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APAC RESOURCES
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亞太資源有限公司*

(Incorporated in the Bermuda with limited liability)

(Stock code: 1104)

DELAY IN DESPATCH OF CIRCULAR

An application has been made to the Stock Exchange by the Company for a waiver from strict compliance with Rule 14.38 of the Listing Rules by extending the despatch date of the Circular to no later than 18th June, 2007.

Reference is made to the announcement of APAC Resources Limited (the “Company”) dated 6th March, 2007 (the “Announcement”) in relation to the acquisition of the entire issued share capital of China Mineral, which constitutes a very substantial acquisition for the Company under the Listing Rules. Terms used herein shall have the same meanings as defined in the Announcement unless defined otherwise.

As stated in the Announcement, a circular (the “Circular”) containing, among other things, details of the Acquisition Agreement, the relevant financial information of China Mineral and a notice of the SGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to send the Circular to Shareholders within 21 days after publication of the Announcement (i.e. 27 March 2007). The Company has been searching for various technical advisers to prepare the technical report to be included in the Circular as required under Chapter 18 of the Listing Rules and therefore, a vast amount of time was required to ascertain the identity of a prudent and professional technical adviser with experience in Iron Ore Mine in Mongolia. In addition, the various potential technical advisers have indicated that it takes at least 2 months to prepare such technical report and therefore additional time is required for the Company to prepare and finalise the technical report in respect of the Iron Ore Mine and certain financial information, including but without limitation to the accountants’ report on China Mineral Group and the pro forma financial information of the Enlarged Group as a result of completion of the Acquisition. The Company has agreed with the reporting accountants on a proposed working timetable for the preparation of the accountants’ report and other relevant financial information.

An application has been made to the Stock Exchange by the Company for a waiver from strict compliance with Rule 14.38 of the Listing Rules by extending the despatch date of the Circular to no later than 18th June, 2007. The Directors are of the view that such delayed despatch date of the Circular is reasonable taking into account that the technical adviser would need more time to conduct a site visit and inspection of the Iron Ore Mine in Mongolia in order to obtain necessary information for preparing the technical report.

As the Acquisition Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

By Order of the Board
APAC Resources Limited
Yue Jialin
Chairman

Hong Kong, 27th March, 2007

As at the date of this announcement, the board of Directors comprises Mr. Yue Jialin (Chairman), Mr. Lau Yau Cheung (Chief Executive Officer), Mr. Michael Joseph Bogue, being the executive Directors; and Mr. Wong Wing Kuen, Albert, Mr. Tsui Robert Che Kwong and Mr. Yang Weiming being the independent non-executive Directors.

** For identification purpose only*

Please also refer to the published version of this announcement in The Standard.