APAC RESOURCES

APAC RESOURCES LIMITED

亞太資源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1104)

DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN

The Board announced that on 10 February 2010, the Lender, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend to the Borrower a loan of up to A$20,000,000 (approximately HK$136,110,000) for a period up to 30 June 2010. The Loan will be secured by the Share Charge.

Pursuant to Rule 14.06(2) of the Listing Rules, the granting of the Loan constitutes a discloseable transaction of the Company on the basis that the relevant percentage ratio(s) exceeds 5% but are under 25%.

THE LOAN AGREEMENT

Date: 10 February 2010

Lender: APAC Resources Investment Holding Limited, a wholly-owned subsidiary of the Company

Borrower: Metals X Limited

* *For identification purpose only*

To the best knowledge, information and belief of the Directors having made all reasonable enquiry and confirmed by the Borrower, save for the Company holding 29.08% of the issued share capital of the Borrower, the Borrower and its ultimate beneficial owners are independent third parties not connected with the Company and connected persons of the Company.

The Borrower is a company whose shares are listed on the ASX (ASX Code: MLX).

Principal terms of the Loan Agreement

Amount of the Loan:	A$20,000,000
Term:	up to 30 June 2010
Purpose:	The Directors understand that the Loan shall be used by the Borrower for investing in listed shares of a company whose business is mineral mining and exploration of base metals ("**Acquisition Shares**")
Interest:	10% per annum
Security for the Loan:	The Share Charge comprises of a mortgage executed in escrow by the Borrower in favour of the Lender by way of a first legal charge over half of the Acquisition Shares following completion of the acquisition of the Acquisition Shares. The Borrower has authorised the Lender to date the Share Charge upon execution.

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower. The Loan will be funded from internal resources and borrowing. The Directors consider that the transactions contemplated by the Loan Agreement are on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole having considered the current market norm in relation to similar transactions.

Information on the Group

The Group is principally engaged in (a) trading in base metals and commodities and (b) trading and investment of listed securities with a portfolio primarily focused on natural resources and related sectors and industries.

Information on the Borrower

The principal business of the Borrower is being a diversified explorer and developer of minerals. Its main business is tin production from its Tasmanian Tin Projects.

Reasons for provision of the Loan

The Loan will provide interest income to the Lender and will be recorded as loan receivables under current assets of the Group.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.06(2) of the Listing Rules, the granting of the Loan constitutes a discloseable transaction of the Company on the basis that the relevant percentage ratio(s) exceeds 5% but are under 25%.

DEFINITIONS

"A$"	Australian dollars, the lawful currency of Australia
"ASX"	Australian Securities Exchange Limited
"Board"	the board of Directors
"Borrower"	Metals X Limited, a company incorporated in Australia whose shares are listed on the Australian Securities Exchange

"Company"	APAC Resources Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Lender"	APAC Resources Investment Holding Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
"Listing Rules"	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Loan"	the term loan in the amount of A$20,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
"Loan Agreement"	the loan agreement dated 10 February 2010 entered into between the Lender and the Borrower relating to the granting of the Loan
"Share(s)"	ordinary share(s) of HK$0.10 each in the issued share capital of the Company

"Share Charge"	the share charge comprises of a mortgage executed in escrow by the Borrower in favour of the Lender by way of a first legal charge over half of the Acquisition Shares following completion of the acquisition of the Acquisition Shares
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

By Order of the Board
APAC RESOURCES LIMITED
Chong Sok Un
Chairman

Hong Kong, 10 February 2010

As at the date of this announcement, the Directors of the Company are:

Executive Directors: Ms. Chong Sok Un *(Chairman),* Mr. Andrew Charles Ferguson *(Chief Executive Officer)*, Mr. Liu Yongshun, Mr. Yue Jialin and Mr. Kong Muk Yin

Non-Executive Directors: Mr. Lee Seng Hui and Mr. So Kwok Hoo

Independent Non-Executive Directors: Mr. Wong Wing Kuen, Albert, Mr. Chang Chu Fai, Johnson Francis and Mr. Robert Moyse Willcocks