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IR RESOURCES LIMITED

同仁資源有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8186)

PROPOSED SHARE CONSOLIDATION

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The Company proposes to implement the Share Consolidation on the basis that every eight (8) issued and unissued Existing Shares will be consolidated into one (1) Consolidated Share. The Share Consolidation will be subject to the approval of the Shareholders.

The SGM will be convened and held for the Shareholders to consider and if, thought fit, approve the Share Consolidation. A circular containing, among other things, further information on the Share Consolidation and a notice to convene the SGM will be despatched to the Shareholders on or before 29 April 2019.

THE PROPOSED SHARE CONSOLIDATION

The Company proposes to implement the Share Consolidation on the basis that every eight (8) issued and unissued Existing Shares will be consolidated into one (1) Consolidated Share. Fractional Consolidated Shares, if any, arising from the Share Consolidation, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Consolidated Shares regardless of the number of share certificates held by such holder.

Effects of the Share Consolidation

Based on the 831,261,212 Existing Shares in issue as at the date of this announcement (and assuming that there will be no further change in the number of issued Existing Shares prior to the Share Consolidation having become effective), there will be 103,907,651 Consolidated Shares in issue after the Share Consolidation becoming effective. As disclosed in the announcement of the Company dated 12 April 2019, the Company proposed to allot and issue 166,200,000 new Existing Shares (equivalent to 20,775,000 Consolidated Shares upon the Share Consolidation becoming effective) to an independent third party (the “Issue of New Shares”). If the Issue of New Shares is completed before the Share Consolidation becoming effective, there will be 124,682,651 Consolidated Shares in issue upon completion of the Share Consolidation.

The Consolidated Shares will rank *pari passu* in all respects with each other in accordance with the Company’s bye-laws. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operation, management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares which may arise.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Conditions of the proposed Share Consolidation

The Share Consolidation is conditional upon the following:

- (i) the passing of the necessary resolution(s) by the Shareholders to approve the Share Consolidation at the SGM;
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Consolidated Shares; and
- (iii) the compliance with the relevant procedures and requirements under the GEM Listing Rules and the applicable laws to effect the Share Consolidation.

Subject to the fulfillment of the above conditions, the Share Consolidation will become effective on Friday, 17 May 2019, which is the next day immediately following the proposed date of the SGM on which Shares are traded on the Stock Exchange.

Listing Application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the proposed Share Consolidation taking effect.

BOARD LOT SIZE

The Existing Shares are traded in the Stock Exchange in the board lot size of 20,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size of trading in the Consolidated Shares will remain as 20,000 Consolidated Shares.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Consolidation having become effective, Shareholders may, from Friday, 17 May 2019 to Tuesday, 25 June 2019 (both days inclusive), submit share certificates for Existing Shares to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in exchange, for new share certificates for the Consolidated Shares at the expense of the Company. Thereafter, certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each share certificate for the Existing Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever number of certificates cancelled/issued is higher. With effect from Wednesday, 26 June 2019, trading will only be in the Consolidated Shares in the form of new share certificates and the existing share certificates of the Shares will cease to be valid for trading and settlement purpose. Nevertheless, certificates for the Existing Shares will continue to be good evidence of legal title and may be exchanged for certificates for the Consolidated Shares at any time.

ODD LOT ARRANGEMENT

In order to alleviate the difficulties arising from the existence of odd lots of the Shares arising from the Share Consolidation, the Company will appoint a designated broker to provide matching services for the sale and purchase of odd lots of the Shares on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers. Further details in respect of the odd lots trading arrangement will be set out in the circular to be despatched to the Shareholders.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below. As the implementation of the Share Consolidation is subject to the results of the SGM, the timetable set out below is therefore for indicative purpose only. All times and dates in this announcement refer to Hong Kong local times and dates.

Despatch of circular	On or before Monday, 29 April 2019
Latest time for lodging proxy form	10:00 a.m. on Tuesday, 14 May 2019
SGM	10:00 a.m. on Thursday, 16 May 2019*
Publication of poll results of the SGM	Thursday, 16 May 2019

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation:

Effective date of the Share Consolidation	9:00 a.m. on Friday, 17 May 2019
First day of free exchange of existing share certificate for new share certificate	Friday, 17 May 2019
Commencement of dealings in the Consolidated Shares . . .	9:00 a.m. on Friday, 17 May 2019
Original counter for trading in Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Friday, 17 May 2019
Temporary counter for trading in the Consolidated Shares in board lots of 4,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Friday, 17 May 2019
Original counter for trading in Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Friday, 31 May 2019
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Friday, 31 May 2019

Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares 9:00 a.m. on Friday, 31 May 2019

Temporary counter for trading in the Consolidated Shares in board lots of 4,000 Consolidated Shares (in the form of existing share certificates) closes. 4:00 p.m. on Friday, 21 June 2019

Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends 4:00 p.m. on Friday, 21 June 2019

Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares 4:00 p.m. on Friday, 21 June 2019

Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares. Tuesday, 25 June 2019

* *details of venue of the proposed general meeting will be disclosed in the Company's circular to be despatched to the Shareholders.*

Further announcement(s) will be made by the Company for changes, if any, in the expected timetable for implementation of the Share Consolidation and the trading arrangements as mentioned in this announcement.

REASONS FOR THE SHARE CONSOLIDATION

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of the issuer approaches the extremity of HK\$0.01, the issuer is required to either change the trading method or to proceed with a consolidation of its securities. Given the market prices the Shares have been trading below HK\$0.1 for a prolonged period of time, the implementation of the Share Consolidation is therefore for the purpose of complying with the relevant trading requirements under the GEM Listing Rules. The Share Consolidation will increase the trading price per board lot of the Shares and reduce the overall transaction and handling costs of dealing in the Shares, which in turn enhance the attractiveness of the Shares. The Directors are of the view that the Share Consolidation is in compliance with the GEM Listing Rules and is in the interest of the Company and the Shareholders as a whole.

GENERAL

The SGM will be convened and held for the Shareholders to consider and if, thought fit, approve the Share Consolidation. A circular containing, among other things, further information on the Share Consolidation and a notice to convene the SGM will be despatched to the Shareholders on or before 29 April 2019.

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

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

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	IR Resources Limited, a company incorporated in Bermuda with limited liability with its issued shares listed on GEM of the Stock Exchange
“Consolidated Share(s)”	the ordinary share(s) of HK\$0.40 each in the share capital of the Company after the Share Consolidation having become effective
“Directors”	the directors of the Company
“Existing Share(s)”	the ordinary share(s) of HK\$0.05 each in the share capital of the Company
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM of the Stock Exchange
“HKSCC”	The Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules

“SGM”	the special general meeting of the Company to be convened and held for its shareholders to consider, and if thought fit, approve the Share Consolidation
“Shares”	the Existing Shares or the Consolidated Shares (as the context may require)
“Shareholder(s)”	holder(s) of issued Share(s)
“Share Consolidation”	the proposed consolidation of every eight (8) issued and unissued Existing Shares into one (1) Consolidated Share in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong
“%”	percentage

By Order of the Board of
IR Resources Limited
Chan Ching Hang
Chairman

Hong Kong, 18 April 2019

As at the date of this announcement, the Board comprises two executive directors, namely, Mr. Chan Ching Hang and Mr. Zeng Lingchen; and three independent non-executive directors, namely Mr. Cheung Yin Keung, Mr. Hong Bingxian and Ms. Pang King Sze, Rufina.

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 <http://www.hkgem.com> on the “Latest Company Announcements” page for seven days from the date of its publication and on the website of the Company at <http://www.irresources.com.hk>.