

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**OVERSEAS REGULATORY ANNOUNCEMENT
QUARTERLY ACTIVITIES REPORT**

The following is the text of the quarterly activities report of Wah Nam International Holdings Limited (the “Company”) released by the Company on ASX Limited today.

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

Hong Kong, 30 July 2012

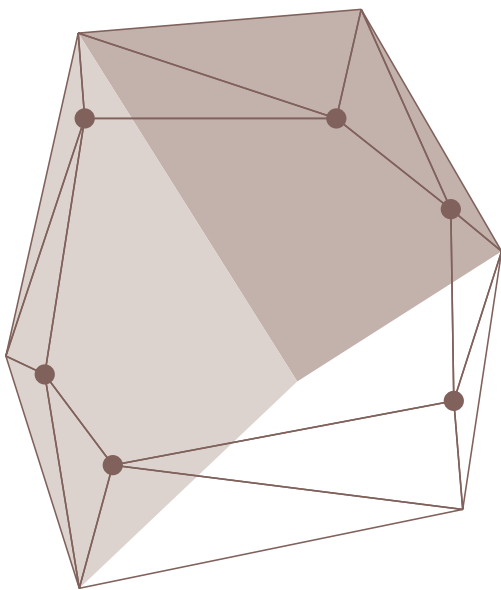
As at the date of this announcement, the board of directors of the Company comprises Mr. Kwai Sze Hoi (Chairman), Mr. Liu Zhengui (Vice Chairman) and Mr. Warren Talbot Beckwith as non-executive directors; Mr. Luk Kin Peter Joseph (Chief Executive Officer), Mr. Chan Kam Kwan, Jason and Mr. Chu Chung Yue, 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.

* *For identification purpose only*

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



QUARTERLY ACTIVITIES REPORT



JUNE 2012

HIGHLIGHTS

- Takeover offer of Brockman concluded at 98.12% of acceptance received.
- Commencement of compulsory acquisition process.
- Changes to board composition:
Mr. Kwai Sze Hoi has been appointed as Chairman and non-executive Director of the Company; Mr. Liu Zhengui has been appointed as Vice Chairman and remain as an non-executive Director; Mr. Warren Talbot Beckwith has been appointed as non-executive director and Mr. Luk Kin Peter Joseph is re-designated as the Chief Executive Officer effective from 15 June 2012.
- Delisting of Brockman Resources Limited on 29 June 2012 following the completion of the Takeover Offer.
- Conditions have been received from the Commonwealth Department of Sustainability, Environment, Water, Pollution and Communities in response to the submission of the Preliminary Documentation for the rail spur and mine projects at Marillana.
- Conditional approval was received from the Western Australian Environmental Protection Authority for the proposed Multi-User Iron Ore Export (Landside) Facility, to be developed by the North West Infrastructure in South West Creek, in the inner harbour of Port Hedland.
- DSO grade mineralisation has been intersected over a strike length of 2km at both of the Pallas and Castor prospects on the Coondiner tenement. Best intercepts were:
 - 104m at 59.5% Fe (from 12m) at Pallas in hole CNRC0125; and
 - 122m at 60.1% Fe (from 16m) at Castor in hole CNRC0152.
- The potential for significant DSO grade mineralisation has also been confirmed by RC drilling at the Kalgan Creek prospect, with a best intersection of 92m at 59.7% Fe in hole KRC0024 (from 2m).
- Fine tuning of equipment previously installed in Damajianshan and normal production is anticipated to resume by the end of August 2012.

**Wah Nam
International Holdings Limited**
ARBN 143 211 867
ASX Code: WNI
SEHK Code: 0159

Head Office
Suites 3812-3813,
Two International
Finance Centre,
8 Finance Street,
Central
Hong Kong

Registered Office in Australia
117 Stirling
Highway Nedlands
WA 6009

CORPORATE REVIEW

Takeover Offer of Brockman

Wah Nam International Holdings Limited (ASX: WNI, SEHK: 0159) (the "Company" or "Wah Nam") has made a significant achievement in the quarter ended 30 June 2012. The Takeover Offer for Brockman Resources Limited ("Brockman") concluded on 15 June 2012 with 98.12% of acceptance received. The Company is delighted with the successful outcome of the Takeover Offer and looks forward to transforming the Marillana project from an exploration stage to the implementation stage, and ultimately to the production stage. Though a long journey it may seem, the Board is determined and dedicated to put through viable solutions to bring forth vitality to our projects.

