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IR RESOURCES LIMITED
同仁資源有限公司

(Incorporated in the Bermuda with limited liability)

(Stock Code: 8186)

DISCLOSEABLE TRANSACTION

THE LOAN AGREEMENT

The Company is pleased to announce that on 22 February 2017, a wholly-owned subsidiary of the Company, and the Borrower entered into the Loan Agreement, pursuant to which the Group has agreed to provide the Loan to the Borrower. The Group is currently a substantial shareholder of the Borrower and the Loan will form part of the Group's long term investment in the Borrower.

THE GEM LISTING RULES IMPLICATION

As the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the transaction contemplated under Loan Agreement, are greater than 5% but less than 25%, the entering into of the Loan Agreement will constitute a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is only subject to the reporting and announcement requirements.

THE LOAN AGREEMENT

Date

22 February 2017

Parties to the Loan Agreement

- (i) a wholly-owned subsidiary of the Company, as the lender; and
- (ii) the Borrower, as the borrower.

As at the date of this announcement, the Group is interested in approximately 17.5% equity interest of the Borrower. Save as disclosed above, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, the Borrower and its other two shareholders are third parties independent of the Company and its connected persons (as defined under the GEM Listing Rules).

Subject matter of the Loan Agreement

The Borrower, together with its subsidiaries (the “Borrower Group”), is principally engaged in the investment in and operation of solar power generation business and the provision of renewable energy consultancy services in China. Pursuant to the Loan Agreement, the Company has agreed to provide the Loan to the Borrower as general working capital (including but not limited to repayment of loans and liabilities) for its continuous business development. The Group will finance the Loan by its internal resources.

The Loan, which will form part of the Group’s long term investment in the Borrower, is unsecured, non-interest bearing and has no fixed term of repayment and will be made available to the Borrower upon signing of the Loan Agreement. As advised by the Borrower, the other shareholders of the Borrower will enter into loan agreements containing terms substantially similar to those of the Loan Agreement for their provision of loans to the Borrower. The Borrower shall repay all or any part of the shareholders’ loan (including the Loan) at any time as agreed between the shareholders of the Borrower. The Group shall give the Borrower not less than three days’ prior written notice specifying the amount and the date of repayment.

REASONS FOR AND BENEFITS OF THE LOAN AGREEMENT

The Group is principally engaged in the forestry and agricultural business, energy and resources and logistics business.

As disclosed in the announcement of the Company dated 13 October 2016 (the “Announcement”), the Company, in view of the favourable policies of the Chinese government to encourage the development of clean and renewable energy like solar power to combat air pollution, the significant scale of the Borrower Group’s power generation capacity and the improving financial performance of the Borrower Group (from net loss of over HK\$20 million for the year ended 31 December 2015 to a net profit of over HK\$10 million for the six months ended 30 June 2016 as disclosed in the Announcement), has acquired 17.5% equity interest in the Borrower. The Loan will provide

additional working capital for the Borrower Group to enhance its capital base for development of its solar power business, which shall benefit the Group as a shareholder of the Borrower as a whole. Given the above, the Directors consider that the entering into of the Loan Agreement is in the interest of the Company and its shareholders as a whole and the terms of the Loan Agreement are fair and reasonable and of normal commercial terms.

THE GEM LISTING RULES IMPLICATION

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DEFINITION

Unless the context otherwise requires, the following terms used in this announcement shall have the following meanings when used herein:

“Borrower”	Jun Yang Solar Power Investment Holdings Limited, a company incorporated in Cayman Islands with limited liability, and to the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, the equity interest of the Borrower is beneficially owned as to approximately 17.5% by the Group and the remaining approximately 82.5% by two companies listed on The Stock Exchange of Hong Kong Limited which are independent third parties of the Company and its connected persons
“Company”	IR Resources Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Loan”	the loan in the principal amount of US\$1.75 million (equivalent to approximately HK\$13.65 million) to be provided by the Group to the Borrower pursuant to the Loan Agreement

“Loan Agreement”	the loan agreement dated 22 February 2017 and entered into between the Group and the Borrower relating to the provision of the Loan
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China
“US\$”	United States Dollar, the lawful currency of the United States of America

By Order of the board of Directors of
IR Resources Limited
Chan Ching Hang
Chairman

Hong Kong, 22 February 2017

As at the date of this announcement, the board of Directors comprises two executive Directors, namely, Mr. Chan Ching Hang and Mr. Zeng Lingchen; and three independent non-executive Directors, namely Mr. Hong Bingxian, Mr. Hung Kenneth and Ms. Pang King Sze, Rufina.

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>.