 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**

As disclosed in the circular of the Company dated 22 March 2016, the Company proposed to implement a rights issue (the “Rights Issue”) involving, among other things, the allotment and issue of 26,239,509,650 new Existing Shares (the “Rights Shares”) to the qualifying Shareholders. As disclosed in the said circular, it is anticipated that trading in the Rights Shares will commence on 30 May 2016. Based on the 2,623,950,965 Existing Shares in issue as at the date of this announcement and taking into account of the 26,239,509,650 Rights Shares to be allotted and issued (and assuming that there will be no further change in the number of issued Existing Shares prior to the Share Consolidation having become effective), there will be 5,772,692,123 Consolidated Shares in issue after the Share Consolidation becoming effective.

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.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated 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 Consolidated 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.

## **Conditions of the proposed 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 the approval for the listing of, and the permission to deal in, the Consolidated Shares to be issued.

Subject to the above conditions, the Share Consolidation will become effective on Wednesday, 22 June 2016, which is the next day immediately following the date of SGM on which Shares are traded on the Stock Exchange.

## **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 proposed Share Consolidation taking effect.

## **PROPOSED CHANGE IN BOARD LOT SIZE**

The Company also proposes to change the board lot size for trading in the Shares on the Stock Exchange from 10,000 Shares to 20,000 Shares upon the Share Consolidation becoming effective.

## **EXCHANGE OF SHARE CERTIFICATES**

Subject to the Share Consolidation having become effective, Shareholders may, from Wednesday, 22 June 2016 to Friday, 29 July 2016 (both days inclusive), submit share certificates for Existing Shares to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, 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 the Consolidated Shares. Thereafter, certificates for the Existing 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 the Existing Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever number of certificates cancelled/issued is higher. With effect from Monday, 1 August 2016, trading will only be in the Consolidated Shares in the form of new share certificates and the existing share certificates of the Shares will cease to be valid for trading and settlement purpose. Nevertheless, certificates for the Existing Shares will continue to be good evidence of legal title and may be exchanged for certificates for the Consolidated Shares at any time.

## **ODD LOT ARRANGEMENT**

In order to alleviate the difficulties arising from the existence of odd lots of the Shares arising from the Change in Board Lot Size, the Company will appoint a designated broker to provide matching services for the sale and purchase of odd lots of the Shares on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the 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

The expected timetable for the Share Consolidation and the Change in Board Lot Size is set out below. The expected timetable is subject to the results of the SGM and is therefore for indicative purpose only. All times and dates in this announcement refer to Hong Kong local times and dates.

Despatch of circular . . . . . On or before Tuesday, 31 May 2016

Latest time for lodging proxy form . . . . . 3:30 p.m. on Sunday, 19 June 2016

SGM . . . . . 3:30 p.m. on Tuesday, 21 June 2016\*

Publication of poll results of the SGM . . . . . Tuesday, 21 June 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 . . . . . 9:00 a.m. on Wednesday, 22 June 2016

First day of free exchange of existing share certificate  
for new share certificate . . . . . Wednesday, 22 June 2016

Commencement of dealings in the Consolidated Shares. . . . . 9:00 a.m. on Wednesday, 22 June 2016

Original counter for trading in Shares in board lots . . . . . 9:00 a.m. on Wednesday, 22 June 2016  
of 10,000 Shares (in the form of existing share  
certificates) temporarily closes

Temporary counter for trading in the Consolidated Shares. . . 9:00 a.m. on Wednesday, 22 June 2016  
in board lots of 2,000 Consolidated Shares  
(in the form of existing share certificates) opens

Original counter for trading in Consolidated Shares in . . . . . 9:00 a.m. on Thursday, 7 July 2016  
new board lots of 20,000 Consolidated Shares  
(in the form of new share certificates) re-opens

Parallel trading in the Consolidated Shares . . . . . 9:00 a.m. on Thursday, 7 July 2016  
(in the form of new share certificates and  
existing share certificates) commences

Designated broker starts to stand in the market to provide. . . . . 9:00 a.m. on Thursday, 7 July 2016  
matching services for sale and purchase of odd lots of  
the Consolidated Shares

Temporary counter for trading in the Consolidated Shares. . . 4:00 p.m. on Wednesday, 27 July 2016  
in board lots of 2,000 Consolidated Shares  
(in the form of existing share certificates) closes

Parallel trading in the Consolidated Shares . . . . . 4:00 p.m. on Wednesday, 27 July 2016  
(in the form of new share certificates and  
existing share certificates) ends

Designated broker ceases to stand in the market to provide. . . 4:00 p.m. on Wednesday, 27 July 2016  
matching services for sale and purchase of odd lots of  
the Consolidated Shares

Last day for free exchange of existing share certificates for . . . . . Friday, 29 July 2016  
new share certificates for the Consolidated Shares

\* *details of venue of the proposed general meeting 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 trading arrangements as mentioned in this announcement.

## **REASONS FOR THE SHARE CONSOLIDATION**

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 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, among other things, 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 May 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:

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size for trading in the Shares from 10,000 Shares to 20,000 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 Share(s)”	the ordinary share(s) of HK\$0.005 each in the share capital of the Company after the Share Consolidation having become effective
“Directors”	the directors of the Company
“Existing Share(s)”	the ordinary share(s) of HK\$0.001 each in the share capital 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
“HKSCC”	The Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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 Shares or the Consolidated Shares (as the context may require)
“Shareholder(s)”	holder(s) of issued Share(s)

“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Existing Shares into one (1) Consolidated Share in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong
“%”	percentage

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

Hong Kong, 28 April 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>*