

*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 representation 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.*

*This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for the securities.*

## **NORTH ASIA STRATEGIC HOLDINGS LIMITED**

**北亞策略控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8080)**

### **MAJOR TRANSACTION ACQUISITION OF MINING CONSULTING BUSINESS AND ISSUE OF CONSIDERATION SHARES AND CONVERTIBLE BONDS UNDER SPECIFIC MANDATE**

**Financial Adviser**



禹銘投資管理有限公司  
YU MING INVESTMENT MANAGEMENT LIMITED

#### **THE ACQUISITION**

On 13 June 2014 (after trading hours), the Vendor, the Purchaser and the Guarantor entered into the Sale and Purchase Agreement, pursuant to which the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Assets at the Consideration of HK\$260,000,000. The Sale Assets comprises the Sale Shares (the entire issued share capital in Dragon) and the Sale Loan.

The Consideration is to be satisfied as to (i) HK\$140,000,000 in cash; (ii) HK\$60,000,000 by the issue and allotment of 269,058,296 Consideration Shares at the issue price of HK\$0.223 per Share; and (iii) HK\$60,000,000 by the issue of Convertible Bonds at an initial conversion price of HK\$0.25 per Conversion Share (subject to adjustment).

The Company will seek the grant of the Specific Mandate from the Shareholders to issue and allot the Consideration Shares and the Conversion Shares upon conversion of the Convertible Bonds.

\* *For identification purpose only*

Dragon is incorporated in the British Virgin Islands with limited liability and is wholly-owned by the Vendor. The principal business of the Dragon Group is the provision of advisory services in mining exploration, exploitation and valuation for mergers and acquisitions projects. Upon Completion, Dragon will become a wholly-owned subsidiary of the Company and the financial results of the Dragon Group will be consolidated into the financial statements of the Group.

As the relevant percentage ratios (calculated according to the GEM Listing Rules) of the Acquisition are more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under the GEM Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under the GEM Listing Rules.

A circular containing, among other things, (i) further information regarding the Acquisition; (ii) a notice of SGM; and (iii) other information as required under the GEM Listing Rules will be despatched to the Shareholders on or before 7 July 2014.

**The Acquisition is subject to the satisfaction of the conditions precedent to the Sale and Purchase Agreement, which may or may not be completed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## THE ACQUISITION

On 13 June 2014 (after trading hours), the Vendor, the Purchaser and the Guarantor entered into the Sale and Purchase Agreement, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the Sale Assets at the Consideration of HK\$260,000,000. Major terms of the Sale and Purchase Agreement are set out below.

### The Sale and Purchase Agreement

Date: 13 June 2014 (after trading hours)

Parties: (i) Million Land Limited as the Vendor;

(ii) the Company as the Purchaser;

(iii) Mr. Chan Sik Lap as the Guarantor, who beneficially owns 52% of the issued share capital of the Vendor.

The Vendor is a company incorporated in the British Virgin Islands with limited liability and its principal activity is investment holding. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

## **Assets to be Acquired**

The Sale Assets comprises the Sale Shares and the Sale Loan. The Sale Shares represents the entire issued share capital of Dragon and the Sale Loan will, on Completion, represent amounts due from Dragon to the Vendor.

Upon Completion, Dragon will become a wholly-owned subsidiary of the Company and the financial results of the Dragon Group will be consolidated into the financial statements of the Group.

The Vendor and Mr. Chan have given an undertaking not to compete with the Dragon Group and solicit its clients for a period of two years from Completion.

## **Consideration**

The Consideration of HK\$260,000,000 shall be paid to the Vendor upon Completion as follows:–

- (a) HK\$140,000,000 in cash;
- (b) HK\$60,000,000 by the issue and allotment of 269,058,296 Consideration Shares at the issue price of HK\$0.223 per Consideration Share; and
- (c) HK\$60,000,000 by the issue of Convertible Bonds at an initial conversion price of HK\$0.25 per Conversion Share (subject to adjustment).

Further details of the Consideration Shares and Convertible Bonds are set out in the paragraph headed “Principal terms of the Consideration Shares” and “Principal terms of the Convertible Bonds” below, respectively.

The Consideration was determined after arm’s length negotiation between the Purchaser and the Vendor with reference to, inter alia, the financial performance and the growth prospects of the Dragon Group.

