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WAH NAM INTERNATIONAL HOLDINGS LIMITED

華南投資控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock code: 159)

PROPOSED EXTENSION OF THE FRS CONDITIONAL OFFER

The Board wishes to announce that on 21 February 2011, it approved the Proposed Extension pursuant to which after obtaining Shareholders' approval for the Proposed Extension and subject to compliance with applicable rules and regulations in Australia, the Company intends to extend the FRS Conditional Offer to cover the FRS Fundraising Shares, and the Top-up Shares and any New FRS Option Shares if they are issued before the end of the Offer Period. Save for the above and the extended Offer Period, all other terms and conditions of the FRS Conditional Offer remain unchanged.

The maximum number of 1,308.2 million Consideration WN Shares which may be issued by the Company pursuant to the Proposed Extension represents an increase of approximately 28.1% as compared with the maximum number of Consideration WN Shares under the existing terms of the FRS Conditional Offer.

The Board will seek approval from its Shareholders in respect of the Proposed Extension. The Company will issue a circular to the Shareholders setting out information on the Proposed Extension and updates on FRS as soon as possible on or before 14 March 2011.

PROPOSED EXTENSION OF THE FRS CONDITIONAL OFFER

Background

Reference is made to the Company's announcements dated 10 November 2010 and 17 February 2011 and the Circular in relation to, among other things, the FRS Conditional Offer. The FRS Conditional Offer (including all relevant transactions contemplated thereunder) was approved by the Shareholders on 13 December 2010.

According to FRS's announcement dated 21 February 2011, FRS has issued the FRS Fundraising Shares. To the Company's knowledge, FRS may further issue the Top-up Shares and the New FRS Option Shares before the end of the Offer Period. Set out below is further information regarding the New FRS Shares:

* *For identification purpose only*

(1) 40,697,675 FRS Fundraising Shares

According to FRS's announcement dated 21 February 2011, it has issued 40,697,675 FRS Fundraising Shares at AUD0.86 per FRS Share.

(2) 4,883,721 Top-up Shares

According to FRS's target statement dated 20 December 2010 in relation to the FRS Conditional Offer, pursuant to the subscription agreement entered into between FRS and UPC on 7 September 2009, UPC subscribed for certain FRS Shares and was granted the Top-up Right. If UPC exercises the Top-up Right, 4,883,721 Top-up Shares representing 12% of 40,697,675 FRS Fundraising Shares would be issued.

(3) 1 million new FRS Shares to be issued upon exercise of the FRS Options to be granted under the Options Grant

As set out in the Company's announcement dated 24 January 2011, the FRS Shareholders approved the grant of 1 million FRS Options with an exercise price of AUD1.00 each to Mr Bryan Oliver (a director of FRS). As at the date of this announcement, based on FRS's published information, such FRS Options have not yet been granted by FRS.

(4) 710,000 new FRS Shares to be issued upon the exercise of the FRS Options to be granted to FRS's employees

Based on information provided by FRS, FRS may grant 710,000 FRS Options with an exercise price of AUD1.00 each to certain employees of FRS. As at the date of this announcement, based on FRS's published information, such FRS Options have not yet been granted by FRS.

Under its present terms, the FRS Conditional Offer does not extend to the New FRS Shares. The Company has sought and obtained a relief from ASIC to extend the FRS Conditional Offer to the New FRS Shares. The Board announces that on 21 February 2011, it approved the Proposed Extension pursuant to which after obtaining Shareholders' approval for the Proposed Extension and subject to compliance with applicable rules and regulations in Australia, the Company intends to extend the FRS Conditional Offer to cover the FRS Fundraising Shares, and the Top-up Shares and any New FRS Option Shares if they are issued before the end of the Offer Period.

Revised terms of the FRS Conditional Offer

Save for the Proposed Extension and the extension of the Offer Period to 15 March 2011 (as announced by the Company on 7 February 2011), all other terms and conditions of the FRS Conditional Offer remain unchanged.

Under the FRS Conditional Offer, WN Australia has offered to acquire all FRS Shares in issue not already owned by WN Australia before the end of the Offer Period for a consideration of 6 Consideration WN Shares for each FRS Share held. The present terms of the FRS Conditional Offer cover:

- (1) all FRS Shares in issue not already owned by WN Australia as at the Register Date; and
- (2) all FRS Shares that are issued during the period from the Register Date to the end of the Offer Period as a result of the exercise of FRS Options in issue as at the Register Date.

