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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)

ADOPTION OF SHARE AWARD SCHEME

The Board announces the adoption of the Share Award Scheme by the Company on 9 April 2018 as part of its incentive arrangement to attract and retain the Qualifying Grantees for the benefit of the Group. Pursuant to the Share Award Scheme, the Trustee may, at the cost and direction of the Group, purchase and/or subscribe securities of the Company. Such securities will be held on trust by the Trustee until they are granted to the Qualifying Grantees and become vested.

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 23 of the GEM Listing Rules.

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THE SHARE AWARD SCHEME

The purpose of the Share Award Scheme is to recognise the contribution of the Qualifying Grantees and to provide them with incentives in order to attract and retain them for the continual operation and development of the Group.

The Share Award Scheme shall be administered by the Board in accordance with the Share Award Scheme Rules. Subject to any early termination as may be determined by the Board, the Share Award Scheme will be valid and effective for a period of 10 years commencing from the date of adoption of the Share Award Scheme (the “Trust Period”). The maximum number of shares and conversion shares (in the case of convertible securities) of the Company held under the Share Award Scheme at any point of time shall not exceed 20% of the total number of shares of the Company in issue on an enlarged basis.

The Board may, from time to time, at its absolute discretion select any Qualifying Grantee for participation in the Share Award Scheme and determine the terms, composition and conditions of the Awards. The Board may cause to be paid to the Trustee such sums of money from the Group’s resources and instruct the Trustee (i) to purchase securities of the Company on the market or other sources designated by the Company (as the case maybe); and/or (ii) to subscribe for new securities from the Company. Subject to compliance with the GEM Listing Rules, any new securities of the Company may be issued to the Trustee under the general/specific mandates granted or to be granted by the shareholders of the Company at its general meetings from time to time. Where any grant of an Award is proposed to be made to any Qualifying Grantee who is a Director, such grant must first be approved by the remuneration committee of the Company (excluding such member of the remuneration committee of the Company to whom the grant of an Award is proposed to be made). The Company will also comply with the applicable requirements of Chapter 20 of the GEM Listing Rules in respect of granting an Award to a connected person of the Company. The Trustee shall hold such securities of the Company until the Awards granted to the relevant Award Holders are vested.

When an Award Holder has satisfied the vesting criteria and conditions specified by the Board and become entitled to the Awards, the Board will inform the relevant Award Holder of the vesting of the Awarded Securities and the means of effecting the vesting (including transfer of the vested Awarded Securities to the relevant Award Holders) which shall be determined by the Board at its sole discretion. Upon receipt by the Trustee of the transfer documents or any direction duly executed or given, as the case may be, by the Award Holders within the stipulated period, the Trustee will transfer the relevant vested Awarded Securities at no cost to such Award Holder. The Trustee shall not exercise the voting right in respect of any shares of the Company held under the Share Award Scheme.

No offer shall be made to any Qualifying Grantees and no instructions shall be given to the Trustee to purchase securities of the Company when the Board is in possession of unpublished inside information in relation to the Group or during the period where dealings by Directors are prohibited under any code or requirement of the GEM Listing Rules and the applicable laws from time to time.

New securities of the Company may be allotted and/or issued to the Trustee for purpose of the Share Award Scheme under general or specific mandates granted or to be granted by the shareholders of the Company at its general meetings from time to time subject to compliance with the GEM Listing Rules. Such new securities of the Company will be held on trust for the Award Holders until the vesting criteria and conditions have been satisfied. The Company will comply with the relevant GEM Listing Rules when issuing new securities of the Company for purpose of the Share Award Scheme and where applicable, application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the new securities of the Company to be issued. The Company will provide details of any specific mandate to be sought from its shareholders relating to the issue of its new securities for the purpose of the Share Award Scheme by way of circulars as and when appropriate.

Prior to the Vesting Date, any Award made under the Share Award Scheme shall be personal to the Award Holder to whom it is made and shall not be assignable. No Award Holder shall in any way sell, transfer, mortgage, encumber or create any interest in favour of any person over or in relation to the Awarded Securities referable to him pursuant to such Award. No Award Holder shall enjoy any of the rights of a shareholder of the Company until such Awarded Securities are transferred to the Award Holder by the Trustee. Any Awarded Securities transferred to an Award Holder in respect of any vesting of the Award shall rank *pari passu* in all respects with the existing shares of the Company in issue on the date of transfer after the vesting of the Awards.

A Qualifying Grantee shall be entitled to receive the Awarded Securities in accordance with the vesting schedule upon satisfaction of the vesting criteria and conditions specified by the Board in the grant or offer of the relevant Award. In respect of an Award Holder who (a) dies or retires or (b) becomes physically or mentally disabled, prior to or on the Vesting Date, all the Awarded Securities of the Award Holder shall be deemed to be vested on such day as specified by the Share Award Scheme.