## **Conditions Precedent**

Completion is subject to the fulfillment (or waiver, as the case may be) of the following conditions precedent:

- (a) the Shareholders having approved the transactions contemplated under the Sale and Purchase Agreement and the Specific Mandate in the SGM having been obtained;

- (b) the Listing Committee granting listing of and permission to deal in the Consideration Shares and the Conversion Shares (upon exercise by the holder of the Convertible Bonds of the Conversion Rights);
- (c) the Purchaser being satisfied with the results of its due diligence review, including but not limited to the affairs, business, assets, liabilities, operations, records, financial position, value of assets, accounts, results, legal and financial structure, of each member of the Dragon Group being completed to the satisfaction of the Purchaser;
- (d) the Key Employees having entered into the employment contracts for a period of not less than 3 years after Completion and otherwise on terms to the satisfaction of the Purchaser with Dragon (or such other member of the Dragon Group as the Purchaser may direct); and
- (e) evidence to the satisfaction of the Purchaser that all receivables of the Dragon Group outstanding for more than 60 days as at 31 March 2014 have been recovered in full or otherwise in accordance with repayment schedule disclosed to the Purchaser.

Conditions (c), (d) and (e) above may be waived by the Purchaser in writing. If the above conditions have not been fulfilled (or waived by the Purchaser) on or before the Long Stop Date, the rights and obligations of the parties of the Sale and Purchase Agreement shall lapse and be of no further effect except for antecedent breach of any obligations of any parties thereof.

### **Completion**

Completion shall take place on or before the third Business Day after the last of the conditions precedent (a), (b), (d) and (e) above have been fulfilled and on condition that condition precedent (c) shall remain fulfilled and satisfied on Completion (unless waived by the Purchaser) or such other date as may be agreed between the Vendor and the Purchaser in writing. At Completion, the Vendor and the Guarantor are required, among other things, to deliver a deed of indemnity on customary terms in relation to any undiscovered tax liabilities, penalties and certain minor compliance imperfection identified during preliminary due diligence.

### **Termination**

If at any time before Completion:—

- (a) any breach of the representations, warranties and undertakings on the part of the Vendor given, comes to the notice of the Purchaser; or
- (b) any of the Vendor or the Guarantor is in material breach of any obligation on its/his part under Sale and Purchase Agreement; or
- (c) anything occurs which constitute, or is likely to constitute, a Material Adverse Change,

then, but without prejudice to any other rights or remedies available to the Purchaser, the Purchaser may without any liability to the Vendor elect not to complete the purchase of the Sale Assets by giving notice in writing to the Vendor.

## **PRINCIPAL TERMS OF THE CONSIDERATION SHARES**

HK\$60,000,000 of the Consideration is to be satisfied by the issue and allotment of an aggregate of 269,058,296 Consideration Shares by the Company at the issue price of HK\$0.223 per Consideration Share to the Vendor upon Completion. The issue price of HK\$0.223 per Consideration Share represents:—

- (i) a discount of approximately 10.8% to the closing price of HK\$0.25 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 11.9% to the average closing price of approximately HK\$0.253 per Share for the last five trading days immediately prior to and including the Last Trading Day; and
- (iii) a discount of approximately 10.4% to the average closing price of approximately HK\$0.249 per Share for the last ten trading days immediately prior to and including the Last Trading Day.

The issue price of each Consideration Share was arrived at after arm's length negotiations between the Purchaser and the Vendor, after taking into account with reference to the prevailing market price of the Shares and the financial position of the Company as at 31 March 2014.

The Consideration Shares represent:—

- (i) approximately 20.0% of the existing issued share capital of the Company as at the date of this announcement;
- (ii) approximately 16.7% of the issued share capital of the Company as enlarged by the issue and allotment of the Consideration Shares; and
- (iii) approximately 14.5% of the issued share capital of the Company as enlarged by the issue and allotment of the Consideration Shares and the Conversion Shares upon conversion of the Convertible Bonds in full.

The Consideration Shares, when issued upon Completion, will rank *pari passu* in all respects with the existing Shares in issue. The Consideration Shares and any Conversion Shares issued upon conversion of the Convertible Bond is subject to non-disposal undertakings for a period of 180 days from Completion. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and the Conversion Shares upon conversion of the Convertible Bonds to be issued upon Completion.

## PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The principle terms of the Convertible Bonds are as follows:

- Issuer: The Company
- Principal Amount: HK\$60,000,000
- Maturity Date: The day before the third anniversary of the first issue date of the Convertible Bonds
- Redemption Amount: 100% of the principal amount
- Conversion Price: HK\$0.25 per Conversion Share (subject to adjustments as stated below)
- Conversion Period: From the issue date of the Convertible Bond up to and including the date which is 7 days prior to the Maturity Date
- Conversion Rights: The holder of the Convertible Bonds shall, subject to compliance with the procedures set out in the conditions to the Convertible Bonds, have the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Bonds registered in its name into Conversion Shares, provided further that any conversion shall be made in amounts of not less than a whole multiple of HK\$1,000,000 on each conversion save that if at any time the aggregate outstanding principal amount of the Convertible Bonds is less than HK\$1,000,000, the whole (but not part only) of the outstanding principal amount of the Convertible Bonds may be converted
- Conversion Adjustments: The conversion price may be adjusted upon occurrence of certain events including but not limited to the following:—
- (i) an alteration to the nominal value of the Shares as a result of consolidation or subdivision or reclassification;
  - (ii) any issue of Shares credited as fully paid to the Shareholders by way of capitalization of profits or reserves, other than Shares issued in lieu of the whole or part of a cash dividend;
  - (iii) the payment or making of any capital distribution to the Shareholders;

- (iv) the offer to Shareholders of Shares or any securities convertible into or carrying right to subscribe for Shares by way of rights, or the issue of any Shares or securities convertible into or carrying rights to subscribe for new Shares at a price or total effective price per Share which is less than 80% of the market price on the date of the announcement of the terms of the offer or grant; and
- (v) such other customary events which a financial adviser (being either an investment bank or the auditor of the Company) certifies to warrant an adjustment

Ranking: The Convertible Bond will rank *pari passu* among themselves. The Conversion Shares, when issued, will rank *pari passu* with the Shares then in issue

Transferability: None of the Convertible Bonds (or any part thereof) is capable of being assigned or transferred without the prior written consent of the Company. Subject to such consent being given, any transfer of the Convertible Bond shall be of the whole or any part (in an integral multiple of HK\$1,000,000) of the outstanding principal amount of the Convertible Bond

Voting Rights: The Convertible Bond does not confer any voting rights

Listing: The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares which fall to be allotted and issued upon exercise of the conversion right of the Convertible Bonds

No listing of the Convertible Bonds on the Stock Exchange or any other exchanges will be sought

The Convertible Bond is convertible into Conversion Shares at the initial conversion price of HK\$0.25 per Conversion Share (subject to adjustments), represents:—

- (i) the same price as the closing price of HK\$0.25 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 1.2% to the average closing price of approximately HK\$0.253 per Share for the last five trading days immediately prior to and including the Last Trading Day; and
- (iii) a premium of approximately 0.4% over the average closing price of approximately HK\$0.249 per Share for the last ten trading days immediately prior to and including the Last Trading Day.

The conversion price was arrived at after arm's length negotiations between the Purchaser and the Vendor, after taking into account the prevailing market price of the Shares and the financial position of the Company as at 31 March 2014.

Assuming full exercise of the Conversion Rights attaching to the Convertible Bonds at the conversion price of HK\$0.25, the Company will issue an aggregate of 240,000,000 Conversion Shares, which represent:—

- (i) approximately 17.8% of the existing issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 12.9% of the issued share capital of the Company as enlarged by the issue and allotment of the Consideration Shares and the Conversion Shares upon conversion of the Convertible Bonds in full.

#### **SPECIFIC MANDATE**

The Consideration Shares and Conversion Shares upon conversion of the Convertible Bonds will be issued and allotted pursuant to the Specific Mandate. The Company will seek the grant of the Specific Mandate from the Shareholders at the SGM to issue and allot the Consideration Shares and Conversion Shares upon conversion of the Convertible Bonds.



## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Details of the shareholding structure of the Company (i) as at the date of this announcement; (ii) upon issue of the Consideration Shares; and (iii) upon issue of the Consideration Shares and full conversion of the Convertible Bonds (assuming there is no other change in the share capital of and shareholding in the Company, from the date of this announcement to Completion) are set out below:

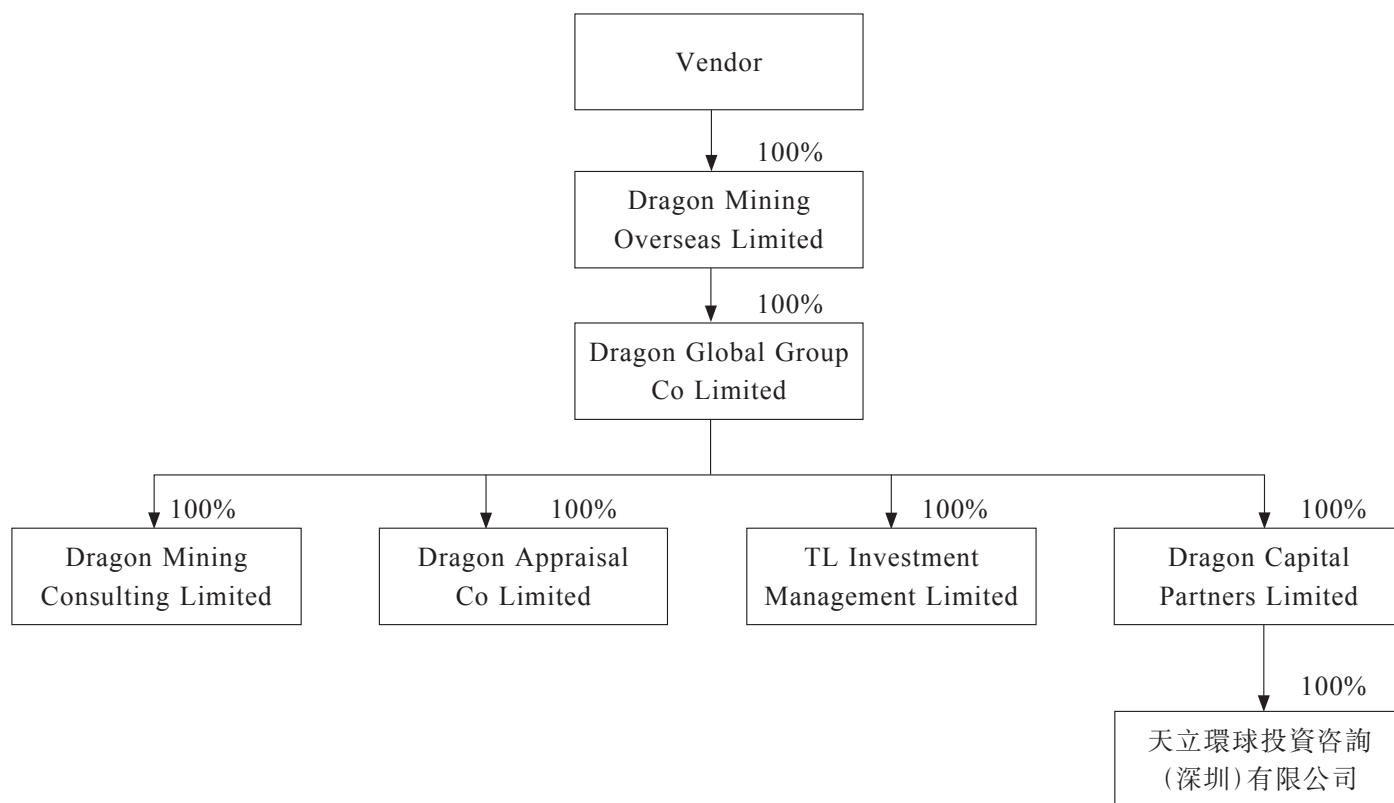
	As at the date if this announcement		Upon issue of Consideration Shares		Upon issue of Consideration Shares and full conversion of the Convertible Bonds	
	Shares	%	Shares	%	Shares	%
Vendor	—	—	269,058,296	16.66%	509,058,296	27.44%
Ding Yi	402,445,296	29.90%	402,445,296	24.92%	402,445,296	21.70%
C.L Davids Fond og Samling	106,178,010	7.89%	106,178,010	6.57%	106,178,010	5.72%
United Overseas Bank Limited	<u>69,457,701</u>	<u>5.16%</u>	<u>69,457,701</u>	<u>4.30%</u>	<u>69,457,701</u>	<u>3.75%</u>
<i>Subtotal</i>	578,081,097	42.95%	847,139,303	52.45%	1,087,139,303	58.61%
Public Shareholders	<u>767,857,941</u>	<u>57.05%</u>	<u>767,857,941</u>	<u>47.55%</u>	<u>767,857,941</u>	<u>41.39%</u>
<b>Total</b>	<b><u>1,345,938,948</u></b>	<b><u>100.00%</u></b>	<b><u>1,614,997,244</u></b>	<b><u>100.00%</u></b>	<b><u>1,854,997,244</u></b>	<b><u>100.00%</u></b>