As contemplated under the Proposed Extension, after obtaining Shareholders' approval on the Proposed Extension and subject to compliance with applicable rules and regulations in Australia, in addition to the above-mentioned FRS Shares, the Company intends to extend the FRS Conditional Offer to:

- (3) the FRS Fundraising Shares;
- (4) the Top-up Shares (if and when they are issued before the end of the Offer Period); and
- (5) the New FRS Option Shares (if and when they are issued before the end of the Offer Period).

As at the Register Date, there were 205,700,890 FRS Shares and 5,975,000 FRS Options in issue, of which 40,934,400 FRS Shares were held by WN Australia. After the Register Date, 40,697,675 FRS Fundraising Shares have been issued. As a result and as at the date of this announcement, there are 246,398,565 FRS Shares and 5,975,000 FRS Options in issue.

On the bases that WN Australia acquires: (1) all FRS Shares in issue not already owned by WN Australia as at the date of this announcement, (2) all FRS Shares that are issued before the end of the Offer Period pursuant to the full exercise of the FRS Options outstanding as at the Register Date, and (3) 4,883,721 Top-up Shares and 1.71 million New FRS Option Shares (assuming they are issued before the end of the Offer Period), the Company will have to issue approximately 1,308.2 million Consideration WN Shares, representing approximately 33.4% of the number of WN Shares in issue as at the date of this announcement; and approximately 25.0% of the number of WN Shares which will be in issue as enlarged by the issue of such Consideration WN Shares. Such maximum number of Consideration WN Shares which may be issued by the Company represents an increase of approximately 28.1% as compared with the maximum number of Consideration WN Shares under the existing terms of the FRS Conditional Offer.

Based on the relevant regulations in Australia, the implied offer value of the FRS Conditional Offer was fixed at approximately AUD1.29 (equivalent to approximately HK\$10.2) per FRS Share based on the VWAP of WN Shares on 8 and 9 November 2010 (being two consecutive trading days before the Announcement Date) of approximately HK\$1.69, which represents:

- (1) a premium of 52.2% over the closing price of FRS Shares as quoted on the ASX on 9 November 2010 (being the last day of trading in FRS Shares before the Announcement Date);

- (2) a premium of 63.2% over the VWAP of FRS Shares for the 30 days to 9 November 2010;
- (3) a premium of 62.3% over the VWAP of FRS Shares for the 60 days to 9 November 2010;
- (4) a premium of 59.9% over the VWAP of FRS Shares for the 90 days to 9 November 2010; and
- (5) a premium of 44.4% over the VWAP of FRS Shares for the 180 days to 9 November 2010.

Based on the above VWAP of WN Shares, the aggregate value of the revised maximum number of Consideration WN Shares is approximately HK\$2,210.9 million (equivalent to approximately AUD279.9 million).

For reference purposes, the aggregate value of the maximum number of Consideration WN Shares based on the VWAP of WN Shares for the two consecutive trading days on 17 and 18 February 2011 (being the last two consecutive trading days prior to the date of this announcement) is approximately HK\$1,805.3 million (equivalent to approximately AUD228.5 million). Based on such value, the FRS Conditional Offer equates to an implied offer value of approximately AUD1.05 (equivalent to approximately HK\$8.3) per FRS Share, which represents:

- (1) a premium of 16.7% over the closing price of FRS Shares as quoted on the ASX on 18 February 2011 (being the last day of trading in FRS Shares before the date of this announcement);
- (2) a premium of 12.0% over the VWAP of FRS Shares for the 30 days to 18 February 2011;
- (3) a premium of 9.5% over the VWAP of FRS Shares for the 60 days to 18 February 2011;
- (4) a premium of 5.1% over the VWAP of FRS Shares for the 90 days to 18 February 2011; and
- (5) a premium of 13.4% over the VWAP of FRS Shares for the 180 days to 18 February 2011.

With reference to the Circular, the Company is concurrently making the BRM Conditional Offer. The terms of the BRM Conditional Offer are set out in the Circular and remain unchanged. As a result of the cancellation of 50,000 BRM Options on 2 December 2010, the maximum number of Consideration WN Shares to be issued under the BRM Conditional Offer has reduced from approximately 3,508.7 million Consideration WN Shares to approximately 3,507.2 million Consideration WN Shares. As set out in the Company's announcement dated 7 February 2011, the BRM Conditional Offer is scheduled to close on 15 March 2011 (unless further extended).

