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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)

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

CIP is the Company's financial and corporate adviser in Australia advising the Company on inter alia its dual listing on ASX and the BRM Offer.

On 6 July 2011, after trading hours, the Company agreed with CIP to satisfy the payment of part of the advisory fees payable to CIP for services provided by way of issuing 3,863,078 New Shares to CIP at the Issue Price of AUD0.20 (equivalent to approximately HK\$1.66 per Share).

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the New Shares. The Company will also make an application to ASX for quotation of the New Shares on ASX.

The Issue Price was determined after arm's-length negotiations between the Company and CIP having regard to the issue price of the Shares issued under the Company's offer for subscription in Australia. The Directors (including the independent non-executive Directors) consider that the terms of the New Issue are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The New Shares represent approximately 0.07% of the existing issued share capital of the Company and approximately 0.07% of the issued share capital of the Company as enlarged by the New Shares.

The New Shares are to be issued under the General Mandate granted to the Directors at the special general meeting of the Company held on 13 December 2010.

* *For identification purpose only*

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

CIP is the Company's financial and corporate adviser in Australia advising the Company on inter alia its dual listing on ASX and the BRM Offer.

On 6 July 2011, after trading hours, the Company agreed with CIP to satisfy the payment of part of the advisory fees payable to CIP for services provided by way of issuing 3,863,078 New Shares (with an aggregate nominal value of HK\$386,307.80) to CIP at the Issue Price of AUD0.20 (equivalent to approximately HK\$1.66 per Share).

Issue Price

The Issue Price of AUD0.20 (equivalent to approximately HK\$1.66) represents (i) a premium of approximately 35.0% over the closing price of HK\$1.23 per Share as quoted on the Stock Exchange on 6 July 2011, being the date on which the Company agreed to the New Issue and (ii) a premium of approximately 34.3% over the average of the closing prices per Share of approximately HK\$1.236 as quoted on the Stock Exchange for the last five consecutive trading days up to and including 6 July 2011. As no material expenses associated with the New Issue are expected, the net issue price equals to the Issue Price of AUD0.20 (equivalent to approximately HK\$1.66 per Share).

The Issue Price was determined after arm's-length negotiations between the Company and CIP having regard to the issue price of the Shares issued under the Company's offer for subscription in Australia. The Directors (including the independent non-executive Directors) consider that the terms of the New Issue are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Ranking of the New Shares

The New Shares, when allotted and issued, will rank equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the New Shares.

General Mandate to issue the New Shares

The New Shares will be issued under the General Mandate granted to the Directors at the special general meeting of the Company held on 13 December 2010, pursuant to which a maximum of 781,487,097 Shares may be allotted and issued by the Company. As at the date of this announcement, the Company has not issued any Shares under the General Mandate. The issue of the New Shares is accordingly not subject to Shareholders' approval.

Application for listing

The New Issue is unconditional, but the New Shares are to be listed on the Stock Exchange. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the New Shares. The Company will also make an application to ASX for quotation of the New Shares on ASX.

REASON FOR THE NEW ISSUE

The Company considers that the New Issue provides a reasonable means to pay part of the advisory fees due to CIP and thus reduce the Group's cash outflow. There will be no proceeds raised from the New Issue.

The Directors consider that the terms of the New Issue are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

The following table sets out the equity fund raising activities conducted by the Group in the past 12 months immediately preceding the date of this announcement:

| Date of announcement | Event | Net proceeds | Intended use of proceeds | Actual application of the net proceeds |
|-----------------------------|---|-------------------------------|--|--|
| 17 September 2010 | Placing of existing Shares and subscription of new Shares | Approximately HK\$200 million | Not more than HK\$20 million for general working capital and not less than HK\$180 million for potential acquisitions or investment in mineral-related businesses. | Approximately HK\$110 million has been used to invest in mineral related companies (including related transaction costs) and approximately HK\$6 million has been used for general working capital. The Company intends to use the remaining proceeds to invest in mineral-related businesses (including related transaction costs) and not more than HK\$14 million for general working capital of the Group. In the interim, the remaining net proceeds have been placed in bank deposits. |

