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ASIA RESOURCES HOLDINGS LIMITED

亞洲資源控股有限公司*

(incorporated in the Bermuda with limited liability)

(Stock Code: 899)

SUBSCRIPTION OF NEW SHARES TO BE ISSUED UNDER GENERAL MANDATE

SUBSCRIPTION

On 24 August 2009, after trading hours, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber conditionally agreed to subscribe for and the Company conditionally agreed to issue 81,000,000 Subscription Shares at a price of HK\$0.25 per new Share.

The Subscription Shares represent approximately 5.03% of the existing issued share capital of the Company as at the date of this announcement and approximately 4.79% of the issued share capital of the Company as enlarged by the Subscription Shares. The Subscription Shares will be issued under the General Mandate and will rank equally among themselves and with the existing Shares in issue on the completion date of the Subscription.

The Subscription is conditional upon the Listing Committee agreeing to grant a listing of and permission to deal in the Subscription Shares and if required, the Bermuda Monetary Authority having granted permission for the issue of the Subscription Shares.

Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

SUBSCRIPTION

Introduction

On 24 August 2009, after trading hours, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber conditionally agreed to subscribe for and the Company conditionally agreed to issue 81,000,000 Subscription Shares at a price of HK\$0.25 per new Share.

Subscription Agreement

Date: 24 August 2009

Issuer: The Company

Subscriber: Banian International Industrial Group Limited

The Subscriber is a limited liability company incorporated in the British Virgin Islands and is wholly owned by Mr. Sun Xin Qiang.

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, each of the Subscriber and its ultimate beneficial owner is an Independent Third Party.

Subscription Shares

81,000,000 Subscription Shares represent approximately 5.03% of the existing issued share capital of the Company as at the date of this announcement and approximately 4.79% of the issued share capital of the Company as enlarged by the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$4.05 million.

Ranking of Subscription Shares

The Subscription Shares will be issued under the General Mandate and will rank equally among themselves and with the existing Shares in issue on the completion date of the Subscription.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Subscription Price

The Subscription Price of HK\$0.25 represents (i) a discount of approximately 7.4% to the closing price of HK\$0.27 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement (i.e. 24 August 2009); (ii) a discount of approximately 8.76% to the average closing price of HK\$0.274 per Share for the last 5 consecutive trading days immediately prior to the date of the Subscription Agreement (excluding the date of the Subscription Agreement); and (iii) a discount of approximately 13.04% to the average closing price of HK\$0.2875 per Share for the last 10 consecutive trading days prior to the date of the Subscription Agreement.

The gross proceeds to be raised from the Subscription will be about HK\$20.25 million. Based on estimated expenses of about HK\$0.2 million for the Subscription, the net proceeds to be raised from the Subscription will be approximately HK\$20.05 million. On this basis, the net price per Subscription Share is approximately HK\$0.248.

The Subscription Price was determined with reference to the prevailing market price of the Share and was negotiated on an arm's length basis between the Company and the Subscriber. The Directors consider that the terms of the Subscription Agreement are on normal commercial terms and are fair and reasonable based on the current

market conditions and the Subscription is in the interests of the Company and the Shareholders as a whole.

General Mandate

The Subscription Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the issued share capital of the Company as at the date of the AGM, (i.e. 282,288,118 Shares, representing 20% of 1,411,440,590 Shares in issue as at the date of the AGM). Up to the date of this announcement, 200,160,000 Shares have been issued under the General Mandate. As the Subscription Shares will be issued under the unused portion of the General Mandate (i.e. 82,128,118 Shares), the Subscription is not subject to the Shareholders' approval.

Conditions of the Subscription

The Subscription is conditional upon the Listing Committee agreeing to grant a listing of and permission to deal in the Subscription Shares and if required, the Bermuda Monetary Authority having granted permission for the issue of the Subscription Shares.

If the above conditions precedent are not fulfilled on or before the Long Stop Date (or such later date as may be agreed between the Company and the Subscriber in writing), all rights, obligations and liabilities of the parties under the Subscription Agreement shall cease and determine and none of the parties thereto shall have any claim against the other in respect of the Subscription, save for any antecedent breaches of the Subscription Agreement.

Non-disposal undertaking

Pursuant to the Subscription Agreement, the Subscriber has undertaken to the Company that within a period of three (3) months from the date of the completion of the Subscription Agreement ("**Restriction Period**"), the Subscriber and/or its nominee(s) ("**Nominee(s)**") will not dispose of any of the Subscription Shares or if the Subscription Shares will be registered in the name of the Nominee(s), the Subscriber shall not dispose of any interest in any shares in any Nominee(s) controlled by it which is the beneficial owner of the Subscription Shares.

The Subscriber further undertook under the Subscription Agreement that (i) the entire issued share capital of the each of the Nominees (if any) will at any time prior to the expiration of the Restriction Period remain to be beneficially owned by the Subscriber and if any of the Nominees ceases to be so beneficially owned by the Subscriber, it shall transfer or procure that the Subscription Shares held by it be transferred to the Subscriber or any company whose issued share capital will then be beneficially owned by the Subscriber on or before the date such Nominee ceases to be solely owned by the Subscriber; and (ii) the entire issued share capital of the Subscriber will at any time prior to the expiration of the Restriction Period remain to be solely and beneficially owned by Mr. Sun Xin Qiang.