As stated in the Circular, the terms of the the FRS Conditional Offer were determined based on the market value of FRS Shares and WN Shares prior to the Announcement Date, the estimated ore reserves and mineral resources of FRS's principal project of the FerrAus Pilbara Project as published by FRS and the reasons for and benefits of the FRS Conditional Offer as stated in the Circular. The FRS Shares proposed to be covered under the Proposed Extension will be offered the same consideration as for other FRS Shares (i.e., 6 Consideration WN Shares for each FRS Share) and the

Directors (including the independent non-executive Directors) consider the terms of the Proposed Extension to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

OFFER PERIOD

As announced by the Company on 7 February 2011, the Offer Period in respect of the FRS Conditional Offer has been extended to 15 March 2011 to provide more time for FRS Shareholders to consider and accept the FRS Conditional Offer. In view of the time required to seek Shareholders' approval for the Proposed Extension, the Company will determine whether any further extension of the Offer Period is required and will make the relevant announcement(s) when appropriate.

CONDITIONS

The FRS Conditional Offer and any contract that results from acceptances of the FRS Conditional Offer are subject to the conditions as set out in the Company's announcement dated 10 November 2010 and the Circular. The remaining unfulfilled conditions of the FRS Conditional Offer are stated below:

1. At the end of the Offer Period, WN Australia having a Relevant Interest in at least 90% of all FRS Shares in issue.
2. No prescribed occurrence occurring before the end of the Offer Period. The definition of prescribed occurrence is as set out in the Circular.
3. Before the end of the Offer Period:
 - a. there is not in effect any preliminary or final decision, order or decree issued by a government agency;
 - b. no action or investigation is announced, commenced or threatened by any government agency; and
 - c. no application is made to any government agency (other than by the Company or any of its Associates),

in consequence of or in connection with the FRS Conditional Offer (other than an application to, or a decision or order of, ASIC or the Australian Takeovers Panel under, or relating to a breach of, Chapter 6, 6A, 6B or 6C of the Corporations Act or relating to unacceptable circumstances within the meaning of section 657A of the Corporations Act) which restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, the making of the FRS Conditional Offer, or the acquisition of FRS Shares, or the completion of any transaction contemplated by the Bidder's Statement, or seeks to require the divestiture by WN Australia of any FRS Shares, or the divestiture of any material assets of FRS or the Group.

4. Before the end of the Offer Period, neither FRS nor any subsidiary of FRS:
 - a. acquiring, offering to acquire or agreeing to acquire one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than AUD5 million (equivalent to approximately HK\$39.5 million) or makes an announcement about such a transaction;
 - b. disposing, offering to dispose or agreeing to dispose of one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than AUD5 million (equivalent to approximately HK\$39.5 million) or makes an announcement about such a disposal;
 - c. entering into, offering to enter into or announcing that it proposes to enter into any joint venture or partnership or dual listed company structure, involving a commitment of in aggregate greater than AUD5 million (equivalent to approximately HK\$39.5 million), other than in the ordinary course of business, or makes an announcement in relation to such entry, offer or agreement;
 - d. incurring or committing to, or granting to another person a right the exercise of which would involve FRS incurring or committing to, any capital expenditure or liability in respect of one or more related items of in aggregate greater than AUD5 million (equivalent to approximately HK\$39.5 million) or makes an announcement about such a commitment; or
 - e. disclosing (without having disclosed to the ASX prior to the Announcement Date) the existence of any matter described in this condition, or announcing an intention or proposal to do anything described in this condition.

5. Before the end of the Offer Period, no event, change or condition occurs, is announced or becomes known to WN Australia (whether or not it becomes public) where that event, change or condition has had, or could reasonably be expected to have, a material adverse effect on:
 - a. the business, assets, liabilities, financial or trading position, profitability or prospects of FRS since 30 June 2010;
 - b. the status or terms of arrangements entered into by FRS; or
 - c. the status or terms of any approvals, licences or permits from government agencies applicable to FRS,

except for events, changes and conditions publicly announced by FRS or otherwise disclosed in public filings by FRS or any of its subsidiaries prior to the Announcement Date where the relevant disclosure is not, and is not likely to be, incomplete, incorrect, untrue or misleading.

