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華南

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)

**SUPPLEMENTAL AGREEMENT TO THE UNDERWRITING AGREEMENT
RELATING TO THE PLACING OF NEW SHARES**

On 31 January 2012, the Company and the Placing Agent entered into the Supplemental Agreement to the Underwriting Agreement. Pursuant to the Supplemental Agreement, among other things, the long-stop date of the Underwriting Agreement has been extended to 6 April 2012 (or such other date as the parties may agree in writing).

The Company and BRM also agreed on 31 January 2012 to amend the Bid Implementation Agreement. Pursuant to the revised terms, among other things, BRM no longer has the ability to terminate the Bid Implementation Agreement if the Placing is not completed within 60 days after the Announcement Date.

The Company has waived the completion of the Placing as a condition to the Conditional Offer.

Reference is made to the announcement of Wah Nam International Holdings Limited (the “Company”) dated 12 December 2011 (the “Announcement”) and the circular dated 15 December 2011 (the “Circular”) regarding, among other things, the conditional general offer for all shares in Brockman Resources Limited not already owned by Wah Nam International Australia Pty Ltd, a wholly-owned subsidiary of the Company and the placing on a fully underwritten basis of 130,000,000 new shares in the share capital of the Company (the “Placing”). Capitalised terms used in this announcement have the same meanings as those defined in the Circular unless otherwise stated.

** For identification purpose only*

The Conditional Offer and the Placing were approved by the Shareholders at a general meeting of the Company held on 6 January 2012 (the “Meeting”).

On 31 January 2012, the Company entered into a supplemental agreement (the “Supplemental Agreement”) to the Underwriting Agreement.

THE SUPPLEMENTAL AGREEMENT

Date: 31 January 2012

Parties: The Company (the issuer)
REORIENT Financial Markets Limited (the Placing Agent)

The Company and the Placing Agent are the parties to the Underwriting Agreement. The Placing Agent is not a connected person of the Company. Save as disclosed in the Announcement and the Circular, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Major terms of the Supplemental Agreement

Pursuant to the Supplemental Agreement, the long-stop date of the Underwriting Agreement has been extended from 31 January 2012 to 6 April 2012 (or such other date as the parties may agree in writing).

Under the Supplemental Agreement, completion of the Placing will occur on the 3rd Business Day after the fulfillment or waiver of all of the conditions precedent to the Placing (other than the condition that before the completion date, there is no material adverse change in the financial position and trading prospects of the Company and its subsidiaries and no event which has or could reasonably be expected to have a material adverse effect on the Company and its subsidiaries to the reasonable satisfaction of the Placing Agent).

Under the Supplemental Agreement, the Company has also been given the right to terminate the Underwriting Agreement in its absolute discretion on or before the date of completion of the Placing by notice in writing to the Placing Agent.

Save for the above, there are no changes to the other material terms of the Underwriting Agreement.

REASONS FOR THE SUPPLEMENTAL AGREEMENT

As stated in the Company’s announcement dated 13 January 2012, the closing date of the Conditional Offer has been extended from 23 January 2012 to 20 February 2012 (unless further extended).

In order to allow flexibility in relation to the completion of the Placing, the Company agreed with the Placing Agent to enter into the Supplemental Agreement.

As stated in the Announcement and the Circular, the net proceeds from the Placing will be used to partially fund the cash portion of the consideration for the Conditional Offer. The change of the long-stop date of the Underwriting Agreement corresponds with the extended timetable for the Conditional Offer and together with the grant of the termination right to the Company under the Supplemental Agreement provide the Company with flexibility in reassessing its funding needs for the Conditional Offer. This allows the Company to complete the Placing in its absolute discretion at any time before the long-stop date of the Underwriting Agreement depending on the progress on the Conditional Offer and the market situation from time to time.

The entering into of the Supplemental Agreement has been approved by the board committee established by the Board as authorized by the Shareholders pursuant to the ordinary resolution passed by the Shareholders at the Meeting approving the Placing. The Directors (including the independent non-executive Directors) consider that the terms of the Supplemental Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

WAIVING OF THE PLACING CONDITION

The Company has waived condition (4) to the Conditional Offer (i.e., the completion of the Placing) set out in the Circular under the paragraph headed “Conditions” (the “Placing Condition”).

Despite the waiving of the Placing Condition, the Company may complete the Placing at any time prior to the extended long-stop date subject to the terms of the Underwriting Agreement as amended by the Supplemental Agreement. The Company confirms that it will have sufficient funding to finance the completion of the Conditional Offer.

REVISED BID IMPLEMENTATION AGREEMENT

As a result of the Supplemental Agreement, the Company agreed with BRM to amend the Bid Implementation Agreement on 31 January 2012.

Pursuant to the revised terms, BRM no longer has the ability (as summarized on page 24 of the Circular) to terminate the Bid Implementation Agreement if the Placing is not completed within 60 days after the Announcement Date (that is, on or before 10 February 2012).

The Company and BRM have also agreed to remove the requirement in the Bid Implementation Agreement for the Placing Condition to have been satisfied before each Independent BRM Director accepts the Conditional Offer in relation to any BRM Shares that they own or control.

As previously announced by the Company, conditions (2) and (3) to the Conditional Offer (as set out in the Circular) have been fulfilled. As a result, each Independent BRM Director intends to accept the Conditional Offer within two days after satisfaction of condition (1) to the Conditional Offer (as set out in the Circular) (i.e., obtaining the consent of the Treasurer to the proposed acquisition of BRM Shares under the Conditional Offer).

Further details of the amendments to the Bid Implementation Agreement are set out in the supplementary bidder's statement, a copy of which will be published on the Company's website and the Stock Exchange's website today.

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

Hong Kong, 31 January 2012

As at the date of this announcement, the board of directors of the Company comprises Mr. Luk Kin Peter Joseph, Mr. Chan Kam Kwan, Jason and Mr. Chu Chung Yue, Howard 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.