## INFORMATION ON THE DRAGON GROUP

Dragon is incorporated in the British Virgin Islands with limited liability and is wholly-owned by the Vendor.

The principal business of the Dragon Group is the provision of advisory services in mining exploration, exploitation and valuation for mergers and acquisitions projects. It aims to provide one-stop mining services to mines (mainly in Central Asia and Southeast Asia) in each and every stage of their life cycle and support, by sourcing through their technical consultation services, of high potential investment opportunities relating to mining, oil and gas and their associated technologies for investors (mainly in mainland China).

Set out below is the shareholding structure of the Dragon Group as at the date of this announcement:



## Key Operations of the Dragon Group

### (a) *Mining Exploration and Exploitation Advisory Services*

The Dragon Group provides site management and advisory services to act as a bridge between local teams that perform exploration, drilling and mine planning works, and international mining consultants for analysis and compilation of international standard evaluation reports.

### (b) *Valuation and Other Services*

The Dragon Group provides valuation, resource/reserve estimation, feasibility study, and evaluation services on technical due diligence, etc. that comply with the account and listing requirements for investment decision, project management, accounting reference and public disclosure purpose.

## Financial Information of the Dragon Group

The unaudited consolidated financial information of the Dragon Group sets out as follows:

	<b>For the period from 1 Jul 2013 to 31 Mar 2014 HK\$'000</b>	<b>For the period from 21 Feb 2012 to 30 Jun 2013 HK\$'000</b>
Revenue	28,982	28,701
Net profit before tax and extraordinary items	12,035	3,329
Net profit after tax and extraordinary items	11,673	3,329

*Note:* Due to the change of the financial year end date of the Dragon Group from 30 June to 31 March, in order to be co-terminus with its ultimate holding company, the consolidated financial statements covered a 9-month period from 1 July 2013 to 31 March 2014 and the comparative amounts cover an approximately 17-month period from 21 February 2012 (the date of incorporation of the Dragon Group's earliest established subsidiary) to 30 June 2013 and the figures are not entirely comparable.

The net asset value of the Dragon Group as at 31 March 2014 amounted to approximately HK\$15.0 million, while net asset value of the Dragon Group as at 30 June 2013 amounted to approximately HK\$3.4 million.

## Management of the Dragon Group

### **Mr. Chan Sik Lap** — *CEO, Director*

Mr. Chan has over 10 years of experience in mineral exploration and mining. He has been involving in exploration, mine management, consulting and valuation in Kazakhstan, Indonesia, Australia, China, Mongolia, Russia Far East, Canada, South Africa, the Philippines, Laos, Cambodia and Tajikistan.

Prior to founding the Dragon Group, Mr. Chan held senior positions in various international firms as geologist, manager and consultant. He was the head of mine of Jones Lang LaSalle Sallmanns Ltd., a technical director and principal geologist of BMI Technical Consulting (Resources) Ltd., a technical director of AsiaMin Consulting Ltd., and the vice-president (Exploration & Production) of RH Mining Resources Ltd. He is currently the CEO of International Resources Group, which owns a near-term production gold mine in Kazakhstan, and is a member of the strategic advisory board of a resource and technology fund.

Mr. Chan is a qualified competent person and competent evaluator for various commodities. He is also a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Australasia Institute of Geoscience (AIG), which is an overseas professional association recognised under Chapter 18 of the Listing Rules. Mr. Chan is also the founding committee of AIG Hong Kong branch, the founding vice-chairman of Hong Kong Mining Investment Professional Association (HKMIPA) and a guest lecturer in the University of Hong Kong for courses related to mining industry.

