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

If you have sold or transferred all your shares in IR Resources Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting (“SGM”) of the Company to be held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Thursday, 12 January 2017 at 3:30 p.m. is set out on pages 12 to 13 of this circular. A form of proxy for use at the SGM is enclosed with this circular and published on the websites of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk and the Company at www.irresources.com.hk.

Whether or not you are able to attend and vote at the SGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the principal place of business of the Company in Hong Kong at 36th Floor, Times Tower, 391-407 Jaffe Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be deemed revoked.

This circular will be posted on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for seven days from the date of its publication and on the Company’s website at www.irresources.com.hk.

CHARACTERISTICS OF GEM

GEM is positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“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\$0.05 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\$0.01 each in the share capital of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	The Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	19 December 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“New General Mandate”	the general mandate granted at the New General Mandate SGM to the Directors to allot, issue and deal with shares up to 20% of the issued shares of the Company as at the date of the New General Mandate SGM
“New General Mandate SGM”	the special general meeting of the Company held on 30 November 2016
“New General Mandate Circular”	the circular of the Company dated 15 November 2016 and relating to the refreshment of the New General Mandate
“SGM”	the special general meeting of the Company to be convened and held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Thursday, 12 January 2017 at 3:30 p.m. for the 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
“%”	percentage

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation 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 circular refer to Hong Kong local times and dates.

Latest time for lodging the proxy form 3:30 p.m. on Tuesday, 10 January 2017

SGM 3:30 p.m. on Thursday, 12 January 2017

Publication of poll results of the SGM Thursday, 12 January 2017

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 Friday,
13 January 2017

First day of free exchange of existing share certificates Friday, 13 January 2017
for new share certificates of the Consolidated Shares

Commencement of dealings in the Consolidated Shares. 9:00 a.m. on Friday,
13 January 2017

Original counter for trading in Shares in board lots. 9:00 a.m. on Friday,
of 20,000 Shares (in the form of existing share
certificates) temporarily closes 13 January 2017

Temporary counter for trading in the Consolidated Shares. 9:00 a.m. on Friday,
in board lots of 4,000 Consolidated Shares 13 January 2017
(in the form of existing share certificates) opens

Original counter for trading in Consolidated Shares in 9:00 a.m. on Friday,
new board lots of 20,000 Consolidated Shares 27 January 2017
(in the form of new share certificates) re-opens

Parallel trading in the Consolidated Shares 9:00 a.m. on Friday,
(in the form of new share certificates and 27 January 2017
existing share certificates) commences

Designated broker starts to stand in the market to provide. 9:00 a.m. on Friday,
matching services for sale and purchase of odd lots of 27 January 2017
the Consolidated Shares

EXPECTED TIMETABLE

Temporary counter for trading in the Consolidated Shares. 4:00 p.m. on Monday,
in board lots of 4,000 Consolidated Shares 20 February 2017
(in the form of existing share certificates) closes

Parallel trading in the Consolidated Shares 4:00 p.m. on Monday,
(in the form of new share certificates and 20 February 2017
existing share certificates) ends

Designated broker ceases to stand in the market to provide. 4:00 p.m. on Monday,
matching services for sale and purchase of odd lots of 20 February 2017
the Consolidated Shares

Last day for free exchange of existing share certificates Wednesday, 22 February 2017
for new share certificates of the Consolidated Shares

Announcement(s) will be made by the Company for changes, if any, in the expected
timetable for implementation of the Share Consolidation as mentioned in this circular.

LETTER FROM THE BOARD



IR Resources Limited **同仁資源有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 8186)

Executive Directors:

CHAN Ching Hang (*Chairman*)

ZENG Lingchen

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Independent non-executive Directors:

PANG King Sze, Rufina

HONG Bingxian

HUNG Kenneth

*Head office and principal place of
business in Hong Kong:*

36th Floor, Times Tower

391-407 Jaffe Road

Wanchai, Hong Kong

23 December 2016

To the Shareholders

Dear Sir or Madam,

PROPOSED SHARE CONSOLIDATION AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with details of, among other things, (i) the Share Consolidation; (ii) a notice convening the SGM; and (iii) other information as required under the GEM Listing Rules.