6. No person (other than a member of the Group) has or will have any right (whether subject to conditions or not) as a result of WN Australia acquiring FRS Shares under the FRS Conditional Offer to:
 - a. acquire, or require the disposal of, or require FRS or its subsidiaries, to offer to dispose of, any material asset of FRS or any of its subsidiaries; or
 - b. terminate, or vary the terms of performance of, any material agreement of FRS or any of its subsidiaries.
7. Before the end of the Offer Period, neither FRS nor any of its subsidiaries, declares, distributes, or resolves to pay or provide any dividend, bonus or other share of its profits or assets.
8. Before the end of the Offer Period, FRS does not enter into or otherwise become a party to any transaction with a related party or related entity (as those terms are defined in the Corporations Act).
9. Before the end of the Offer Period, the S&P/ASX300 index does not fall more than 15% from the closing level of that index on the day before the Announcement Date at any time on any ASX trading day.
10. Before the end of the Offer Period, WN Australia does not become aware that any document filed by or on behalf of FRS with the ASX or ASIC contains a statement which is incorrect or misleading in any material particular or from which there is a material omission.
11. Before the end of the Offer Period, the exchange rate of AUD to HK\$ does not appreciate more than 10% from the closing level of that rate on the day before the Announcement Date.
12. Permission for admission to quotation of (i.e. the grant of the listing of, and permission to deal in) the Consideration WN Shares on the Stock Exchange and permission for admission to quotation of all the WN Shares on the ASX is granted no later than 7 days after the end of the Bid Period.

With respect to condition 12, as announced by the Company on 7 January 2011, permission for admission to quotation of all WN Shares (including the Consideration WN Shares under the original terms of the Conditional Offers) on the ASX has been granted but is still subject to obtaining the permission for the listing of the Consideration WN Shares on the Stock Exchange. The Company will apply to the Stock Exchange for the grant of the listing of, and permission to deal in the increased number of Consideration WN Shares as and when appropriate. The Company will also make the applicable filing with the ASX for the quotation of the increased number of Consideration WN Shares as and when appropriate.

Subject to the Corporations Act, WN Australia may, at any time and at its sole and absolute discretion, waive any of the above conditions (except condition 12) and declare the FRS Conditional Offer free from those conditions and in relation to any specific occurrence or any specific entity by giving notice in writing to FRS not less than seven days before the end of the Offer Period.

In view of the requirements under the Listing Rules, the Company will only consider waiving condition 1 in respect of the level of acceptance of the FRS Conditional Offer if it is able to set out in its supplemental circular to be issued the disclosures as required by Rules 14.66, 14.67 and 18.09 of the Listing Rules after closing of the FRS Conditional Offer.

As announced by the Company on 2 February 2011, the Company does not intend to rely on condition 2 above in respect of FRS issuing the FRS Fundraising Shares before the end of the Offer Period to defeat the FRS Conditional Offer. The Company also does not intend to rely on condition 2 in respect of FRS issuing the Top-up Shares and the New FRS Option Shares before the end of the Offer Period to defeat the FRS Conditional Offer.

SHAREHOLDING OF THE COMPANY

The table below sets out the revised shareholding structure of the Company as at the date of this announcement and immediately after the Conditional Offers and the issue of the HK Placing Shares under the Issue Mandate based on the assumptions stated below.