If there occurs an event of change in control of the Company (as specified in the Hong Kong Codes on Takeovers and Mergers and Shares Repurchases from time to time), whether by way of offer, merger, scheme of arrangement or otherwise prior to the Vesting Date, the Board shall determine at its discretion whether and when the Awarded Securities shall vest in the Award Holder. If a notice is duly given by the Company to its shareholders to convene a shareholders' meeting for purpose of the voluntary winding-up of the Company (otherwise than for the purpose of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) or an order of winding up of the Company is made, the Board shall determine at its discretion whether and when the Awarded Shares shall vest in the Award Holders.

DISQUALIFICATION OF AN AWARD HOLDER

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Award Holder shall include, without limitation:

- (i) the Board has passed a resolution confirming such person is no longer an Award Holder or Qualifying Grantee;
- (ii) the Award Holder has committed any act of fraud or dishonesty or serious misconduct;
- (iii) the Award Holder has been declared or adjusted to be bankrupt by a competent court or government body, or has failed to pay his debts as they fall due or has entered into any arrangement or composition with his creditors or an administrator has taken possession of any of his assets;
- (iv) the Award Holder has been convicted of any criminal offence;
- (v) where the Award Holder is a corporate, it is not in good standing; or
- (vi) the Award Holder has been convicted of or is being held liable for any offence under or any breach of the Securities and Futures Ordinance or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time.

In the event that prior to the Vesting Date, an Award Holder is deemed to cease to be an Award Holder, the relevant Award made to such Award Holder shall automatically lapse forthwith and the relevant Award Share shall not vest on the relevant Vesting Date.

TERMINATION

The Share Award Scheme shall terminate on the earlier of (i) the expiry of the Trust Period, or (ii) such date of early termination as determined by the Board. Upon termination of the Share Award Scheme, no further grant of Awarded Securities may be made under the Share Award Scheme and all the Awarded Securities granted under the Share Award Scheme shall continue to be held by the Trustee and become vested in the Award Holders according to the conditions of the Award. Upon expiration of the Trust Period,

- (i) all shares of the Company remaining in the Share Award Scheme (except for any shares of the Company awarded that are subject to vesting on the Award Holders) shall be sold by the Trustee; and/or
- (ii) all convertible securities remaining in the Share Award Scheme (except for any convertible securities of the Company awarded subject to the vesting on the Award Holders) shall be, where applicable, either (a) converted into shares of the Company in accordance with their respective terms and conditions, and be disposed of on the market or (b) redeemed for cash.

The proceeds obtained from (i) and (ii) above will be remitted to the Company forthwith after deducting the relevant expenses. For the avoidance of doubt, the Trustee may not transfer any shares or convertible securities of the Company that remain in the Share Award Scheme to the Company.

DEFINITION

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

“affiliate”	any company which is (a) a holding company of the Company; or (b) a subsidiary of a holding company of the Company; or (c) a subsidiary of the Company; or (d) a controlling shareholder of the Company; or (e) a company controlled by a controlling shareholder of the Company; or (f) a company controlled by the Company; or (g) an associated company of a holding company of the Company; or (h) an associated company of the Company
“associate”	has the meaning ascribed to it under the GEM Listing Rules
“Award”	an award of securities (including shares and/or convertible securities) of the Company by the Board to a Qualifying Grantee pursuant to the Share Award Scheme
“Award Holder”	any Qualifying Grantee selected by the Board for participation in the Share Award Scheme who accepts an offer of the grant of an Award in accordance with the terms of the Share Award Scheme
“Awarded Securities”	in respect of an Award Holder, such shares and/or convertible securities of the Company as awarded by the Board pursuant to the Share Award Scheme
“Bank of Communication Trustee” or “Trustee”	Bank of Communication Trustee Limited, the trustee appointed by the Company for the purpose of the Share Award Scheme, which is an independent third party and not a connected person of the Company as of the date of adoption of the Share Award Scheme
“Board”	the board of Directors and for the purpose of the Share Award Scheme, it shall include a duly authorised committee or sub-committee or person(s) delegated by the Board to administer the Share Award Scheme from time to time

“Company”	IR Resources Limited, a company incorporated in Bermuda, the issued shares of which are listed on the GEM of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Excluded Grantee”	any Qualifying Grantee who is resident in a place where the award and/or the vesting and transfer of the Awarded Securities pursuant to the terms of the Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Qualifying Grantee;
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Qualifying Grantee”	other than any Excluded Grantee, (i) any employee (including without limitation any executive director) of any member of the Group; or any consultant, agent, representative or adviser of the Company or any affiliate; (ii) any person who provides goods or services to the Company or any affiliates; or (iii) any business ally or joint venture partner of the Company or affiliates; or (iv) any trustee of any trust established by the Company for the benefit of the person(s) representing (i), (ii) or (iii) above
“Share Award Scheme”	the share award scheme adopted by the Board on 9 April 2018, as amended from time to time
“Share Award Scheme Rules”	the rules relating to the Share Award Scheme, as amended from time to time
“Shareholder(s)”	the holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vesting Date” the date or each such date on which the Awarded Securities are to vest

“HK\$” Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China

By Order of the Board
IR Resources Limited
Chan Ching Hang
Chairman

Hong Kong, 9 April 2018

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