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The Manager
Company Announcements
Australian Stock Exchange Ltd
20 Bridge Street
Sydney 2000
via: www.asxonline.com

Dear Madam/Sir

ASF becomes major shareholder in Rey

As announced by ASF Group Limited ("ASF") on 18 June 2012, ASF agreed to subscribe for up to 115 million new ordinary shares in the capital of Rey Resources Limited ("Rey") at $0.12 per share in two tranches subject to the approval by the shareholders of Rey.

ASF is pleased to announce that approval of the second tranche subscription was granted by Rey shareholders at its general meeting held on 6 September 2012. The second tranche subscription for 90 million Rey shares has been completed and ASF is now a major shareholder of Rey holding approximately 22.7% of its issued share capital. Two ASF directors, Ms Min Yang and Mr Geoff Baker, will be appointed to the Board of Rey in accordance with the agreement.

The investment in Rey complements the existing exploration activities of ASF in the Canning Basin of Western Australia. ASF will also seek to assist Rey to further investigate its tenements in the Canning Basin and to facilitate the development of its Duchess-Paradise project.

ASF Group Limited

ASF is unique among ASX-listed public companies in Australia as a creator and facilitator of two-way cross-border investments, trade and technology transfers between China and Australia. Since its transformation into a Sino-Australian investment and trading house in 2006, ASF has focused principally on the identification, incubation and realisation of embryonic opportunities especially in the resources sector.

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