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**APAC RESOURCES**  
**APAC RESOURCES LIMITED**  
**亞太資源有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1104)**

**DISCLOSEABLE TRANSACTION**

**ACQUISITION OF SHARES IN WHITEHAVEN COAL**

The Board announces that on 12 May 2021, the Subsidiary acquired in aggregate 550,000 shares in Whitehaven Coal (representing approximately 0.05% of the total issued share capital of Whitehaven Coal as at the date of this announcement) through on-market transactions conducted on the ASX for an aggregate consideration of approximately A\$649,000 (equivalent to approximately HK\$3,931,000) (exclusive of transaction costs), representing approximately A\$1.18 (equivalent to approximately HK\$7.1473) per share.

Prior to the Acquisition, the Subsidiary acquired an aggregate of 6,800,000 shares in Whitehaven Coal within a 12-month period prior to the date of the Acquisition (representing approximately 0.66% of the total issued share capital of Whitehaven Coal as at the date of this announcement) through on-market transactions conducted on the ASX for an aggregate consideration of approximately A\$8,484,000 (equivalent to approximately HK\$50,232,000) (exclusive of transaction costs), representing approximately A\$1.2476 (equivalent to approximately HK\$7.3871) per share.

**LISTING RULES IMPLICATIONS**

As the applicable percentage ratio(s) for the Acquisition does not exceed 5% on a stand-alone basis, the Acquisition is not subject to disclosure requirements under Chapter 14 of the Listing Rules.

As the applicable percentage ratio(s) for the Acquisition, when aggregated with the Previous Acquisitions which were conducted within 12 months of the Acquisition, is more than 5% but all are less than 25%, the Acquisition together with the Previous Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## **ACQUISITION OF SHARES IN WHITEHAVEN COAL**

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After the Acquisitions, the Group holds 7,350,000 shares in Whitehaven Coal, representing approximately 0.71% of the total issued share capital of Whitehaven Coal as at the date of this announcement.

As the Acquisitions were conducted through the open market, the identity(ies) of the counterparty(ies) of the Acquisitions cannot be ascertained by the Group. However, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Directors believe that the counterparty(ies) and its/their ultimate beneficial owner(s) in the Acquisitions is/are Independent Third Parties.

## **CONSIDERATION**

The aggregate consideration for the Acquisitions is approximately A\$9,133,000 (equivalent to approximately HK\$54,163,000) (exclusive of transaction costs) and shall be/have been (as the case may be) fully settled in cash from the Company's internal resources.

The consideration of the Acquisitions were determined by reference to the prevailing trading prices of the shares of Whitehaven Coal on the ASX at the time of the relevant acquisitions.

## **INFORMATION ON THE COMPANY AND THE GROUP**

The Company is a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange. The Group is an established investment fund and commodity trading house which owns strategic interests in natural resource companies with the main business lines comprising of primary strategic investment, resource investment, and commodity trading business, focused primarily on metals, mining and energy and investment in financial assets.

## INFORMATION ON WHITEHAVEN COAL

Whitehaven Coal is a company limited by shares incorporated in Australia, the shares of which are listed on the ASX (Stock Code: WHC). Whitehaven Coal is the dominant player in Australia's only emerging high-quality coal basin, and helps power developed and emerging economies in Asia where there is strong and growing demand for its products, particularly for use in high-efficiency, low-emissions coal-fired power stations.

Whitehaven Coal exports thermal and metallurgical coal from Australia to the world, with its capital investment and workforce focused in North West New South Wales, Australia. It operates four mines (three open-cut and one large underground mine) in the Gunnedah Coal Basin of New South Wales, Australia. Its operating assets are complemented by two development assets, being Vickery, near Gunnedah, and Winchester South, in Queensland's Bowen Basin. With almost 20 years of history including 12 years as a public company listed on ASX, Whitehaven Coal has a reputation for its excellence in project delivery, safe operations, and targeted investment in the local economy and community.

