

*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.*



**COL Capital Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 383)**

## **DISCLOSEABLE TRANSACTION ACQUISITION OF SHARES OF APAC RESOURCES LIMITED**

The Board announces that on 12 July 2012, the Group acquired through market by crossing from an Independent Third Party an aggregate of 130,000,000 APAC Shares at an aggregate consideration of HK\$39,139,820 (being approximately HK\$0.301 per APAC Share, with 0.25% brokerage, 0.1% stamp duty, 0.003% Securities and Futures Commission transaction levy, 0.005% Stock Exchange trading fee and about 0.0005% CCASS settlement fee).

The Acquired Shares represent an aggregate of 130,000,000 APAC Shares and approximately 1.91% of the entire issued share capital of APAC. Before completion of the Acquisition, the Group, through its wholly-owned subsidiaries, was beneficially interested in 1,900,939,562 APAC Shares, representing approximately 27.90% of the entire issued share capital of APAC as at the date of this announcement. Following completion of the Acquisition, the Company will become beneficially interested in an aggregate of 2,030,939,562 APAC Shares, representing approximately 29.81% of the entire issued share capital of APAC.

The Group will hold the Acquired Shares as strategic long term investment which together with the Group's existing investment in APAC will be classified as an "interest in associate" and APAC's financial results, assets and liabilities will be accounted for using the equity method of accounting in the consolidated financial statements of the Group.

As the relevant Percentage Ratios for the Acquisition are more than 5% but below 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

### **THE ACQUISITION**

On 12 July 2012, the Group acquired through market by crossing from an Independent Third Party an aggregate of 130,000,000 APAC Shares at an aggregate consideration of HK\$39,139,820.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry and so far as the Directors are aware, the vendor of the Acquired Shares is an Independent Third Party.

### **Assets acquired**

The Acquired Shares represent an aggregate of 130,000,000 APAC Shares and approximately 1.91% of the entire issued share capital of APAC. So far as the Directors are aware, there are no contractual restrictions which are applicable to the subsequent sale of the Acquired Shares.

Before completion of the Acquisition, the Group, through its wholly-owned subsidiaries, was beneficially interested in 1,900,939,562 APAC Shares, representing approximately 27.90% of the entire issued share capital of APAC as at the date of this announcement. Following completion of the Acquisition, the Company will become beneficially interested in an aggregate of 2,030,939,562 APAC Shares, representing approximately 29.81% of the entire issued share capital of APAC.

### **Consideration**

The Consideration payable for the Acquired Shares is HK\$39,139,820 (being approximately HK\$0.301 per APAC Share, with 0.25% brokerage, 0.1% stamp duty, 0.003% Securities and Futures Commission transaction levy, 0.005% Stock Exchange trading fee and about 0.0005% CCASS settlement fee).

The Consideration will be satisfied by cash and financed from the internal resources of the Group and/or borrowing of the Group.

The average price of HK\$0.301 per Acquired Share represents:–

- (a) a premium of approximately 13.58% to the closing price of HK\$0.265 per APAC Share as at 12 July 2012;
- (b) a premium of approximately 10.26% to the average closing price of HK\$0.273 per APAC Share for the last 5 trading days up to and including 12 July 2012;
- (c) a premium of approximately 8.47% to the average closing price of HK\$0.2775 per APAC Share for the last 10 trading days up to and including 12 July 2012;
- (d) a discount of approximately 47.19% to the unaudited net asset value of APAC based upon the market value of its listed investments, including its investments in listed associates per APAC Share of HK\$0.57 as at 31 May 2012 as announced by APAC on 13 June 2012; and
- (e) a discount of approximately 60.91% to the unaudited consolidated net asset value per APAC Share of HK\$0.77 as at 31 December 2011.