LETTER FROM THE BOARD

THE PROPOSED SHARE CONSOLIDATION

As stated in the New General Mandate Circular, if the New General Mandate is approved by the independent Shareholders and that the Company conducts an equity fund raising by utilising the New General Mandate, the Company will implement a share consolidation in compliance with the GEM Listing Rules. The New General Mandate has been duly passed at the New General Mandate SGM and the Company proposes to implement the Share Consolidation, subject to the approval of the Shareholders, on the basis that every five (5) issued and unissued Existing Shares will be consolidated into one (1) Consolidated Share. The Company intends to conduct an equity fund raising by utilising the New General Mandate after the Share Consolidation is approved by the Shareholders and is implemented. However, as at the Latest Practicable Date, no formal agreement on the utilization of the New General Mandate has been entered into and the utilisation of the New General Mandate may or may not proceed. **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.**

Effects of the Share Consolidation

Based on the 3,463,606,061 Existing Shares in issue as at the Latest Practicable Date (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 692,721,212 Consolidated Shares in issue after the Share Consolidation becomes 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 the 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. Shareholders should seek advice from their stockbroker or other professional advisors for details of those settlement arrangements and how such arrangement will affect their rights and interests.

LETTER FROM THE BOARD

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 SGM; 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, it is expected that the Share Consolidation will become effective on Friday, 13 January 2017, which is the next day immediately following the date of the 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.

No part of the equity or debt securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the shares or any other securities of the Company to be listed or dealt in on any other stock exchanges.

BOARD LOT SIZE

The Existing Shares are traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain as 20,000 Consolidated Shares.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Consolidation having become effective, Shareholders may, from Friday, 13 January 2017 to Wednesday, 22 February 2017 (both days inclusive), submit the share certificates of the 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 expenses of the Company, for new share certificates for the Consolidated Shares. Thereafter, share 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 of 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 Thursday, 23 February 2017,

LETTER FROM THE BOARD

trading in the Consolidated Shares will only be in the form of new share certificates and the share certificates of the Existing Shares will cease to be valid for trading and settlement purpose. Nevertheless, share certificates for the Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Consolidated Shares at any time.

The new share certificates for the Consolidated Shares will be in the colour of grey in order to distinguish them from the existing share certificates which are in the colour of sea green.

ODD LOT ARRANGEMENT

In order to alleviate the difficulty arising from the existence of odd lots of the Consolidated Shares as a result of the Share Consolidation, the Company has appointed Nine Rivers Capital Partners Limited as the agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up full board lot(s), or to dispose of the odd lots of the Consolidated Shares held by them from 9:00 a.m. on Friday, 27 January 2017 to 4:00 p.m. on Monday, 20 February 2017 (both days inclusive). Shareholders who wish to take advantage of this facility may contact Mr. Patrick Wong of Nine Rivers Capital Partners Limited at 26/F., Times Tower, 391-407 Jaffe Road, Wanchai, Hong Kong at telephone number (852) 3469 7078 during office hours. Shareholders should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

REASONS FOR THE SHARE CONSOLIDATION

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01, the issuer is required to either change the trading method or proceed with a consolidation of its securities. Since the trading price of the Shares has approached such extremities for a period of time, the Stock Exchange, as disclosed in the November Circular has indicated that it would not consider approving any future listing of shares and/or securities issued by the Company under its equity fund raising activities if the price is close to the extremities of HK\$0.01.

As disclosed in the New General Mandate Circular, the Group had cash and bank balance of approximately HK\$82 million as at 9 November 2016 (being the latest practicable date for purpose of the New General Mandate Circular) and, after taking into account (i) the consideration of HK\$33.2 million payable for the acquisition of the securities and fund management business in the first quarter of 2017 (as detailed in the announcements of

LETTER FROM THE BOARD

the Company dated 13 October and 1 November 2016); (ii) approximately HK\$16 million reserved for the development of the Group's forestry and agricultural business under the current business plan; and (iii) approximately HK\$16 million reserved for general corporate and administrative expenses of the Group before the next annual general meeting, had unutilised proceeds of only approximately HK\$17 million allocated for purposes of general working capital and business development, potential investment opportunities and repayment of liabilities from the Rights Issue and the Placing. It is uncertain as to whether such level of working capital will be sufficient, particularly given that the Company is the course of negotiation on potential investment opportunities in relation to (i) an agricultural products processing plant in Australia in the amount of approximately HK\$20 million through subscription of convertible bonds issued by the target company (which is in the final stage of negotiation); (ii) a plantation farm in North America; and (iii) an agricultural products processing plant in North America. The counter parties under the above negotiations have not considered issuance of Shares by the Company as a payment means, the reason for which the Company suspects being the high volatility of the price of the Shares in the past months and the price of the Shares being remained at an extremity of HK\$0.01. In addition, the Group is also working with its joint venture partners to formulate plans on speeding up the development of its forestry and agricultural business which will require additional working capital.

