

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no presentation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Asia Resources Holdings Limited **亞洲資源控股有限公司***

(incorporated in Bermuda with limited liability)

(Stock Code: 899)

LETTER OF INTENT IN RELATION TO THE POSSIBLE ACQUISITION OF 55% EQUITY INTEREST IN AN IRON MINE IN THE PRC

This announcement is made by the Company on a voluntary basis to keep the Shareholders informed about the updated business development of the Company.

LETTER OF INTENT IN RELATION TO THE POSSIBLE ACQUISITION

The Board announces that on 22 August 2011, the Purchaser as purchaser, entered into the non-legally binding Letter of Intent with the Vendor as vendor in relation to the Possible Acquisition.

The Target is a limited liability company to be incorporated in the BVI. The Target Group, upon completion of the Reorganisation, will be engaged in the exploration and exploitation of iron and other mineral in the Mine which located in Hebei Province, the PRC.

The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction on the part of the Company.

* *For identification purposes only*

Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event any Formal Agreement has been signed.

This announcement is made by the Company on a voluntary basis to keep the Shareholders informed about the updated business development of the Company.

LETTER OF INTENT IN RELATION TO THE POSSIBLE ACQUISITION

The Board announces that on 22 August 2011, the Purchaser as purchaser, entered into the non-legally binding Letter of Intent with the Vendor as vendor in relation to the Possible Acquisition.

The Letter of Intent

Date: 22 August 2011

Parties:

The Purchaser: High Legend International Limited, a wholly owned subsidiary of the Company

The Vendor: Han Guangshou

The Vendor is an individual. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor is an Independent Third Party.

Major terms of the Letter of Intent

Under the Letter of Intent, it is proposed that the Company will acquire the entire issued share capital of the Target from the Vendor. The consideration for the Possible Acquisition shall be determined with reference to the iron and mineral resources and reserves of the Mine and the preliminary valuation of the Mine. Such valuation should be conducted by a valuer appointed by the Purchaser.

Conditions precedent

Completion of the Possible Acquisition will be conditional upon, inter alia, the followings:

- (i) the Company being satisfied with the results of due diligence review on the Target Group, the Mine and Beijing Zhongli to be conducted by the Company within 180 days after the date of the Letter of Intent;
- (ii) the completion of the Reorganisation;
- (iii) the obtaining of the exploitation licence and the iron mineral sale licence in respect of the Mine by Hebei Zhongli;
- (iv) the Company having received a PRC legal opinion in form and substance satisfactory to the Purchaser on matters in respect of the Reorganisation; and
- (v) any other conditions which may be agreed by the parties to the Letter of Intent and included in the Formal Agreement, including but not limited to if required, the Shareholders passing at its special general meeting an ordinary resolution of the Company approving the Formal Agreement and the transactions contemplated thereunder.

Reorganisation

To the best knowledge information and belief of the Directors and as advised by the Vendor, as at the date hereof, (i) Beijing Zhongli, a company incorporated in the PRC and wholly owned by the Vendor is the legal and beneficial holder of the exploration right licence in respect of the Mine; (ii) Hebei Zhongli is a company incorporated in the PRC and wholly owned by the Vendor.

It is a condition precedent that the Target Group has to undergo a reorganisation, which includes (i) transfer of exploration right in respect of the Mine by Beijing Zhongli to Hebei Zhongli; (ii) the incorporation of the Target in the BVI; (iii) the acquisition of 55% total equity interest in the Hebei Zhongli; and (iv) completion of transformation of Hebei Zhongli into a sino-foreign owned enterprise.

Pursuant to the Letter of Intent, the completion of Reorganisation shall take place on or before 31 October 2011 (or such later date to be agreed by the parties thereto).

Information on the Target Group

The Target will be a company with limited liability and to be incorporated in the BVI and wholly owned by the Vendor. Upon completion of the Reorganisation, the Target will be principally engaged in investment holding which in turn owns 55% of the entire equity interest in Hebei Zhongli and Hebei Zhongli will be the legal and beneficial holder of the exploration right certificate in respect of the Mine. Upon completion of the Reorganisation, the Target Group will be engaged in the exploration and exploration of iron and other mineral in the Mine which located in Hebei Province, the PRC.