The consideration payable for the 130,000,000 APAC Shares acquired at a price (before transaction costs) of HK\$0.3 per APAC share, through market by crossing, was determined after arm's length negotiations between parties with reference to (i) the recent market prices of APAC Share as quoted on the Stock Exchange; (ii) the unaudited net asset value per APAC Share as at 31 May 2012; (iii) the unaudited consolidated net asset value of APAC Shares as at 31 December 2011; and (iv) the substantial block size of the Acquired Shares.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE ACQUISITION**

The principal businesses of the Group are securities trading and investments, provision of financial services, property investment and strategic investment. As APAC is a listed associated company of the Group, the Company considers that the Acquisition provides an opportunity for the Group to increase its shareholding in APAC.

Following completion of the Acquisition, the Group will hold the Acquired Shares as strategic long term investment which together with the Group's existing investment in APAC will be classified as an "interest in associate" and APAC's financial results, assets and liabilities will be accounted for using the equity method of accounting in the consolidated financial statements of the Group.

In view of the above, the Board is of the view that the terms of the Acquisition are fair and reasonable and on normal commercial terms, and the Acquisition is in the interest of the Company and its shareholders taken as a whole.

### **Information on APAC**

APAC is an established natural resources investment and commodities business company listed on the Stock Exchange (Stock Code: 1104). Focused on natural resources, its business lines comprise primary strategic investment, resource investment and commodity business. APAC's primary strategic investments include its approximately 26.6% shareholding in Mount Gibson Iron Limited ("MGX"), the fifth largest iron ore producer in Australia and approximately 30.0% shareholding in Metals X Limited ("MLX"), the Australia's largest tin producer. MGX is an ASX listed iron ore producer in West Australia, operating Talling Peak and Koolan Island mines and developing Extension Hill, lifting total MGX's production to 10Mtpa in 2012. MLX is an ASX listed tin producer with operations in western Tasmania and is also developing a nickel project at Wingellina in Western Australia. In addition, MLX holds meaningful interests in other listed resource companies. APAC's commodity business is based in Shanghai, currently trading iron ore and coal.

Below is the audited financial information of APAC for the year ended 31 December 2009 and for the 18 months ended 30 June 2011 extracted from its 2010/2011 annual report and the unaudited financial information of APAC for the 6 months ended 31 December 2011 extracted from its 2011 interim report:

	<b>For the year ended 31 December 2009 (audited) <i>HK\$'000</i></b>	<b>For the 18 months ended 30 June 2011 (audited) <i>HK\$'000</i></b>	<b>For the 6 months ended 31 December 2011 (unaudited) <i>HK\$'000</i></b>
Turnover	301,420	1,147,494	680,524
Profit before taxation	394,379	1,465,177	14,714
Profit after taxation	372,603	1,462,069	12,298
Profit attributable to the equity holders of APAC	372,603	1,462,069	12,298
Net asset value	2,962,014	5,398,600	5,259,197

### **Information on the Company**

The principal business of the Company is investment holding and through its subsidiaries engaged in securities trading and investments, provision of financial services, property investment and strategic investment.

### **IMPLICATIONS UNDER THE LISTING RULES**

As the relevant Percentage Ratios for the Acquisition are more than 5% but below 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

### **DEFINITIONS**

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

“Acquisition”	the acquisition of the Acquired Shares by the Company
“Acquired Share(s)”	an aggregate of 130,000,000 APAC Shares acquired by the Group through market by crossing from an Independent Third Party

“APAC”	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)
“APAC Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the issued share capital of APAC
“ASX”	the Australian Securities Exchange operated by ASX Limited
“Board”	the board of Directors
“Company”	COL Capital Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Consideration”	the consideration payable by the Company for the Acquired Shares
“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)”	parties who, together with his/her respective ultimate beneficial owners is/are persons independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

On behalf of the Board  
**COL Capital Limited**  
**Chong Sok Un**  
*Chairman*

Hong Kong, 12 July 2012

*As at the date of this announcement, the Board comprises Ms. Chong Sok Un (Chairman), Dato' Wong Peng Chong and Mr. Kong Muk Yin as Executive Directors; and Mr. Lau Siu Ki, Mr. Ma Wah Yan and Mr. Zhang Jian as Independent Non-Executive Directors.*