Following the granting of a new general mandate by the Shareholders for the Company to issue new Shares pursuant to the ordinary resolution passed at the special general meeting held on 30 November 2016, the Company has been in preliminary discussion with two potential placing agents in preparation for conclusion of placing arrangements with a view to enabling the Company to promptly seize the fund raising window opportunity available (for optimizing the fund raising amount and/or responding to the immediate funding needs) if any of the above-mentioned potential investment opportunities are crystalised before the next annual general meeting of the Company. As the Share Consolidation is expected to have an impact on the price of the Shares, it has appeared to the Company that none of the two potential placing agents is prepared to agree on any equity fund raising plan or concluding any formal placing agreement with the Company prior to the Share Consolidation having become effective. Given that it is not possible for the Company to enter into any formal placing agreement with any placing agents before the implementation of the Share Consolidation, the Company proposes to implement the Share Consolidation in order to comply with the relevant trading requirements under the GEM Listing Rules and in preparation for future fund-raising activities. It is the intention of the Company that it will use its best endeavours to conduct an equity fund raising exercise by utilising the New General Mandate within 3 weeks after implementation of the Share Consolidation. Given the above, the Directors, taking into account the benefit of the Share Consolidation that it 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 will enhance the attractiveness of the Shares, are of the view that the Share Consolidation is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

SGM

A notice convening the SGM to be held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Thursday, 12 January 2017 at 3:30 p.m. is set out on pages 12 to 13 of this circular. Ordinary resolution will be proposed at the SGM to approve, among other things, the Share Consolidation.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the office of the Company at 36th Floor, Times Tower, 391-407 Jaffe Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be revoked.

All the resolutions proposed to be approved at the SGM will be taken by poll and an announcement will be made by the Company after the SGM on the poll results of the SGM.

RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

RECOMMENDATION

As mentioned above, the Directors consider the Share Consolidation in the interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant ordinary resolution to be proposed at the SGM.

LETTER FROM THE BOARD

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to be proposed at the SGM.

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or substantial Shareholder nor their respective close associates (as defined under the GEM Listing Rules) had any business or interest, which competes or may compete with the businesses of the Group which would be required to be disclosed under Rule 11.04 of the GEM Listing Rules.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
For and on behalf of the Board of
IR Resources Limited
Chan Ching Hang
Chairman of the Board

NOTICE OF SGM



IR Resources Limited **同仁資源有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 8186)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an special general meeting of IR Resources Limited (the “**Company**”) will be held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Thursday, 12 January 2017 at 3:30 p.m., for the following purposes to, as special business, consider and, if thought fit, pass the following resolution as ordinary resolution:

1. “**THAT:**

subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in the ordinary shares of the Company consolidated in the manner set out below (the “**Share Consolidation**”): (i) every five issued and unissued shares of the Company of HK\$0.01 each in the share capital of the Company be consolidated into one share of the Company of HK\$0.05 (each a “**Consolidated Share**”) with effect from the business day immediately following the day on which this resolution is approved by the shareholders of the Company; (ii) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company in such manner and on such terms as any one or more directors (“**Directors**”) of the Company may think fit; and (iii) any one or more Directors be and is/are hereby authorized to do all such acts and things and execute

NOTICE OF SGM

all such documents which they consider necessary, desirable or expedient for the implementation of and giving effect to the Share Consolidation (including but not limited to the issue of the new share certificates for the Consolidated Shares).”

Yours faithfully
For and on behalf of the Board of
IR Resources Limited
Chan Ching Hang
Chairman of the Board

Hong Kong, 23 December 2016

Registered office:
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

*Head office and principal place of
business in Hong Kong:*
36th Floor, Times Tower
391-407 Jaffe Road,
Wanchai, Hong Kong

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint one proxy or, if he/she/it is a holder of more than one share, more proxies to attend and vote instead of him/her/it. A proxy needs not be a member of the Company.
2. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she/it was solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the office of the Company at 36th Floor, Times Tower, 391-407 Jaffe Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the special general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the special general meeting or any adjournment thereof, should he/she/it so wish, and in such event, the instrument appointing a proxy shall be deemed revoked.
4. The details of the Share Consolidation are set out in the circular of the Company dated 23 December 2016.