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(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8173)

DISCLOSEABLE TRANSACTION – SUPPLEMENTAL AGREEMENT AND COMPLETION

On 13 September 2013, the Purchaser and the Vendor entered into the Supplemental Agreement to amend certain terms of the Agreement. Pursuant to the Supplemental Agreement, the Purchaser has agreed to purchase and the Vendor has agreed to sell, the entire issued share capital of Evotech at a consideration of S\$3,600,000 (approximately HK\$21,960,000). As all the conditions set out in the Agreement have been fulfilled on the same day, completion shall take place not later than five (5) Business Days from the date of this Announcement and the Purchaser will hold shares in Evotech directly. In addition to owning the Property, Evotech conducts scrap metal trading business in Singapore.

The acquisition of the Evotech Shares would facilitate the Company's initiatives to expand into scrap metal trading business and to use Singapore as a base for this purpose.

As one of the applicable percentage ratios exceeds 5% but is less than 25% calculated under Rule 19.07 of the GEM Listing Rules, the transaction contemplated under the Agreement as amended by the Supplemental Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Reference is made to the announcement of the Company dated 21 July 2011 (the "Announcement") in relation to the Asset Acquisition. Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

THE SUPPLEMENTAL AGREEMENT

Since the signing of the Agreement, the Company has been evaluating the acquisition of Evotech's scrap metal trading business which is being conducted out of the premises where the Property is located. Further to the Purchaser's business evaluation, the Company has decided that it would be in the interests of the Company to acquire also the scrap metal trading business of Evotech in Singapore, in addition to the Property. Pursuant to an internal restructuring by the Vendor, the Vendor holds the shares of Evotech directly without Talfourd acting as an

intermediate holding company. Accordingly, the Purchaser and the Vendor entered into the supplemental agreement on 13 September 2013 to amend certain terms of the Agreement (the “**Supplemental Agreement**”) to reflect the commercial intentions of the Purchaser and the Vendor.

Notwithstanding any provision to the contrary in the Agreement, amongst others, the Purchaser and the Vendor agreed to make the following material amendments:

Principal terms of the Supplemental Agreement

Subject matter

Instead of the acquiring the Property directly or through the acquisition of the entire issued share capital of Talfourd as anticipated previously, the parties to the Agreement have agreed that the transaction will now be effected through the sale and purchase of the entire issued share capital of Evotech (the “**Evotech Shares**”). Evotech owns the Property and also conducts the scrap metal trading business in Singapore.

Consideration and Completion

The consideration for the sale and purchase remains at S\$3,600,000 (out of which S\$2,900,000 was previously paid as deposit) shall be fully satisfied on completion, which shall take place not later than five (5) Business Days as all the conditions set out in the Agreement have been fulfilled on the same day of this Announcement.

The consideration for the sale and purchase of the Evotech Shares was determined after arm’s length negotiations between the Vendor and the Purchaser on normal commercial terms and with reference to a valuation report issued by an independent valuer at S\$4,300,000 (approximately HK\$27,348,000) as at 20 April 2011 and at \$6,800,000 (approximately HK\$41,480,000) as at 30 April 2013.

Save as disclosed above, all other terms of the Agreement remain unchanged and continue to be in full force and effect.

INFORMATION OF EVOTECH

Evotech is a private company incorporated under the laws of Singapore and a directly wholly-owned subsidiary of the Vendor. It holds ownership interests in the Property and is engaged in conducting scrap metal trading business. It also holds a license of registration for overseas supplier enterprise of imported solid wastes as raw materials issued by the General Administration of Quality Supervision, Inspection and Quarantine of the People’s Republic of China (the “**License**”). The License enables Evotech to import registered scrap materials including plastics, metals and alloys into China and has a validity term of 3 years ending 31 December 2013. Evotech has commenced application for License renewal which is expected to be for a period of 3 years up to 31 December 2016.

The Property has been granted to Evotech from JTC for a term of 22 years commencing from 1 December 2010. The real property located at 42 Gul Circle, Singapore 629577 has a land area

and a floor area of approximately 4,554.1 square meters and approximately 3,669.4 square meters, respectively. As stipulated in the existing lease, the subject real property can be used for the purpose of re-engineering and packing of ferrous and non-ferrous metal and insulated wires only and for no other purpose whatsoever except with the prior written consent of JTC.

Following completion, the Vendor shall cease to own any interest in Evotech and Evotech will become an indirectly wholly-owned subsidiary of the Company.

Set out below is the financial information of Evotech for the year ended 30 April 2012 and the year ended 30 April 2013:

	Year ended 30 April 2012	Year ended 30 April 2013
	<i>S\$'000</i>	<i>S\$'000</i>
	(audited)	(audited)
Net loss before taxation	1,015	1,011
Net loss after taxation	1,015	1,011

The audited net asset value of Evotech was approximately S\$3,833,000 (equivalent to approximately HK\$23,381,000) as at 30 April 2013.

The financial information above is based on information in the audited financial statements of Evotech for the relevant period prepared in accordance with generally accepted accounting principles in Singapore.

INFORMATION OF THE GROUP AND THE VENDOR

The Group engages in exploration and exploitation of mineral resources and trading.

The Vendor is principally engaged in investments holding business.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company wishes to expand its metal trading business by commencing a scrap metal trading business and to use Singapore as a base for this purpose. The acquisition of the Evotech Shares would facilitate this objective.

In view of the above, the Directors are of the view that the entering of the Supplemental Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios exceeds 5% but is less than 25% calculated under Rule 19.07 of the GEM Listing Rules, the transaction contemplated under the Agreement and the Supplemental Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

This announcement contains translations between Singapore dollar and Hong Kong dollar amounts at S\$1.00=HK\$6.10, being the exchange rate prevailing on 12 September 2013. The translations should not be taken as a representation that the Singapore dollars could actually be converted into Hong Kong dollar at such rates or at all.

By order of the Board
Pan Asia Mining Limited
KOH Tat Lee, Michael
Chairman

Hong Kong, 13 September 2013

As at the date of this announcement, the Board comprises three executive Directors, Mr. Koh Tat Lee, Michael, Mr. Eng Wee Meng and Mr. Cheung Hung Man, two non-executive Director, Mr. Yin Mark Teh-min and Mr. Liang Tong Wei, and three independent non-executive Directors, Mr. Lai Kai Jin, Michael, Mr. Chu Hung Lin, Victor and Mr. Tong Wan Sze.

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 page of “Latest Company Announcement” on the GEM website for at least seven days from the date of its positing.