Both the Purchaser and the Vendor will proceed to the negotiation for a legally-binding Formal Agreement on or before the date falling 30 days after the completion of Reorganisation (or such later date to be agreed by the parties thereto). The entering into of the Formal Agreement shall be subject to including but not limited to the due diligence review to be conducted by the Group on the Target Group.

Termination of the Letter of Intent

The Letter of Intent shall be terminated upon the occurrence of the earlier of any of the following events:

- (i) the Formal Agreement not having been entered into before the lapse of 30 days after the completion of the Reorganisation;
- (ii) the Purchaser fails to enter into the Formal Agreement before the lapse of 30 days after the completion of the Reorganisation; and
- (iii) the completion of the Reorganisation cannot take place on or before 31 October 2011.

In the event that the Letter of Intent be terminated due to the occurrence of the above events, no party shall have any obligations and liabilities under the Letter of Intent.

Reasons for the Possible Acquisition

The Company is an investment holding company. The Group is principally engaged in manufacturing and sale of pharmaceutical products and iron mining business.

In view of the high demand of steel under rapid economic growth in the emerging countries, which is the major driving force for expanding the production capacity of the iron ore industry the Directors believe that the Possible Acquisition will be a profitable investment. In particular, the continued economic growth, accelerated industrialization and urbanization in the PRC, will lead to a sustained demand for natural resources in the long run. The Directors consider the iron mining industry will have high growth potential and will be in the best interest of the Company and its Shareholders.

General

The Letter of Intent does not constitute legally-binding commitment in respect of the Possible Acquisition. The Possible Acquisition is subject to the execution and completion of the Formal Agreement.

If the Formal Agreement is entered into, it is expected that the Possible Acquisition will constitute a notifiable transaction on the part of the Company pursuant to the Listing Rules. In this regard, the Company will comply with the reporting, disclosure and/or Shareholders' approval requirements under the Listing Rules.

The Board wishes to highlight that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction on the part of the Company.

Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event any Formal Agreement has been signed.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors from time to time

“Beijing Zhongli”	Beijing Zhongli International Investment Company Limited (北京中力國際投資有限公司#), a company incorporated in the PRC, the existing holder of the exploration right certificate in respect of the Mine, the entire equity interest of which is owned by the Vendor
“BVI”	the British Virgin Islands
“Company”	Asia Resources Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“connected person”	as the meaning ascribed to this term under the Listing Rules
“Director(s)”	director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Acquisition
“Hebei Zhongli”	Hebei Zhongli Mining Company Limited (河北中力礦業有限公司#), a company incorporated in the PRC, the intended holder of the exploration right licence in respect of the Mine after Reorganisation, the entire equity interest of which is owned by the Vendor as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any persons or company(ies) and their respective ultimate beneficial owners, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules

“Letter of Intent”	the non-legally binding letter of intent dated 22 August 2011 and entered into between the Purchaser and the Vendor setting out the preliminary understanding in relation to the Possible Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mine”	the iron mine located in Hebei Province, the PRC with the area of approximately 8.43 square kilometers and the exploration right of which will be owned by Hebei Zhongli upon completion of Reorganisation
“Possible Acquisition”	the possible acquisition by the Purchaser from the Vendor of the entire issued share capital of the Target as contemplated under the Letter of Intent
“Purchaser”	High Legend International Limited, a wholly owned subsidiary of the Company, being the purchaser under the Letter of Intent
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Reorganisation”	the reorganisation of the Target Group, including (i) transfer of exploration right in respect of the Mine by Beijing Zhongli to Hebei Zhongli; (ii) the incorporation of the Target in the BVI ; (iii) the acquisition of 55% total equity interest in the Hebei Zhongli; and (iv) completion of transformation of Hebei Zhongli into a sino-foreign owned enterprise
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholders”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target”	a company to be incorporated in the British Virgin Islands with limited liability and the entire issued share capital of which is beneficially owned by the Vendor
“Target Group”	the Target and its subsidiaries after completion of Reorganisation
“Vendor”	Han Guangshou, an Independent Third Party, being the vendor under the Letter of Intent
“%”	per cent.

The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.

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

Hong Kong, 22 August 2011

As at the date of this announcement, the Board consists of three executive directors, Mr. Chim Kim Lun, Ricky, Mr. Chan Sung Wai and Mr. Wong King Lam, Joseph; one non-executive director, Mr. Tong Leung Sang; and two independent non-executive Directors, Mr. Zhang Xianlin and Mr. Lum Pak Sum.