	Immediately after the Conditional Offers assuming that (i) there are no further new BRM Shares or FRS Shares issued after the date of this announcement and before the end of the Offer Period, (ii) the maximum number of HK Placing Shares is issued and (iii) the FRS Conditional Offer is extended to the FRS Fundraising Shares					Immediately after the Conditional Offers assuming that (i) all BRM Options and FRS Options outstanding as at the date of this announcement are exercised, (ii) the maximum number of HK Placing Shares is issued, (iii) the FRS Conditional Offer is extended to the FRS Fundraising Shares and (iv) the Top-up Shares and the New FRS Option Shares are issued and the FRS Conditional Offer is extended to them				
	As at the date of this announcement		Assuming acceptances under the Conditional Offers resulting in WN Australia holding (i) just over 50% of all BRM Shares and (ii) 90% of all FRS Shares (and WN Australia proceeds to compulsorily acquire any remaining FRS Shares not acquired during the Offer Period)		Assuming the Conditional Offers are fully accepted		Assuming acceptances under the Conditional Offers resulting in WN Australia holding (i) just over 50% of all BRM Shares and (ii) 90% of all FRS Shares (and WN Australia proceeds to compulsorily acquire any remaining FRS Shares not acquired during the Offer Period)		Assuming the Conditional Offers are fully accepted	
	No. of WN Shares	%	No. of WN Shares	%	No. of WN Shares	%	No. of WN Shares	%	No. of WN Shares	%
Leading Highway Limited (note 1)	440,500,000	11.2%	440,500,000	6.3%	440,500,000	4.8%	440,500,000	6.2%	440,500,000	4.7%
Shimmer Expert Investments Limited (note 2)	279,548,000	7.1%	279,548,000	4.0%	279,548,000	3.1%	279,548,000	3.9%	279,548,000	3.0%
Parklane International Holdings Limited (note 3)	140,592,592	3.6%	140,592,592	2.0%	140,592,592	1.5%	140,592,592	2.0%	140,592,592	1.5%
Equity Valley Investments Limited and Pridel Future Investments Limited (note 4)	199,456,276	5.1%	199,456,276	2.9%	199,456,276	2.2%	199,456,276	2.8%	199,456,276	2.1%
Public Shareholders										
Gracious Fortune Investments Limited	157,000,000	4.0%	157,000,000	2.3%	157,000,000	1.7%	157,000,000	2.2%	157,000,000	1.7%
Villas Green Investments Limited	257,760,000	6.6%	257,760,000	3.7%	257,760,000	2.8%	257,760,000	3.6%	257,760,000	2.8%
Smartpath Investments Limited	204,752,000	5.2%	204,752,000	2.9%	204,752,000	2.2%	204,752,000	2.9%	204,752,000	2.2%
BRM Shareholders who accept the BRM Conditional Offer (note 5)	—	—	1,201,625,130	17.3%	3,373,672,380	37.0%	1,268,375,130	17.9%	3,507,172,380	37.6%
FRS Shareholders who accept the FRS Conditional Offer (note 5)	—	—	1,232,784,990	17.7%	1,232,784,990	13.5%	1,308,197,316	18.4%	1,308,197,316	14.0%
Holders of the HK Placing Shares (note 6)	—	—	600,000,000	8.6%	600,000,000	6.6%	600,000,000	8.5%	600,000,000	6.4%
Other existing public Shareholders	2,242,826,617	57.2%	2,242,826,617	32.3%	2,242,826,617	24.6%	2,242,826,617	31.6%	2,242,826,617	24.0%
	<u>3,922,435,485</u>	<u>100.0%</u>	<u>6,956,845,605</u>	<u>100.0%</u>	<u>9,128,892,855</u>	<u>100.0%</u>	<u>7,099,007,931</u>	<u>100.0%</u>	<u>9,337,805,181</u>	<u>100.0%</u>

Notes:

- These WN Shares are held by Leading Highway Limited, a company incorporated in the British Virgin Islands, and the entire issued share capital of which is beneficially owned by Mr. Cheng Yung Pun, a former Director who resigned on 16 February 2009.

2. These WN Shares are held by Shimmer Expert Investments Limited, a company incorporated in the British Virgin Islands, and the entire issued share capital of which is beneficially owned by Groom High Investments Limited. Groom High Investments Limited is a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Ms. Zhang Li, a director of a subsidiary of the Company.
3. These WN Shares are held by Parklane International, a company incorporated in the British Virgin Islands, and the entire issued share capital of which is beneficially owned by Mr. Leung Chi Yan, a director of certain subsidiaries of the Company.
4. 96,008,000 WN Shares are held by Equity Valley Investments Limited, a company incorporated in the British Virgin Islands, and the entire issued share capital of which is beneficially owned by Mr. Luk Kin Peter Joseph, an executive Director, and 103,448,276 WN Shares are held by Prideful Future Investments Limited, a company controlled by Mr. Luk's spouse.
5. Save for the BRM Shares and FRS Shares held by WN Australia as at the date of this announcement, to the best of the Director's knowledge, information and belief and having made all reasonable enquiries, (1) BRM and the ultimate beneficial owners of BRM and (2) FRS and the ultimate beneficial owners of FRS are Independent Third Parties.
6. Pursuant to the Issue Mandate approved by the Shareholders on 13 December 2010, the Company proposes to issue and place up to 600,000,000 HK Placing Shares to places which are Independent Third Parties. As at the date of this announcement, none of the HK Placing Shares have been issued yet. Details of the Issue Mandate are set out in the Circular.