Payment of Subscription Price and Completion of the Subscription

The Subscriber has agreed, within four (4) Business Days after the signing of the Subscription Agreement (excluding the signing date thereof) or at completion of the Subscription Agreement, whichever is the earlier, effect payment to the Company of the aggregate Subscription Price payable for the aggregate number of Subscription Shares so subscribed. If the Subscription Agreement is terminated or the completion shall not take place pursuant to the terms and conditions thereunder, the aggregate Subscription Price so payable shall be refunded by the Company to the Subscriber in its entirety without interest within seven (7) Business Days after the Long Stop Date.

The completion of the Subscription is expected to take place on the fourth (4th) Business Day after the above conditions precedent of the Subscription Agreement having been fulfilled.

Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Board considers that the Subscription will further strengthen the capital base and financial position of the Group. The net proceeds of the Subscription, after deduction of expenses of approximately HK\$0.2 million, is estimated to be of approximately HK\$20.05 million, representing a net Subscription price of approximately HK\$0.248 per Subscription Share.

The Company intends to apply the net proceeds to be raised from the Subscription for settlement of part of the acquisition price for pursuing the project of exploiting the Target Iron Mine (as defined in the Company's circular dated 31 March 2009) and for general working capital purpose.

EFFECTS ON SHAREHOLDING STRUCTURE

The existing and enlarged shareholding structure of the Company immediately before and after the completion of the Subscription is set out below:

| | As at the date of this announcement | | Immediately after completion of the Subscription | |
|-----------------------------|-------------------------------------|--------------------|--|--------------------|
| | No. of Shares | Approx. percentage | No. of Shares | Approx. percentage |
| Golden Mount Limited (Note) | 230,000,000 | 14.27% | 230,000,000 | 13.59% |
| Public | | | | |
| Landstar Investments Ltd | 129,380,827 | 8.03% | 129,380,827 | 7.64% |
| Joinsmart Asia Limited | 111,660,000 | 6.93% | 111,660,000 | 6.60% |
| China Life Trustees Ltd | 84,590,000 | 5.25% | 84,590,000 | 5.00% |
| Subscriber | 0 | 0.00% | 81,000,000 | 4.79% |
| Other public shareholders | <u>1,055,969,763</u> | <u>65.52%</u> | <u>1,055,969,763</u> | <u>62.38%</u> |
| | <u>1,611,600,590</u> | <u>100.00%</u> | <u>1,692,600,590</u> | <u>100.00%</u> |

Note: Golden Mount Limited is owned by Mr. Chim Pui Chung who is the father of Mr. Chim Kim Lun, Ricky, a Director.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Reference is made to the Company's announcements dated 27 May 2009, 29 June 2009 and 21 July 2009. As set out in the Company's announcements dated 29 June 2009 and 21 July 2009, the Company had conducted and completed two tranches of placing of 88,500,000 new Shares at the placing price of HK\$0.397 per new Share and 111,660,000 new Shares at the placing price of HK\$0.30 per new Share under the General Mandate (the "Placings"), respectively. The aggregate net proceeds of approximately HK\$67.38 million arising from the Placings have been used or will be used for settlement of part of the acquisition price for pursuing the project of exploiting the Target Iron Mine (as defined in the Company's circular dated 31 March 2009) and for the general working capital of the Group. As at the date of this announcement, about HK\$60 million from the net proceeds of the Placings was used to settle part of the acquisition price of the Target Iron Mine and the remaining balance was used as the general working capital of the Group. Save for disclosed above, the Company has not conducted any equity fund raising activities in the past twelve months.

GENERAL

The Group is principally engaged in (i) manufacturing and sales of pharmaceutical products and (ii) iron mining business.

TERMS USED IN THIS ANNOUNCEMENT

In this announcement, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein.

| | |
|-------------------|--|
| "AGM" | the annual general meeting of the Company held on 29 August 2008 |
| "Board" | board of Directors |
| "Business Day" | any day (not being a Saturday, Sunday and public or statutory holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours |
| "Company" | Asia Resources Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange |
| "Directors" | directors of the Company |
| "General Mandate" | the general mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM |
| "Group" | the Company and its subsidiaries |
| "Hong Kong" | the Hong Kong Special Administrative Region of the People's Republic of China |

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|--------------------------------|---|
| “Independent Third Party(ies)” | third party(ies) independent of and not connected or acting in concert with the Company and any of its connected persons (having the meaning ascribed to it under the Listing Rules) and are not connected persons of the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Long Stop Date” | twenty-one (21) days after the signing of the Subscription Agreement (excluding the signing date thereof) (or such later date as may be agreed by the Subscriber and the Company in writing) |
| “Share(s)” | the ordinary share(s) of HK\$0.05 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscriber” | Banian International Industrial Group Limited, a limited liability company incorporated in the British Virgin Islands |
| “Subscription” | the subscription for the Subscription Shares by the Subscriber pursuant to the terms and conditions of the Subscription Agreement |
| “Subscription Agreement” | the conditional subscription agreement dated 24 August 2009 entered into between the Company and the Subscriber in relation to the Subscription |
| “Subscription Price” | HK\$0.25 per Subscription Share |
| “Subscription Shares” | a total of 81,000,000 new Shares having a par value of HK\$0.05 per Share |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent. |

By Order of the Board
Asia Resources Holdings Limited
Chim Kim Lun, Ricky
Chairman

Hong Kong, 24 August 2009

As at the date of this announcement, the executive Directors of the Company are Mr. Chim Kim Lun, Ricky, Mr. Chan Sung Wai and Mr. Chan Shun Yuen, and the independent non-executive Directors are Mr. Yiu Fai Ming, Mr. Zhang Xianlin and Tse Yuk Kong.

**For identification purposes only*