| Date of announcement | Event | Net proceeds | Intended use of proceeds | Actual application of the net proceeds |
|-----------------------------|---|------------------------------|---|---|
| 10 November 2010 | Issue of new shares pursuant to the Company's offer for subscription in Australia | Approximately HK\$19 million | To finance the transaction costs incurred by the Group in connection with the Company's offer for subscription in Australia, the BRM Offer and the Company's takeover offer for all issued shares of FerrAus Limited. | Approximately HK\$11 million has been used to finance the aforesaid transaction costs and the Company intends to use the remaining net proceeds of approximately HK\$8 million for the same purposes. In the interim, the remaining net proceeds have been placed in bank deposits. |

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The changes of the shareholding structure of the Company as a result of the New Issue are as follows:

| Shareholders | At the date of this announcement | | Immediately after completion of the New Issue | |
|---|---|-------------------|--|-------------------|
| | <i>No. of Shares</i> | <i>% (approx)</i> | <i>No. of Shares</i> | <i>% (approx)</i> |
| Shimmer Expert Investments Limited (<i>Note 1</i>) | 279,548,000 | 5.22 | 279,548,000 | 5.22 |
| Parklane International Holdings Limited (<i>Note 2</i>) | 140,592,592 | 2.63 | 140,592,592 | 2.62 |
| Equity Valley Investments Limited and Prideful Future Investments Limited (<i>Note 3</i>) | 199,456,276 | 3.72 | 199,456,276 | 3.72 |
| Public Shareholders | | | | |
| CIP | — | — | 3,863,078 | 0.07 |
| Other public Shareholders | 4,735,819,457 | 88.43 | 4,735,819,457 | 88.37 |
| Total | 5,355,416,325 | 100.00 | 5,359,279,403 | 100.00 |

Notes:

1. These 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.
2. These Shares are held by Parklane International Holdings Limited, 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.
3. 96,008,000 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 Shares are held by Prideful Future Investments Limited, a company controlled by Mr. Luk's spouse.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

| | |
|---------------|---|
| “ASX” | ASX Limited (trading as the Australian Securities Exchange) |
| “AUD” | Australian dollars, the lawful currency of Australia |
| “Board” | the board of Directors |
| “BRM” | Brockman Resources Limited ACN 009 372 150, the ordinary shares of which are listed on ASX |
| “BRM Offer” | the takeover offer by WN Australia to acquire all of the BRM Shares that closed on 15 June 2011 |
| “BRM Shares” | ordinary fully paid shares in BRM |
| “CIP” | Capital Investment Partners Pty Ltd ACN 110 468 589, the Company's financial and corporate adviser in Australia |
| “Company” | Wah Nam International Holdings Limited, the shares of which are dual listed on the Stock Exchange and ASX |
| “Director(s)” | director(s) of the Company |

| | |
|-------------------|---|
| “General Mandate” | the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the special general meeting of the Company held on 13 December 2010, pursuant to which a maximum of 781,487,097 new Shares may fall to be allotted and issued as at the date of this announcement |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Issue Price” | the deemed issued price of AUD0.20 (equivalent to approximately HK\$1.66) per New Share as agreed between the parties for calculating the payment for part of the advisory fees due to CIP by way of issuing the New Shares |
| “New Issue” | the issue of the New Shares by the Company to CIP to pay part of the advisory fees due to CIP |
| “New Shares” | 3,863,078 Shares to be issued to CIP under the New Issue |
| “Shares” | ordinary shares of HK\$0.10 each in the share capital of the Company |
| “Shareholders” | holders of any Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “WN Australia” | Wah Nam International Australia Pty Ltd, a wholly-owned subsidiary of the Company |

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

Hong Kong, 6 July 2011

AUD is converted into HK\$ at an exchange rate of AUD1.00 = HK\$8.3 for illustrative purposes in this announcement.

As at the date of this announcement, the Board 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.