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IRC Limited 鐵江現貨有限公司

(a company incorporated in Hong Kong with limited liability)

(Stock Code: 1029)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at Regus Business Centre, 35th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 11 March 2013 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following Resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

1 **“THAT** conditional upon passing of resolution 2 below:

- (a) (i) the conditional agreement dated 17 January 2013 entered into between the Company as issuer and General Nice Development Limited as subscriber (the “General Nice Subscription Agreement”) in relation to the subscription of up to 1,715,200,000 new shares of HK\$0.01 each (the “Share(s)”) in the share capital of the Company (the “General Nice Subscription Share(s)”) at the subscription price of HK\$0.94 per General Nice Subscription Share, a copy of which has been produced to the meeting marked “A” and initialled by the chairman of the meeting for the purpose of identification, and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; (ii) subject to the fulfillment of the conditions set out in the General Nice Subscription Agreement, the allotment and issue of the General Nice Subscription Shares to General Nice pursuant to the General Nice Subscription Agreement be and is hereby approved; and (iii) the directors of the Company (the “Directors”) be and are hereby authorised to execute such all other documents, do all other acts and things and take such action as may in the opinion of the Directors be necessary, desirable or expedient to implement and give effect to the General Nice Subscription Agreement and any other transactions contemplated thereunder;
- (b) (i) the conditional agreement dated 17 January 2013 entered into between the Company as issuer and Minmetals Cheerglory Limited as subscriber (the “Minmetals Cheerglory Subscription Agreement”) in relation to the subscription of 247,300,000 new Shares (the “Minmetals Cheerglory Subscription Share(s)”) at the subscription price of HK\$0.94 per Minmetals Cheerglory Subscription Share, a copy of which has been produced to the meeting

marked “B” and initialled by the chairman of the meeting for the purpose of identification, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; (ii) subject to the fulfillment of the conditions set out in the Minmetals Cheerglory Subscription Agreement, the allotment and issue of the Minmetals Cheerglory Subscription Shares to Minmetals Cheerglory pursuant to the Minmetals Cheerglory Subscription Agreement be and is hereby approved; and (iii) the Directors be and are hereby authorised to execute such all other documents, do all other acts and things and take such action as may in the opinion of the Directors be necessary, desirable or expedient to implement and give effect to the Minmetals Cheerglory Subscription Agreement and any other transactions contemplated thereunder;

- (c) the waiver (the “Whitewash Waiver”) granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong (or any delegate of the Executive Director) pursuant to Note 1 on dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers in respect of the obligation on the part of the General Nice and any parties acting in concert with it (including Minmetals Cheerglory Limited), to make a mandatory general offer to shareholders of Company for all the issued shares of the Company not already owned or agreed to be acquired by them upon completion of the subscription of the General Nice Subscription Shares and the Minmetals Cheerglory Subscription Shares be and is hereby approved and that the Directors be and are generally and unconditionally authorised to prepare and execute all documents and to do all such other things as they consider necessary, expedient and appropriate to give effect to any matters relating to, or incidental to, the Whitewash Waiver; and
- (d) (i) the entering into of the framework offtake agreement (“Offtake Framework Agreement”) and the seaborne offtake agreement (“Seaborne Offtake Agreement”) both dated 17 January 2013 among the Company, General Nice and Minmetals Cheerglory, copy each of which has been produced to the meeting marked “C” and “D” respectively and initialled by the chairman of the meeting for the purpose of identification and the continuing connected transactions contemplated thereunder together with the associated proposed annual caps in respect of the aggregate volume of products to be sold under such transactions for the term of the Offtake Framework Agreement and Seaborne Offtake Agreement, be and are hereby approved, confirmed and ratified; and (ii) the Directors be and are hereby authorised to execute such all other documents, do all other acts and things and take such action as may in the opinion of the Directors be necessary, desirable or expedient to implement and give effect to the Offtake Framework Agreement and Seaborne Offtake Agreement, and any other transactions contemplated thereunder.”

2 “**THAT** conditional upon passing of resolution 1 above:

- (a) (i) the agreement of the fee, on a per annum basis, of no more than 1.75% of the principal amount outstanding under the US\$340,000,000 credit facility agreement entered into between, *inter alia*, Industrial and Commercial Bank of China Ltd (as facility agent), K&S (a wholly-owned subsidiary of the Company, as borrower) and Petropavlovsk plc (“Petropavlovsk”, as

guarantor) (the “ICBC Facility”) to be payable by the Company to Petropavlovsk upon ceasing to be a subsidiary of Petropavlovsk (the “Guarantee Fee”) in accordance with the recourse agreement dated 13 December 2010 entered into between the Company and Petropavlovsk be hereby approved, confirmed and ratified and (ii) the Directors be and are hereby authorised to execute such all other documents, do all other acts and things and take such action as may in the opinion of the Directors be necessary, desirable or expedient to implement and give effect to the Guarantee Fee as a special deal under Note 4 to Rule 25 of the Hong Kong Code on Takeovers and Mergers (the “Takeovers Code”); and

- (b) (i) the deed of indemnity dated 17 January 2013 entered into between General Nice and Petropavlovsk in respect of certain arrangements to, among other things, share Petropavlovsk’s liability as guarantor under the ICBC Facility in proportion to their respective shareholdings (“Deed of Indemnity”) be hereby approved, confirmed and ratified and (ii) the Directors be and are hereby authorised to execute such all other documents, do all other acts and things and take such action as may in the opinion of the Directors be necessary, desirable or expedient to implement and give effect to the Deed of Indemnity as a special deal under Note 5 to Rule 25 of Takeovers Code.”

By Order of the Board
IRC Limited
Jay Hambro
Executive Chairman

Hong Kong, 21 February 2013

Notes:

- (1) A form of proxy for use at the Meeting is enclosed.
- (2) Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him in accordance with the articles of association of the Company. A proxy need not be a member of the Company.
- (3) A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting.
- (4) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority must be deposited at Tricor Investor Services Limited, 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting (or any adjournment thereof) and in default the form of proxy shall not be treated as valid. Completion and return of the form of proxy will not preclude members of the Company from attending and voting in person at the Meeting (or any adjournment thereof) should they so wish. If a member who has lodged a form of proxy attends the Meeting, his form of proxy will be deemed to have been revoked.

- (5) If there are joint registered holders of a share in the Company, any one of such joint holders may vote at the Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the joint holders so present whose name stands first in the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (6) The voting in respect of the approval of the resolutions will be conducted by way of a poll.

As at the date of this announcement, the Executive Directors of the Company are Mr G. Jay Hambro, Mr Yury Makarov, and Mr Raymond Kar Tung Woo. The Non-Executive Director is Mr Simon Murray, CBE, Chevalier de la Légion d'Honneur. The Independent Non-Executive Directors are Mr Daniel Bradshaw, Mr Chuang-Fei Li and Mr Jonathan Martin Smith.