



APAC RESOURCES

APAC RESOURCES LIMITED

亞太資源有限公司*

(incorporated in Bermuda with limited liability)

Stock code: 1104

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of APAC Resources Limited (the “Company”) will be held at 7th Floor, Board Room, The Dynasty Club, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on 25 May 2007 (Friday) at 4:00 p.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2006;
2.
 - (a) To re-elect Mr. Yue Jialin as director;
 - (b) To re-elect Mr. Michael Joseph Bogue as director;
 - (c) To re-elect Mr. Yang Weiming as director
 - (d) To authorise the board of directors to fix remuneration.
3. To re-appoint Graham H.Y. Chan & Co. as auditors and to authorize the board of directors of the Company to fix their remuneration;

As special business, to consider and, if thought fit, pass with or without amendments, each of the following resolutions 4, 5, 6 and 7 as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

4. “**THAT:**

- (i) subject to sub-paragraph (iii) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot and issue or otherwise deal with additional shares in the capital of the Company (“Shares”) and to make or grant offers, agreements and options which might require the exercise of such powers either during or after the Relevant Period, be and is hereby generally and unconditionally approved;

- (ii) the approval given in paragraph (i) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Company pursuant to the approval in sub-paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); (b) an issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares; (c) an issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-laws of the Company from time to time; or (d) an issue of Shares under any share option scheme or similar arrangement of the Company and/or any of its subsidiaries, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (iv) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution in general meeting.

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

5. **“THAT:**

- (i) subject to sub-paragraph (ii) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases, subject to and in accordance with all applicable laws and regulations and the Bye-laws of the Company, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of Shares which the Company is authorised to repurchase pursuant to the approval in subparagraph (i) above of this resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(iii) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution in general meeting.”

6. **“THAT** conditional upon the passing of resolutions nos. 4 and 5 as set out in the notice convening the meeting of which this resolution forms part, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company pursuant to resolution no. 4 as set out in the notice convening the Meeting of which this resolution forms part be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5 as set out in the notice convening the Meeting of which this resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of this resolution.”

7. “**THAT** subject to and conditional upon (a) the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of an permission to deal in the ordinary shares of HK\$0.10 each (“Share”) in the share capital of the Company (representing a maximum of 10% of the ordinary shares of the Company in issue as at the date of passing of this resolution) which may be issued pursuant to the exercise of options granted under the share option scheme adopted by the Company on 22 September 2004 (the “Share Option Scheme”), the 10% limit on grant of options under the Share Option Scheme be and is hereby refreshed provided that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the Resolution (the “Refreshed Mandate Limit”); and any director of the Company be and is hereby authorised to take all such steps necessary or expedient in order to give effect to the Refreshed Mandate Limit and to allot and issue ordinary shares of the Company pursuant to the exercise of any option which may fall to be granted under the Share Option Scheme.”

By Order of the Board
APAC Resources Limited
Yue Jialin
Chairman

Hong Kong, 30 April, 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. Cao Zhong, 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.