On 29 May 2012, the Company successfully obtained over 90% of relevant interest in Brockman. At the close of the offer on 15 June 2012, the Company held an aggregate relevant interest of 98.12% and marked the commencement of the process of compulsory acquisition of the remaining shares. This process is scheduled to be completed by 15 August 2012.

Conversion of Convertible Bond

On 26 June 2012, a portion of the 5% convertible bond dated 10 January 2012 has been converted. Upon conversion of HK\$78,000,000 principal amount of such convertible bond, an aggregate of 130,000,000 ordinary shares were issued to Ocean Line Holdings Limited ("Ocean Line"), the single largest shareholder of the Company.

After such conversion, Ocean Line and its associate held an aggregate of 1,068,872,862 shares of the Company, representing approximately 14.9% of the issued share capital of the Company.

Board Appointment

The following appointment and redesignation of the board has become effective on 15 June 2012.

Mr. Kwai Sze Hoi (Chairman)

Mr. Kwai Sze Hoi has been appointed as Chairman and non-executive director of the Company.

Mr. Liu Zhengui (Vice Chairman)

Existing non-executive director, Mr. Liu Zhengui has been appointed as Vice Chairman.

Mr. Warren Talbot Beckwith

Mr. Beckwith has been appointed as a non-executive director of the Company.

Mr. Luk Kin Peter Joseph

Mr. Luk, being the former Chairman, has been re-designated as the Chief Executive Officer of the Company.

The above directors' biographical information are contained in the announcement dated 6 July 2012.

Bank and Cash position

The consolidated cash and bank balance of the Group as at 30 June 2012 amounted to approximately HK\$333.8 million.

MARILLANA IRON ORE PROJECT

Project Development

Brockman Resources Limited ("Brockman") has completed the optimisation study by Lycopodium of the Marillana processing plant. Brockman is reviewing the improvement opportunities identified in the study and is updating the construction schedules for inclusion in the proposed Project Bankable Feasibility Study (BFS).

The finalisation of the required infrastructure solutions for the Marillana Iron Ore Project ("Marillana" or "the Project") is the key focus of Brockman. These solutions are being progressed through the port development with North West Infrastructure (NWI), a joint venture comprising Brockman, Atlas Iron Limited (Atlas) and FerrAus Limited (FerrAus), and through an independent rail network in the East Pilbara, proposed by Queensland Rail National (QRN).

Rail and Port Infrastructure

The NWI continues to actively pursue the finalisation of the South West Creek infrastructure Port Lease with the Port Hedland Port Authority (PHPA). Discussions during the period, with relevant Government Ministers and agencies, have confirmed support for the establishment of new port facilities in South West Creek, in the inner harbour of Port Hedland, to facilitate the 50 Mtpa iron ore export allocation provided to NWI.

The NWI is continuing to develop the port development business case based on a phased development of the South West Creek infrastructure. NWI has submitted a Preliminary Planning Review to PHPA as the first stage of preparing a full development proposal, pending the finalisation of the Port Lease.

QRN is undertaking a Pre-Feasibility Study (PFS) into the development and operation of an East Pilbara independent rail network, linking Port Hedland to the Marillana Project and several Atlas and FerrAus deposits. Brockman is participating in discussions with QRN regarding the terms of reference for the PFS and subsequent studies.

Mining and Metallurgy

Detailed design work is continuing on the fines reject handling circuit, with Golders Associates reviewing the location and volumetric capacity required for storage of fines and coarse rejects. This work will be carried out in conjunction with the revised plant and stockyard locations identified in the optimisation study carried out by Lycopodium. A preliminary test programme was commenced in May to assess the potential to treat the natural -1mm material using a magnetic separation process. This work is expected to be completed mid next quarter and is anticipated to assess the potential for an increase in final product yield.

To underpin the finalisation of the Project marketing strategy, a detailed sinter test plan is being prepared in conjunction with the China International Steel Research Institute. It is anticipated that the sinter test programme will commence next quarter with results expected by year end, which will enable Brockman to initiate discussions with prospective Asian steel mills regarding off-take from the Project.

