

ANNOUNCEMENT



Singapore UEN 2012010180E

| ARBN 158 717 492

| www.asaplusresources.com

A\$0.245

(18 June 2014)

ASX Code: **AJY**

ISSUED CAPITAL

Issued Shares:	
Escrowed	63,500,000
Non-escrowed	24,500,000
TOTAL	88,000,000

Market Cap: A\$21,560,000

BOARD OF DIRECTORS

Ir Che Mohamed Hussein
LAU Eng Foo (Andy)
Dominic LIM Kian Gam

PROPOSED ACQUISITION OF A 51% STAKE IN DATIAN WENJIANGXIANG QIAOXIA IRON MINE CO., LIMITED FOR RMB9,180,000 (APPROXIMATELY A\$1,590,000) TO BE SATISFIED BY WAY OF ISSUANCE OF 6,490,000 NEW CDIS OF ASAPLUS RESOURCES LIMITED (THE “PROPOSED ACQUISITION”)

The Directors of Asaplus Resources Limited (the “Company”) are pleased to announce that the Company's wholly-owned subsidiary, Datian Huixiang Investments Consulting Co., Ltd (“DHIC”) had on 18 June 2014 entered into a conditional joint venture agreement (the “Conditional JV Agreement”) with Datian Wenjiangxiang Qiaoxia Iron Mine Co., Limited (the “Target Company”).

Salient terms of the Conditional JV Agreement

Under the Conditional JV Agreement:

1. DHIC will carry out and complete commercial, technical, legal and financial due diligence on the Target Company (the “Due Diligence”) within sixty days of the Conditional JV Agreement;
2. Subject to:
 - (a) satisfactory completion of the Due Diligence; and
 - (b) final approval for the Proposed Acquisition by the Company's Directors,

DHIC will acquire a 51% stake in the Target Company for RMB9,180,000 (the “Purchase Price”) to be satisfied by way of issuance of 6,490,000 new CDIs of the Company (the “Consideration Shares”) credited as being fully paid to existing shareholders of the Target Company (the “Vendors”);

3. The Purchase Price is predicated on the Target Company achieving a net profit before tax of RMB9,000,000, (approximately A\$1,558,000) (the “Reference PBT”) for the financial year ending 31 March 2015, and shall be adjusted proportionately⁽ⁱ⁾ if the Target Company reports a net profit before tax which is lower or higher than the Reference PBT; and
4. On completion of the Proposed Acquisition, the Vendors will enter into voluntary escrow arrangements in relation to the Consideration Shares for a period of 24 months from that date.

⁽ⁱ⁾ The Company may have to issue more Consideration Shares or cancel issued Consideration Shares if the actual net profit before tax is higher or lower than the Reference PBT (as the case may be). If the number of total Consideration Shares as adjusted to be issued exceeds 15% of the Company's issued share capital, the Company will convene an extraordinary general meeting to seek shareholder's approval for the issuance of the Consideration Shares.

REGISTERED OFFICE
c/- Company Matters Pty Ltd
G/F, 178 St Georges Terrace
Perth WA 6000
Tel: +61 8 9211 6653
Fax: +61 2 9287 0350
info@asaplusresources.com

Information on the Target Company

The Target Company is a privately-owned limited liability company registered in and under the laws of the People's Republic of China. Its sole asset is the Wenjiangxiang Qiaoxia Mine (the “Qiaoxia Mine”), a producing iron ore mine covering an area of 0.0135km² located in Datian County, Sanming City in Fujian Province. Under the Conditional JV Agreement, the Target Company has undertaken to procure, at its own cost, the tenement area to be increased from the existing 0.0135km² to 0.41km².

The Qiaoxia Mine is located approximately 10km from the Company's Silverstone Project, and operates under Production Permit No. C3500002012072120126351 expiring on 19 July 2017. It is licensed to produce up to 60,000 tonnes of iron ore per year.

As part of the Due Diligence, the Company will appoint an independent geologist to carry out a study on the geological potential of the Qiaoxia Mine. His report, to be prepared in accordance with the JORC Code, will be announced in due course.

Rationale for the Proposed Acquisition

This acquisition is made in pursuance of the Company's strategic objectives as set out in page 13 of the prospectus dated 21 August 2012 issued by the Company. The Proposed Acquisition also gives the Company an income-generating producing mining asset. Given the proximity of the Qiaoxia Mine to the Silverstone Project, the Company expects to achieve a fair amount of economies of scale arising from production, operational and management integration should the Company obtain the mining permits for the Silverstone Project.

The Company also intends to carry out preliminary works to explore the potential for other minerals at the Qiaoxia Mine.

Arranger Fee

On completion, and only on completion of the Proposed Acquisition, the Company will issue 1,000,000 new CDIs to Mr Li Dandong as arranger fee as remuneration for introducing the Target Company to the Company and for assisting DHIC to negotiate the terms of the Proposed Acquisition. Save that Mr Li is an existing shareholder of the Company holding 880,000 CDIs, Mr Li is not related to the Company, its Directors or its substantial shareholders.

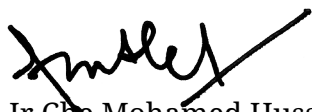
Directors' and Substantial Shareholders' Interests

Save for their interests in the Company, none of the Company's Directors or substantial shareholders have any interest in the Proposed Acquisition.

Trading Caution

Completion of the Proposed Acquisition is conditional upon fulfilment of the conditions precedent set out in the Conditional JV Agreement, in particular, satisfactory completion of the Due Diligence. Therefore, investors should note that there is no assurance that completion of the Proposed Acquisition will occur.

By Order of the Board of Directors



Ir Che Mohamed Hussein
Chairman / Independent Non-executive Director
19 June 2014

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