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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)

(SEHK stock code: 159)

(ASX stock code: WNI)

**ANNOUNCEMENT
IN RELATION TO THE OFFER FOR THE SHARES OF FRS**

FRS announced on 27 June 2011 that it has agreed with Atlas to implement the Proposal involving (i) the Atlas Subscription, (ii) the Iron Ore Acquisition and (iii) the Atlas Takeover Offer.

In view of items (i) and (ii) of the Proposal, the Company intends to rely on the conditions set out in items 6(d) and 8(a) under the paragraph headed “Conditions” in the Circular to defeat the FRS Conditional Offer. Accordingly, the FRS Conditional Offer will lapse at 4:00 p.m. Australian Western Standard Time on 15 July 2011 (the scheduled closing time of the Offer Period) when all acceptances or the contracts resulting from acceptances of the FRS Conditional Offer will become void. The Company will make further announcement(s) if there is any material development on the FRS Conditional Offer.

Reference is made to the announcement of Wah Nam International Holdings Limited (the “Company”) dated 10 November 2010 and the circular of the Company dated 26 November 2010 (the “Circular”) in relation to, among other things, the Company’s general offer for all shares in FerrAus Limited not already owned by Wah Nam International Australia Pty Ltd, a wholly-owned subsidiary of the Company. Capitalised terms herein shall bear the same meanings as defined in the Circular, unless stated otherwise.

FRS announced on 27 June 2011 that it has agreed with Atlas Iron Limited (“Atlas”), a mining company listed on the ASX, to implement a proposal (the “Proposal”) involving the following:

- (i) Atlas to subscribe for and FRS to issue 37,439,785 FRS Shares for a consideration of AUD24.3 million pursuant to a subscription agreement (the “Atlas Subscription”);

* *For identification purpose only*

- (ii) Atlas to dispose of and FRS to acquire the South East Pilbara iron ore assets owned by Atlas for a consideration of 121,846,154 FRS Shares (to be issued by FRS) pursuant to a asset purchase agreement (the “Iron Ore Assets Acquisition”); and
- (iii) Following the completion of the Atlas Subscription and the Iron Ore Assets Acquisition, Atlas to offer FRS Shareholders 1 ordinary share in Atlas for every 4 FRS Shares pursuant to a bid implementation agreement (the “Atlas Takeover Offer”).

In view of items (i) and (ii) of the Proposal, the Company intends to rely on the conditions set out in items 6(d) and 8(a) under the paragraph headed “Conditions” in the Circular to defeat the FRS Conditional Offer.

Accordingly, the FRS Conditional Offer will lapse at 4:00 p.m. Australian Western Standard Time on 15 July 2011 (the scheduled closing time of the Offer Period) when all acceptances or the contracts resulting from acceptances of the FRS Conditional Offer will become void. The Company will make further announcement(s) if there is any material development regarding the FRS Conditional Offer.

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

Hong Kong, 28 June 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.