Project Approvals

Brockman continues to progress all required State and Commonwealth environmental approvals for the Project, where plans/designs have been finalised, in line with Project requirements and development timeframes. Variations to the Marillana Project footprint, since the submission and approval of the Public Environmental Review, will require a variation to the Ministerial Statement approval via a s45C process under the Environmental Protection Act.

A modified Project Management Plan is being developed for submission to the Department of Minerals and Petroleum, as well as a new Mining Proposal to cover both early works during the construction phase and the operating mine. Secondary approvals including site operational licences, water licences and vegetation clearing permits will be completed in parallel with the BFS.

Conditions have been received from the Commonwealth Department of Sustainability, Environment, Water, Pollution and Communities in response to the submission of the Preliminary Documentation for the rail and mine projects at Marillana. These conditions are currently being negotiated with the Department and formal approval is expected to be forthcoming in August 2012.

Following the conditional approval received from the Western Australian Environmental Protection Authority for the proposed Multi-User Iron Ore Export (Landside) Facility, the NWI is now in a strong position to finalise funding and development plans for the port facilities and receive the lease agreement from the PHPA. The Western Australian Department of State Development has allocated a dedicated transport corridor to the NWI for the development of a rail line linking the port facilities and rail infrastructure.

REGIONAL IRON ORE PROJECTS

Ophthalmia Project

Following completion of the helicopter supported diamond drilling programme at Sirius (results reported 23 April 2012), a reverse circulation (RC) drill rig was mobilised to commence drilling at the Coondiner and Kalgan Creek prospects in mid April. During the quarter, a total of 167 drill holes for 14,851 m were drilled. The locations of the various Ophthalmia prospects are shown in Figure 1.

Coondiner Prospect

Drilling at Coondiner has principally tested the Pallas (98 holes) and Castor (25 holes) prospects, to follow up encouraging results from last year's drilling. Results have confirmed significant direct shipping ore (DSO) grade mineralisation is present at both prospects, generally

commencing at shallow depths but extending to over 100m deep in some places. DSO grade mineralisation has been intersected over a strike length of 2km at both prospects. Best recorded intercepts were 104m at 59.5% Fe (from 12m) at Pallas in hole CNRC0125 and 122m at 60.1% Fe (from 16m) at Castor in hole CNRC0152. All significant drill intersections for the Pallas and Castor prospects are listed in Table 1 and hole locations are shown in Figures 2 to 4.

Reconnaissance drilling at several other prospects within the Coondiner area did not intersect any significant DSO grade mineralisation.

Kalgan Creek Prospect

Following completion of drilling at Coondiner, the RC rig moved to Kalgan Creek in mid-June and had completed 18 holes for 1,945m by month's end. Results have been received for the first 6 holes, with a best intersection recorded of 92m at 59.7% Fe (from 2m) in hole KRC0024, again confirming the potential for significant DSO grade mineralisation in this area. Significant results are provided in Table 2 and hole locations are shown in Figure 5. Holes KRC0016A and KRC0017A are re-drills of holes KRC0016 and KRC0017, which were drilled last year and ended in mineralisation, and have demonstrated that mineralisation is considerably thicker than previously reported for these holes.

Sirius Prospect

An Access Deed has been executed with neighbouring tenement holders that will allow Brockman to construct an access track to the Sirius prospect to permit RC drilling. This track is expected to be constructed in August, following receipt of all regulatory approvals. Following the highly encouraging drill results received to date, commencement of RC drilling at Sirius is a priority for Brockman.

