

# ANNOUNCEMENT

Singapore UEN 2012010180E | ARBN 158 717 492 | www.asaplusresources.com

**A\$0.12**

[25 January 2018]

ASX Code: AJY

## ISSUED CAPITAL

Issued Shares: 88,000,000

Market Cap: \$10,560,000

## BOARD OF DIRECTORS

Ir Che Mohamed Hussein

LAU Eng Foo (Andy)

Dominic LIM Kian Gam

## PROPOSED SUBSCRIPTION OF 40,000,000 NEW SHARES AND RECEIPT OF AN INTEREST-FREE LOAN CONVERTIBLE TO 10,000,000 NEW SHARES

The Directors of Asaplus Resources Limited (the “**Company**”) are pleased to announce that the Company had on 25 January 2018 entered into a Subscription Agreement (the “**Agreement**”) with one TEE Chee Seng (the “**Subscriber**”), an unrelated party, under which:

- (1) the Subscriber will subscribe for 40,000,000 new Shares (the “**Subscription Shares**”) at a subscription price of \$0.09795 or RMB0.50 per Subscription Share, based on the agreed foreign exchange rate being the approximate prevailing foreign exchange rate on the latest practical date before the Agreement is signed; and
- (2) the Subscriber will grant the Company a RMB5,000,000 interest-free loan (the “**Convertible Loan**”), convertible to 10,000,000 new Shares (the “**Conversion Shares**”) at the Subscriber’s option.

The Subscriber’s subscription of the Subscription Shares under the Agreement shall be completed in two tranches, namely 13,000,000 Subscription Shares (“**Tranche One Subscription Shares**”) and 27,000,000 Subscription Shares (“**Tranche Two Subscription Shares**”).

### Earnest Deposit

The Subscriber has paid a sum of RMB2,500,000 or A\$489,750 as Earnest Deposit. This sum represents 10% of the total of the subscription monies for the Subscription Shares plus the Convertible Loan, and will be applied in proportion to completion of each of the Tranche One Subscription Shares and the Tranche Two Subscription Shares and the Convertible Loan.

The Earnest Deposit is not refundable unless the Subscription Agreement (or any part thereof) is not completed as a result of a default on the part of the Company.

### Completion of subscription of the Tranche One Subscription Shares

The Tranche One Subscription Shares, when issued, will represent approximately 14.773% of the Company’s existing issued and paid up share capital. ASX Listing Rule (“**LR**”) 7.1 prohibits the issue of shares exceeding 15% of an issuer’s share capital within the previous 12 months without shareholders’ approval. As the Company has not issued any share in the 12-month period immediately preceding the proposed issue of the Tranche One Subscription Shares, the Company is not required to and will not seek shareholders’ approval under LR7.1 for their issue.

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Under the Agreement, completion of the subscription of the Tranche One Subscription Shares shall take place on 9 February 2018<sup>1</sup>, the tenth business day from the date the Agreement is signed. Conditional upon the Company's receipt of a sum of RMB5,850,000 or A\$1,146,015, being total subscription monies payable for the Tranche One Subscription Shares less the portion of the Ernest Deposit attributable to the Tranche One Subscription Shares, the Company will issue the Tranche One Subscription Shares to the Subscriber or to person(s) nominated by him.

#### Completion of subscription of the Tranche Two Subscription Shares

The Company will seek shareholders' approval under LR7.1 for the issues of:

- (1) the Tranche Two Subscription Shares; and
- (2) the Conversion Shares, in the event the Subscriber exercises his option to convert the Convertible Loan,

collectively, the "**Specific Mandate**".

Completion of the subscription of the Tranche Two Subscription Shares is conditional upon the Company receiving the Specific Mandate. Under the Agreement and conditional upon the receipt of the Specific Mandate, completion of the subscription of the Tranche Two Subscription Shares shall take place on the tenth business day from the date the Specific Mandate is received. Conditional upon the Company's receipt of a sum of RMB12,150,000 or A\$2,380,185, being total subscription monies payable for the Tranche Two Subscription Shares less the portion of the Ernest Deposit attributable to the Tranche Two Subscription Shares, the Company will issue the Tranche Two Subscription Shares to the Subscriber or to person(s) nominated by him.

#### Convertible Loan

Concurrently with completion of the subscription of the Tranche Two Subscription Shares, the Subscriber shall also give the Company a RMB5,000,000 or A\$979,500 interest-free loan (*i.e.*, the "**Convertible Loan**"). In consideration for the Subscriber not charging interest on the Convertible Loan and not demanding immediate repayment of the Convertible Loan for a period of three years from the date the subscription of the Tranche Two Subscription Shares is completed (the "**Due Date**"), the Company will grant the Subscriber the option to convert the Convertible Loan to the Conversion Shares. The option can be exercised at any time before 5:00 PM (Western Australian time) on Due Date and may be exercised in parts provided that any partial conversion is for a minimum 2,000,000 Conversion Shares.

#### Other Pertinent Terms of the Agreement

Subject to approval by the Directors, performing the functions of a nomination committee, the Company will appoint a person nominated by the Subscriber as a Director.

The Subscriber warrants and undertakes to the Company that he shall at all times comply with and fulfil his obligations under the Singapore Code on Take-overs and Mergers, in

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<sup>1</sup> 26 January 2018, being Australia Day, is not a business day.

particular, his obligations to make a mandatory general offer<sup>2</sup> under Rule 14 of the Singapore Code on Take-overs and Mergers if he incurs such an obligation.

### Shareholders approvals for the issue of the 2017 Performance Shares and Placement Shares

On 1 August 2017 (although the announcement is dated 31 July 2017), the Company announced that it proposes to issue:

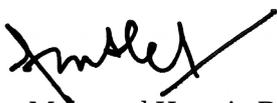
- (1) 2,900,000 new Shares (the “**2017 Performance Shares**”) to key personnel and employees, including to LAU Eng Foo (Andy), a Director; and
- (2) 7,100,000 new Shares (the “**Placement Shares**”) at an issue price of A\$0.12 per Placement Share to LAU Eng Foo (Andy), a Director.

As explained in that announcement, the issue of the 2017 Performance Shares and the Placement Shares is subject to receipt of shareholders’ approvals under LR7.1 and LR10.11. Therefore, the Company will also seek shareholders’ approvals for the issue of the 2017 Performance Shares and the Placement Shares at the extraordinary general meeting to be convened to approve the issue of the Tranche Two Subscription Shares and the Conversion Shares (if the Subscriber exercises his option to convert the Convertible Loan).

### Extraordinary General Meeting

A notice of meeting for an extraordinary general meeting of the Company, together with the relevant explanatory notes and voting exclusion statements, to seek the various shareholders’ approvals described in this announcement will be dispatched in due course, but in any event no earlier than completion of the subscription of the Tranche One Subscription Shares and, barring unforeseen circumstances, no later than ten business days from that date.

Issued for and on behalf of  
**ASAPLUS RESOURCES LIMITED**



Ir. Che Mohamed Hussein Bin Mohamed Shariff  
29 January 2018

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2 Succinctly, a person will be required to make a general offer for all the shares in a listed Singapore public company if he acquires shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the company.