REASONS FOR THE PROPOSED EXTENSION

FRS is an ASX-listed Australian iron ore development company. FRS's main focus is the development of the FerrAus Pilbara Project located in Western Australia. Details on FRS's projects and its mineral resources are set out in the Circular.

The FRS Conditional Offer, together with the BRM Conditional Offer (details of which are set out in the Circular), represent a significant step for the Company in achieving its plan to become a developer of strategic mining assets. Shareholders may refer to the Company's announcement dated 10 November 2010 and the Circular for more information on the business and prospects of FRS and detailed reasons for and benefits of the FRS Conditional Offer.

As stated above in this announcement, one of the conditions of the FRS Conditional Offer is WN Australia being able to obtain a Relevant Interest in at least 90% of all FRS Shares in issue at the end of the Offer Period. Subsequent to the Company's announcement dated 10 November 2010, FRS has further issued 40,697,675 FRS Fundraising Shares. The FRS Fundraising Shares represent approximately 16.5% of the FRS Shares in issue as at the date of this announcement. If the FRS Conditional Offer is not extended to cover the FRS Fundraising Shares, the above condition of the FRS Conditional Offer in respect of the level of acceptance cannot be satisfied and the FRS Conditional Offer cannot become unconditional unless such condition is waived by WN Australia (at the discretion of the Company).

The Top-up Shares and the New FRS Option Shares could be issued at anytime and in a number of occasions. The Directors consider that it would be overly burdensome to seek shareholders' approval to extend the FRS Conditional Offer each time when the Top-up Shares and the New FRS Option Shares are issued. With a view to successfully gaining control in FRS, the Company put forward the Proposed Extension to allow the FRS Conditional Offer to cover the FRS Fundraising Shares, and the Top-up Shares and any New FRS Option Shares if they are issued before the end of the Offer Period. The Directors consider that the Proposed Extension is in the interests of the Company and the Shareholders as a whole.

LISTING RULES REQUIREMENTS

As set out in the Company's announcement dated 10 November 2010, the FRS Conditional Offer, in aggregate with the BRM Conditional Offer, constituted a very substantial acquisition for the Company under the Listing Rules and was subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. The Company had issued the Circular and obtained Shareholders' approval in respect of the FRS Conditional Offer (and the BRM Conditional Offer) on 13 December 2010.

The Board will seek approval from its Shareholders in respect of the Proposed Extension. The Company will issue a circular to the Shareholders setting out information on the Proposed Extension and updates on FRS as soon as possible on or before 14 March 2011.

GENERAL

An announcement of the Company in Australia in relation to the Company's intention to extend the FRS Conditional Offer to cover the New FRS Shares in the event the Shareholders approve the Proposed Extension is available on the website of ASX at www.asx.com.au.

Shareholders and potential investors should note that the FRS Conditional Offer is conditional on and subject to various terms and conditions and may or may not be completed. They are advised to be cautious when dealing in the Company's securities.

The Company will issue further announcement(s) in respect of any material developments regarding the FRS Conditional Offer.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Announcement Date”	the day the Conditional Offers were announced, being 10 November 2010
“ASIC”	Australian Securities and Investments Commission
“Associate”	has the meaning given in section 12 of the Corporations Act
“ASX”	ASX Limited (trading as the Australian Securities Exchange)
“AUD”	Australian dollars, the lawful currency of Australia
“Bid Period”	the period starting when the Bidder’s Statement was given to BRM or FRS (as the case may be) on 10 November 2010 and ending at the end of the Offer Period
“Bidder’s Statement(s)”	each of, and where the case requires it, both, the offer documents issued by WN Australia in respect of each of the Conditional Offers dated 15 December 2010
“Board”	the board of Directors of the Company
“BRM”	Brockman Resources Limited ACN 009 372 150, the ordinary shares of which are listed on ASX
“BRM Conditional Offer”	the takeover offer by WN Australia to acquire all the BRM Shares not held by it as set out in the Bidder’s Statement
“BRM Options”	options issued by BRM carrying rights to subscribe for new BRM Shares subject to the terms and conditions of the options
“BRM Shareholders”	holders of any BRM Shares
“BRM Shares”	ordinary fully paid shares in BRM
“Circular”	the Company’s circular dated 26 November 2010
“Company”	Wah Nam International Holdings Limited, the shares of which are dually listed on the Stock Exchange and on ASX