It is a condition precedent to Completion that Mr. Chan enters into an employment contract for a period of not less than 3 years following Completion.

**Mr. Grant Thomas** — *Director*

Mr. Thomas has over 30 years of experience in exploration and resource estimation. He has been involved in mining projects in Australia, China, South Africa, Tajikistan, Kazakhstan, Kyrgyz Republic, Brazil, Mongolia and Southeast Asia, which includes mineral mine such as gold, copper, lead, zinc, uranium, coal, iron, phosphate, diamond, and fluorite.

Mr. Thomas was the managing director of Tianshan Goldfields Ltd, a company listed on the Australian Securities Exchange (ASX). He led his team to a discovery of a deposit with 24,000 ounces of gold in Xinjiang, China and completed the relevant resources estimation and preliminary feasibility study. Mr. Thomas had also successfully raised fund for the projects in London, Sydney, Hong Kong and Singapore. He is currently the managing director of ActivEx, a company listed on the ASX. Prior to joining Tianshan Goldfields Ltd., Mr. Thomas held senior positions in various global resources companies, including Rio Tinto (Australia, Brazil and China), CSA, Hamersley Iron Resources.

Mr. Thomas is a competent person under Chapter 18 of the Listing Rules and has been providing consultation services to Hong Kong listed mining corporates. He has completed technical and valuation reports for numerous projects in Inner Mongolia, Xinjiang and Tajikistan, including preparation of JORC-compliant reports in coal, gold and iron.

Mr. Thomas supervises the corporate management of the Dragon Group and acting as the principal Geologist overseeing all geological works in the Dragon Group.

**Mr. Leung Kar Fai** — *Director*

Mr. Leung has extensive experience in exploration and mining project valuation. He is a geologist in several listed companies, including Behre Dolbear & Company INC., Sino Prosper State Gold Resources Holdings Limited and Companhia Vale do Rio Doce.

Mr. Leung has taken part in a number of local and overseas mineral and energy projects in the PRC, Mongolia, Yemen, Madagascar, the Philippines and Indonesia, and was responsible for supervising geological and technical work and formulating company policies.

Mr. Leung is also the author of numerous academic works in relation to geology in PRC. He is a member of the Australasian Institute of Mining and Metallurgy (AusIMM), a member of the executive committee of Hong Kong Geological Society and a founding member and Chairman of Hong Kong Mining Investment Professional Association (HKMIPA).

Mr. Leung oversees all exploration works conducted by the Dragon Group and business development in Hong Kong.

**Dr. Wang Wei-Liang** — *Director*

Dr. Wang has extensive experience in exploration and mining project valuation. He worked as a geologist and a consultant at various mining investment companies in PRC and Canada, during which, he was responsible for exploration, manage and evaluate mining projects. He was the vice-president (Exploration) of Jilin Jien Nickel Industry Co Ltd, exploration manager of Canadian Royalties Inc., project manager of China Railway Resources Group, and senior geologist of Teck Resources.

Dr. Wang is also a qualified competent person in accordance with NI43-101 and JORC and he is familiar with rules and transactions in Toronto Stock Exchange and the Stock Exchange.

Dr. Wang helps the Dragon Group to business development in the PRC and in America.

**REASONS FOR THE ACQUISITION**

The Group invests in various businesses, and at present its major subsidiary is principally engaged in trading of surface mount technology assembly equipment and provision of related services.

As disclosed in the interim report of the Company for the six months period ended 30 September 2013, the disposal of fishmeal and branded food businesses enables the Group to explore new investments to enhance Shareholder's value.

The Dragon Group is a profitable servicing business managed by dedicated professionals that offers high growth prospects. Having considered the abovementioned factors, the Directors are of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## GENERAL

As the relevant percentage ratios (calculated according to the GEM Listing Rules) of the Acquisition are more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under the GEM Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under the GEM Listing Rules.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting for the resolution to be proposed at the SGM to approve the Acquisition and the transactions contemplated under the Sale and Purchase Agreement and the Specific Mandate.

A circular containing, among other things, (i) further information regarding the Acquisition; (ii) a notice of SGM; and (iii) other information as required under the GEM Listing Rules will be despatched to the Shareholders on or before 7 July 2014.

