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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 FRS CONDITIONAL OFFER**

FRS on 18 April 2011 announced that the resolution for the appointment of Mr Lawrenson as director of FRS and the grant of five million Subject Options to Mr Lawrenson (or his nominee) was approved by FRS Shareholders and today further announced that the Subject Options were granted to Mr Lawrenson.

The Subject Options Shares falling to be issued upon exercise of the Subject Options are not covered by the Proposed Extension. The Company will consider and decide whether to extend the FRS Conditional Offer to the Subject Option Shares when the Subject Options are exercised.

Whether the FRS Conditional Offer is extended to the Subject Option Shares will not affect if the acceptance level condition of the FRS Conditional Offer would be satisfied.

Reference is made to the Company's announcement dated 10 November 2010 and the Company's circular dated 26 November 2010 in relation to, among other things, the conditional general offer for all shares in FRS not already owned by WN Australia, a wholly-owned subsidiary of the Company.

* *For identification purpose only*

APPOINTMENT OF DIRECTOR AND GRANT OF SUBJECT OPTIONS BY FRS

As set out in the circular of the Company dated 18 March 2011 in relation to the Proposed Extension, FRS had agreed to appoint Mr Mark Clifford Lawrenson as Chief Executive Officer and Managing Director of FRS subject to FRS Shareholders appointing him as a director of FRS and approving certain elements of his remuneration package. On 15 March 2011, FRS published a notice to convene a shareholders' meeting to consider and, if thought fit, approve a resolution to appoint Mr Lawrenson as director of FRS under the terms and conditions set out in the notice and the grant of five million Subject Options to Mr Lawrenson or his nominee. FRS on 18 April 2011 announced that the resolution was approved by FRS Shareholders and today further announced that the Subject Options were granted to Mr Lawrenson.

SUBJECT OPTIONS

According to FRS's notice of general meeting regarding the appointment of Mr Lawrenson as director of FRS, the Subject Options will become exercisable in stages. The first one million Subject Options will be exercisable six months after the Commencement Date and the FRS Shares falling to be issued upon exercise of such one million Subject Options represent approximately 0.4% of the existing FRS Shares in issue. The Subject Option Shares falling to be issued upon exercise of the entire five million Subject Options represent approximately 2% of the existing FRS Shares in issue.

The Subject Option Shares falling to be issued upon exercise of the Subject Options are not covered by the Proposed Extension as set out in the circular of the Company dated 18 March 2011 and approved by Shareholders on 8 April 2011. The Company will consider and decide whether to extend the FRS Conditional Offer to the Subject Option Shares when the Subject Options are exercised and any extension of the FRS Conditional Offer to the Subject Option Shares will be subject to rules and regulations in Australia and compliance with the Listing Rules. The FRS Conditional Offer is subject to, among other things, WN Australia having a Relevant Interest in at least 90% of all FRS Shares in issue at the end of the Offer Period. Whether the FRS Conditional Offer is extended to the Subject Option Shares will not affect if the acceptance level condition of the FRS Conditional Offer would be satisfied. In addition, WN Australia may waive such acceptance level condition if it is able to set out in a supplemental circular to be issued the information as required under the Listing Rules.

The Company does not intend to rely on the condition regarding prescribed occurrence in relation to the grant of the Subject Options to defeat the FRS Conditional Offer.

The Company will make further announcement(s) in respect of any material development of the FRS Conditional Offer as and when appropriate.

DEFINITIONS

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

“ASX”	ASX Limited (trading as the Australian Securities Exchange)
“Commencement Date”	the date of appointment of Mr Lawrenson as Managing Director and Chief Executive Officer of FRS on 18 April 2011
“Company”	Wah Nam International Holdings Limited, the shares of which are dually listed on the Stock Exchange and on ASX
“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
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Period”	the period during which the FRS Conditional Offer remain open which commenced on 15 December 2010, being the date when the bidder’s statement for the FRS Conditional Offer was despatched to FRS Shareholders and is scheduled to end on 16 May 2011 (unless further extended)
“Proposed Extension”	the proposed extension of the FRS Conditional Offer to cover certain new FRS Shares as set out in the Company’s circular dated 18 March 2011 and approved by Shareholders on 8 April 2011
“Relevant Interest”	has the meaning given in sections 608 and 609 of the Corporations Act
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subject Option Shares”	five million FRS Shares falling to be issued upon exercise of the Subject Options
“Subject Options”	five million FRS Options granted to Mr Lawrenson as approved by FRS Shareholders on 18 April 2011
“WN Australia”	Wah Nam International Australia Pty Ltd, a wholly-owned subsidiary of the Company

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

Hong Kong, 19 April 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.