Based on the audited consolidated financial statements of Whitehaven Coal, the consolidated net profit before and after taxation for the financial years ended 30 June 2019 and 2020 and the consolidated net assets of Whitehaven Coal as at 30 June 2019 and 2020 are as follows:

	<b>For the year ended 30 June</b>			
	<b>2020</b>		<b>2019</b>	
	<i>A\$'000</i>	<i>HK\$'000</i>	<i>A\$'000</i>	<i>HK\$'000</i>
Consolidated net profit before taxation	42,330	225,282	735,868	4,029,392
Consolidated net profit after taxation	30,036	159,853	527,898	2,890,611

  

	<b>As at 30 June</b>			
	<b>2020</b>		<b>2019</b>	
	<i>A\$'000</i>	<i>HK\$'000</i>	<i>A\$'000</i>	<i>HK\$'000</i>
Consolidated net assets	3,249,590	17,294,480	3,522,200	19,286,511

*Note:* The translation of A\$ into HK\$ is based on the exchange rate of HK\$5.4757 to A\$1 and HK\$5.32205 to A\$1 as at 30 June 2019 and 30 June 2020 respectively.

## **REASONS FOR AND BENEFITS OF THE ACQUISITIONS**

Whitehaven Coal recently reported a weaker March 2021 quarter, impacted by ongoing geological challenges at Narrabri, which led to lower realised pricing and downgraded guidance for the year ended 30 June 2021. While Narrabri operations could remain challenged for another one to two quarters, other operations are performing well, including the flagship Maules Creek mine. With Newcastle spot prices currently at US\$98 per tonne, the Board believes the thermal price realisations and coal sales of Whitehaven Coal may improve over the rest of the year, and the free cash flow and de-gearing story remains intact. In addition, the current valuation of Whitehaven Coal looks attractive with the share price retreated 34% in the past month, and therefore, the Directors believe the Acquisitions are attractive investments and can enhance the returns on investment of the Company.

As the Acquisitions were traded at market price, the Directors (including the independent non-executive Directors) are of the view that the Acquisitions were fair and reasonable, on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole.

## **LISTING RULES IMPLICATIONS**

As the applicable percentage ratio(s) for the Acquisition does not exceed 5% on a stand-alone basis, the Acquisition is not subject to disclosure requirements under Chapter 14 of the Listing Rules.

As the applicable percentage ratio(s) for the Acquisition, when aggregated with the Previous Acquisitions which were conducted within 12 months of the Acquisition, is more than 5% but all are less than 25%, the Acquisition together with the Previous Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“A\$”	Australian dollar(s), the lawful currency of Australia;
“Acquisition”	the acquisition of 550,000 shares in Whitehaven Coal in aggregate by the Subsidiary through on-market transactions conducted on the ASX on 12 May 2021 for an aggregate consideration of approximately A\$649,000 (equivalent to approximately HK\$3,931,000) (exclusive of transaction costs);
“Acquisitions”	the Acquisition and the Previous Acquisitions;

“ASX”	the Australian Securities Exchange;
“Board”	the board of Directors;
“Company”	APAC Resources Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1104);
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Previous Acquisitions”	the acquisitions of 6,800,000 shares in Whitehaven Coal in aggregate by the Subsidiary through on-market transactions conducted on the ASX within a 12-month period prior to the date of the Acquisition for an aggregate consideration of approximately A\$8,484,000 (equivalent to approximately HK\$50,232,000) (exclusive of transaction costs);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	APAC Resources Commodity Trading Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Company;
“US\$”	United States dollar(s), the lawful currency of the United States of America;

“Whitehaven Coal” Whitehaven Coal Limited, a company limited by shares incorporated in Australia, the shares of which are listed on the ASX (Stock Code: WHC); and

“%” per cent.

*Unless otherwise stated, amounts in A\$ have been translated into HK\$ at the exchange rate on the relevant dates of the Acquisition and the Previous Acquisitions at HK\$6.05695 and HK\$5.9208 respectively to A\$1 for illustration purpose only. No representation has been made that any amount in A\$ or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.*

By Order of the Board  
**APAC Resources Limited**  
**Andrew Ferguson**  
*Executive Director*

Hong Kong, 12 May 2021

As at the date of this announcement, the directors of the Company are:

*Executive Directors*

Mr. Brett Robert Smith (*Deputy Chairman*) and Mr. Andrew Ferguson (*Chief Executive Officer*)

*Non-Executive Directors*

Mr. Arthur George Dew (*Chairman*) (*Mr. Wong Tai Chun, Mark as his alternate*),  
Mr. Lee Seng Hui and Ms. Lam Lin Chu

*Independent Non-Executive Directors*

Dr. Wong Wing Kuen, Albert, Mr. Chang Chu Fai, Johnson Francis and Mr. Wang Hongqian

\* *For identification purpose only*