**The Acquisition is subject to the satisfaction of the conditions precedent to the Sale and Purchase Agreement, which may or may not be completed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“Acquisition”	acquisition of the Sale Assets pursuant to the terms and conditions of the Sale and Purchase Agreement
“Board”	the board of Directors of the Company
“Business Day(s)”	a day (other than a Saturday, a Sunday, a public holiday and a day on which a tropical cyclone warning signal no. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open for banking business in Hong Kong
“Company”	North Asia Strategic Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on GEM (stock code: 8080)
“Completion”	completion of the Sale and Purchase Agreement
“Consideration”	the total consideration of HK\$260,000,000 payable by the Purchaser for acquiring the Sale Assets

“Consideration Share(s)”	the new Shares to be issued and allotted to the Vendor in partial satisfaction of the Consideration in the principal amount of HK\$60,000,000
“Conversion Rights”	the right attached to the Convertible Bonds to convert the same or a part thereof into Conversion Shares
“Conversion Share(s)”	the new Share(s) issuable upon exercise of the Conversion Rights attaching to the Convertible Bonds
“Convertible Bonds”	a zero coupon convertible bond to be issued by the Company in partial satisfaction of the Consideration in the principal amount of HK\$60,000,000
“Director(s)”	director(s) of the Company from time to time
“Dragon”	Dragon Mining Overseas Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by the Vendor
“Dragon Group”	Dragon and its subsidiaries
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Chan Sik Lap, a 52% shareholder of the Vendor
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	persons(s) or company(ies) together with its/their beneficial owner(s) who or which is/are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, are not connected person(s) (as defined in the GEM Listing Rules) to the Company
“Key Employees”	the chief executive officer, the group financial controller and two regional managers
“Last Trading Day”	13 June 2014, being the last trading day prior to this announcement
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing

“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
“Long Stop Date”	31 December 2014, or such other date as may be agreed by the Purchaser and the Vendor in writing
“Material Adverse Change”	any change, event, circumstance or other matter that has, or would reasonably be expected to have, either individually or in the aggregate, a material adverse change on: (a) the ability of any of the Vendor or the Guarantor to perform its/his obligations under the Sale and Purchase Agreement or any other documents entered into pursuant to or in relation to the Sale and Purchase Agreement; or (b) the business, assets and liabilities, condition (financial or otherwise), results of operations or prospects of the Dragon Group as a whole
“PRC”	the People’s Republic of China
“Purchaser”	the Company
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 13 June 2014 entered into between the Vendor, the Purchaser and the Guarantor in relation to the sale and purchase of the Sale Assets
“Sale Assets”	the Sale Loan and the Sale Shares
“Sale Loan”	an amount of not less than HK\$8,800,000 in principal which will be due from Dragon to the Vendor at Completion, after assignment (on terms to the satisfaction of the Purchaser) of an existing amounts due from the Dragon Group to the Guarantor by way of advance, being approximately HK\$8,800,000 as at 31 March 2014
“Sale Shares”	the entire issued share capital of Dragon, which is wholly-owned by the Vendor
“Specific Mandate”	the specific mandate proposed to be sought at the SGM to authorise the Directors to issue and allot the Consideration Shares and the Conversion Shares upon conversion of Convertible Bonds
“SGM”	the special general meeting of the Company to be held for the Shareholders to consider and, if thought fit, approve the Acquisition and the transactions contemplated under the Sale and Purchase Agreement



“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Million Land Limited, a company incorporated in the British Virgin Islands with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**NORTH ASIA STRATEGIC HOLDINGS LIMITED**  
**Ding Yi**  
*Chairman and Executive Director*

Hong Kong, 13 June 2014

*As at the date of the announcement, the Board comprises Mr. Ding Yi (Chairman and Executive Director), Mr. James Tsiolis (Deputy Chairman and non-Executive Director), Mr. Joseph Chan Nap Kee (non-Executive Director), and Mr. Stephen Luk Kai Ming, Mr. Kenneth Kon Hiu King and Mr. Joseph Liang Hsien Tse (being independent non-Executive Directors).*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcement” page for at least seven days from the date of its posting and on the Company’s website at [www.nasholdings.com](http://www.nasholdings.com).*