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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)

**SUPPLEMENTAL ANNOUNCEMENT ON
THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 AND
THE INTERIM REPORT FOR THE SIX MONTHS ENDED
31 DECEMBER 2017**

Reference is made to (i) the annual report of APAC Resources Limited (the “**Company**”) for the year ended 30 June 2017 (the “**Annual Report**”) and (ii) the interim report of the Company for the six months ended 31 December 2017 (the “**Interim Report**”) posted on the website of The Stock Exchange of Hong Kong Limited on 20 October 2017 and 23 March 2018 respectively.

As disclosed in the Annual Report and the Interim Report, the Company and its subsidiaries (collectively, the “**Group**”) had available-for-sale investments and investments held for trading of HK\$0.8 billion and HK\$1.2 billion in aggregate as at 30 June and 31 December 2017 respectively, representing approximately 28.4% and 34.6% of the Company’s total assets as at the respective year/period ended.

In addition to the information disclosed in the Annual Report and the Interim Report, the Company would like to provide shareholders of the Company (the “**Shareholders**”) and the market with the below additional information in relation to the significant investments as at 30 June and 31 December 2017:

For the Six Months Ended 31 December 2017

Name of investee company	Number of shares held	For the six months ended 31 December 2017					As at 31 December 2017	
		Investment cost <i>HK\$'000</i>	Dividend received <i>HK\$'000</i>	Realized gain <i>HK\$'000</i>	Unrealized gain (loss) <i>HK\$'000</i>	Fair value gain (loss) <i>HK\$'000</i>	Carrying value <i>HK\$'000</i>	% of carrying value to the Group's total assets
Available-for-sale investments								
Metals X Limited	55,907,571	241,704	3,492	–	91,079	91,079	354,870	10.4%
Westgold Resources Limited	27,953,786	247,747	–	–	(6,643)	(6,643)	301,980	8.9%
		<u>489,451</u>	<u>3,492</u>	<u>–</u>	<u>84,436</u>	<u>84,436</u>	<u>656,850</u>	
Investments held for trading								
Australian Mines Limited	110,884,916	33,226	–	4,151	47,460	51,611	81,212	2.4%
Cobalt 27 Capital Corp.	640,222	37,088	–	907	11,668	12,575	49,041	1.4%
Katanga Mining Limited	2,950,000	3,683	–	1,010	22,639	23,649	33,988	1.0%
		<u>73,997</u>	<u>–</u>	<u>6,068</u>	<u>81,767</u>	<u>87,835</u>	<u>164,241</u>	

For the Year Ended 30 June 2017

Name of investee company	Number of shares held	For the year ended 30 June 2017					As at 30 June 2017	
		Investment cost HK\$'000	Dividend received HK\$'000	Realized gain HK\$'000	Unrealized gain HK\$'000	Fair value gain HK\$'000	Carrying value HK\$'000	% of carrying value to the Group's total assets
Available-for-sale investments								
Metals X Limited	55,907,571	241,704	-	55,281	4,592	59,873	224,758	7.7%
Westgold Resources Limited	27,953,786	247,747	-	27,640	123,722	151,362	308,623	10.6%
		<u>489,451</u>	<u>-</u>	<u>82,921</u>	<u>128,314</u>	<u>211,235</u>	<u>533,381</u>	
Investments held for trading								
Prodigy Gold NL (Formerly ABM Resources NL)	50,872,914	280,336	-	-	9,957	9,957	28,999	1.0%
Cobalt 27 Capital Corp.	444,400	23,959	-	-	350	350	24,308	0.8%
Mineral Deposits Limited	4,908,105	12,323	-	351	7,409	7,760	19,731	0.7%
		<u>316,618</u>	<u>-</u>	<u>351</u>	<u>17,716</u>	<u>18,067</u>	<u>73,038</u>	

Brief description of principal business of the respective investee companies of the significant investments held by the Group:

Name of investee company	Principal Business
Metals X Limited	Operation of tin and copper mines; exploration and development of base metals
Westgold Resources Limited	Exploration, development and operation of gold mines
Australian Mines Limited	Development of nickel and cobalt assets
Cobalt 27 Capital Corp.	Cobalt streaming company
Katanga Mining Limited	Engaged in copper and cobalt mining
Prodigy Gold NL	Exploration of gold
Mineral Deposits Limited	Mines and processes heavy minerals sands

The board of directors (the “**Board**”) of the Company confirms that the above clarification does not affect other information contained in the Annual Report and the Interim Report and the content of the Annual Report and the Interim Report remains correct and unchanged.

The commodity market has been volatile during the reporting periods. Looking forward, the Board believes that the performance of the equities under investments held for trading will be dependent on market sentiment which is affected by factors such as commodity prices, interest rate movements, geo-political conditions and performance of the macro economy. In order to mitigate the associated risks, the Group will review its investment strategy regularly and take appropriate actions whenever necessary in response to changes in market situation. In addition, the Group will also seek potential investment opportunities with an aim to maximize value for the Shareholders.

By Order of the Board
APAC Resources Limited
Arthur George Dew
Chairman

Hong Kong, 22 June 2018

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 Mr. So Kwok Hoo

Independent Non-Executive Directors

Dr. Wong Wing Kuen, Albert, Mr. Chang Chu Fai, Johnson Francis and Mr. Robert Moyse Willcocks

* *For identification purpose only*