“Conditional Offer(s)”	the BRM Conditional Offer and/or the FRS Conditional Offer (as the case may be)
“Consideration WN Shares”	WN Shares which may be issued by the Company as the consideration for the Conditional Offers
“Corporations Act”	the Australian Corporations Act 2001 (Cth)
“Directors”	the directors of the Company
“FRS”	FerrAus Limited ACN 097 422 529, the ordinary shares of which are listed on ASX
“FRS Conditional Offer”	the takeover offer by WN Australia to acquire all the FRS Shares not held by it as set out in the Bidder’s Statement
“FRS Fundraising Shares”	40,697,675 new FRS Shares issued by FRS on 21 February 2011 raising an amount of AUD35 million
“FRS Options”	options issued by FRS carrying rights to subscribe for new FRS Shares subject to the terms and conditions of the options
“FRS Shareholders”	holders of any FRS Shares
“FRS Shares”	ordinary fully paid shares in FRS
“Group”	the Company and its subsidiaries
“HK Placing Shares”	up to 600,000,000 new WN Shares to be issued by the Company pursuant to the Issue Mandate
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Parties”	independent third parties who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates (as defined in the Listing Rules)
“Issue Mandate”	the specific mandate granted by Shareholders on 13 December 2010, authorising and allowing the Board to allot and issue up to 600,000,000 new WN Shares subject to the terms and conditions as detailed in the Circular

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New FRS Options”	1 million FRS Options which may be granted pursuant to the Options Grant and 710,000 FRS Options which may be granted to employees of FRS
“New FRS Option Shares”	the new FRS Shares issued pursuant to the exercise of the New FRS Options
“New FRS Shares”	the FRS Fundraising Shares, the Top-up Shares and the New FRS Option Shares
“Offer Period”	the period during which the Conditional Offers remain open which commenced on 15 December 2010, being the date when the Bidder’s Statement was despatched to BRM Shareholders and FRS Shareholders, and is scheduled to end on 15 March 2011 (unless further extended)
“Options Grant”	the proposed grant by FRS of 1 million FRS Options to the nominee of Mr Bryan Oliver (an executive director of FRS)
“Proposed Extension”	the proposed extension of the FRS Conditional Offer to cover the FRS Fundraising Shares, and, if issued before the end of the Offer Period, the Top-up Shares and the New FRS Option Shares
“Register Date”	the day set by WN Australia under section 633(2) of the Corporations Act, being 7 December 2010
“Relevant Interest”	has the meaning given in sections 608 and 609 of the Corporations Act
“S&P/ASX300 Index”	the S&P/ASX 300 index is a market-capitalisation weighted and float-adjusted stock market index of Australian stocks listed on the ASX from Standard & Poor’s
“Shareholders”	holders of any WN Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Panel”	the Australia Takeovers Panel, a peer review body that regulates corporate control transactions in widely held Australian entities, and resolution of takeover disputes

“Top-up Right”	the right granted to UPC pursuant to the subscription agreement entered into between FRS and UPC on 7 September 2009 whereby if FRS issues further FRS Shares, for so long as UPC holds 11% or more of FRS Shares in issue, UPC shall have the right to subscribe for an additional number of FRS Shares equal to 12% of the number of FRS Shares issued in such further issue of FRS Shares at the same issue price as that under the said further issue of FRS Shares
“Top-up Shares”	4,883,721 new FRS Shares to be issued upon exercise of the Top-up Right by UPC
“UPC”	Union Park Company Limited
“VWAP”	volume weighted average price
“WN Australia”	Wah Nam International Australia Pty Ltd, a wholly-owned subsidiary of the Company
“WN Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company

By order of the board of directors of
Wah Nam International Holdings Limited
Chan Kam Kwan, Jason
Company Secretary

Hong Kong, 21 February 2011

As at the date of this announcement, the board of directors of the Company comprises Mr. Luk Kin Peter Joseph and Mr. Chan Kam Kwan, Jason as executive directors and Mr. Lau Kwok Kuen, Eddie, Mr. Uwe Henke Von Parpart and Mr. Yip Kwok Cheung, Danny as independent non-executive directors.

AUD is converted into HK\$ at an exchange rate of AUD1.00 = HK\$7.9 for illustrative purposes in this announcement.