Table 1: Significant drill intersections – Coondiner Prospect

Hole ID	From (m)	To (m)	Width (m)	Fe (%)	Fe Calcined (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
Pallas Prospect										
CNRC0062	12	50	38	56.40	59.51	7.96	5.34	0.16	0.008	5.23
CNRC0065	2	46	44	57.25	60.82	6.75	4.58	0.14	0.018	5.87
CNRC0066	16	88	72	58.23	61.80	4.96	4.80	0.18	0.012	5.77
CNRC0067	32	58	26	56.69	60.67	5.55	5.25	0.13	0.009	6.57
and	78	118	40	55.88	59.95	4.92	7.01	0.20	0.012	6.78
CNRC0069	38	68	30	57.25	61.04	5.59	5.00	0.17	0.011	6.21
CNRC0070	14	66	52	56.50	59.64	7.64	4.98	0.17	0.008	5.27
CNRC0071	36	97	61	58.22	63.09	4.55	3.68	0.18	0.004	7.72
CNRC0088	18	60	42	57.66	61.06	5.85	4.73	0.17	0.007	5.58
CNRC0117	28	50	22	58.51	61.86	5.40	4.63	0.17	0.005	5.43
CNRC0120	24	88	64	57.48	61.47	5.14	4.76	0.22	0.006	6.49
CNRC0125	12	116	104	59.47	62.78	4.81	3.82	0.19	0.007	5.27
CNRC0126	12	40	28	58.86	62.34	5.00	4.11	0.18	0.006	5.58
CNRC0127	14	42	28	57.38	60.77	5.50	5.65	0.17	0.007	5.58
CNRC0129	22	91	69	59.97	63.34	3.60	4.26	0.21	0.009	5.33
CNRC0181	24	46	22	58.35	61.60	5.36	4.6	0.17	0.010	5.27
CNRC0184	18	76	58	58.16	61.44	5.89	4.48	0.18	0.010	5.34
CNRC0185	18	56	38	59.08	62.51	4.93	4.25	0.17	0.005	5.49
CNRC0187	28	58	30	58.58	62.46	5.03	4.00	0.20	0.017	6.21
CNRC0188	26	126	100	58.14	61.65	3.50	4.61	0.19	0.006	5.70
CNRC0189	22	58	36	58.82	62.42	4.75	4.30	0.17	0.005	5.77
CNRC0190	2	62	60	59.19	62.34	5.33	4.16	0.15	0.013	5.06
CNRC0191	20	60	40	57.51	61.21	6.22	4.31	0.17	0.006	6.04
CNRC0198	10	102	92	60.11	63.47	4.25	3.47	0.19	0.007	5.28
CNRC0199	16	88	72	58.54	62.26	4.08	5.20	0.16	0.005	5.97
CNRC0200	18	114	96	57.14	61.17	3.91	6.70	0.19	0.003	6.59
CNRC0201	20	54	34	58.19	61.88	4.67	5.12	0.15	0.003	5.96
CNRC0204	22	66	44	58.45	61.92	4.38	5.03	0.19	0.012	5.60
Castor Prospect										
CNRC0075	14	76	62	58.51	61.74	5.54	4.58	0.22	0.010	5.23
CNRC0080	10	34	24	57.96	61.41	5.44	4.89	0.18	0.013	5.63
CNRC0146	14	50	36	59.75	62.76	4.83	4.05	0.18	0.004	4.79
CNRC0148	14	80	66	59.18	62.13	5.43	4.27	0.20	0.005	4.75
CNRC0152	16	138	122	60.09	63.57	3.77	4.04	0.17	0.004	5.48
CNRC0160	14	44	30	57.88	61.01	6.35	4.92	0.17	0.000	5.13
CNRC0207	46	102	56	57.92	61.66	4.65	5.43	0.22	0.002	6.07
CNRC0208	14	58	44	58.41	61.84	4.74	5.20	0.15	0.005	5.54

Notes: Intercepts calculated at a nominal 54% Fe cut off grade including up to 2m of internal dilution

All intercepts exceeding 20m down hole width reported

Analyses by Nagrom Laboratories and Ultratrace Laboratories using XRF spectrometry

Fe Calcined is calcined iron and is calculated by the formula: $CaFe = Fe\% / (100 - LOI) * 100$

Table 2: Significant drill intersections – Kalgan Creek Prospect

Hole ID	From (m)	To (m)	Width (m)	Fe (%)	Fe Calcined (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
KRC0016A	8	90	82	59.02	62.39	4.41	4.84	0.20	0.005	5.41
KRC0017A	18	96	78	57.86	61.18	5.95	5.01	0.15	0.004	5.43
KRC0023	2	86	84	58.93	62.29	4.61	4.63	0.19	0.007	5.38
KRC0024	2	94	92	59.70	63.23	2.62	5.18	0.22	0.012	5.59
KRC0025	4	78	74	59.63	62.69	4.14	4.61	0.20	0.005	4.88

Notes: Intercepts calculated at a nominal 54% Fe cut off grade including up to 3m of internal dilution
 All intercepts exceeding 20m down hole width reported
 Analyses by Nagrom Laboratories using XRF spectrometry
 Fe Calcined is calcined iron and is calculated by the formula: $CaFe = Fe\% / (100 - LOI) * 100$

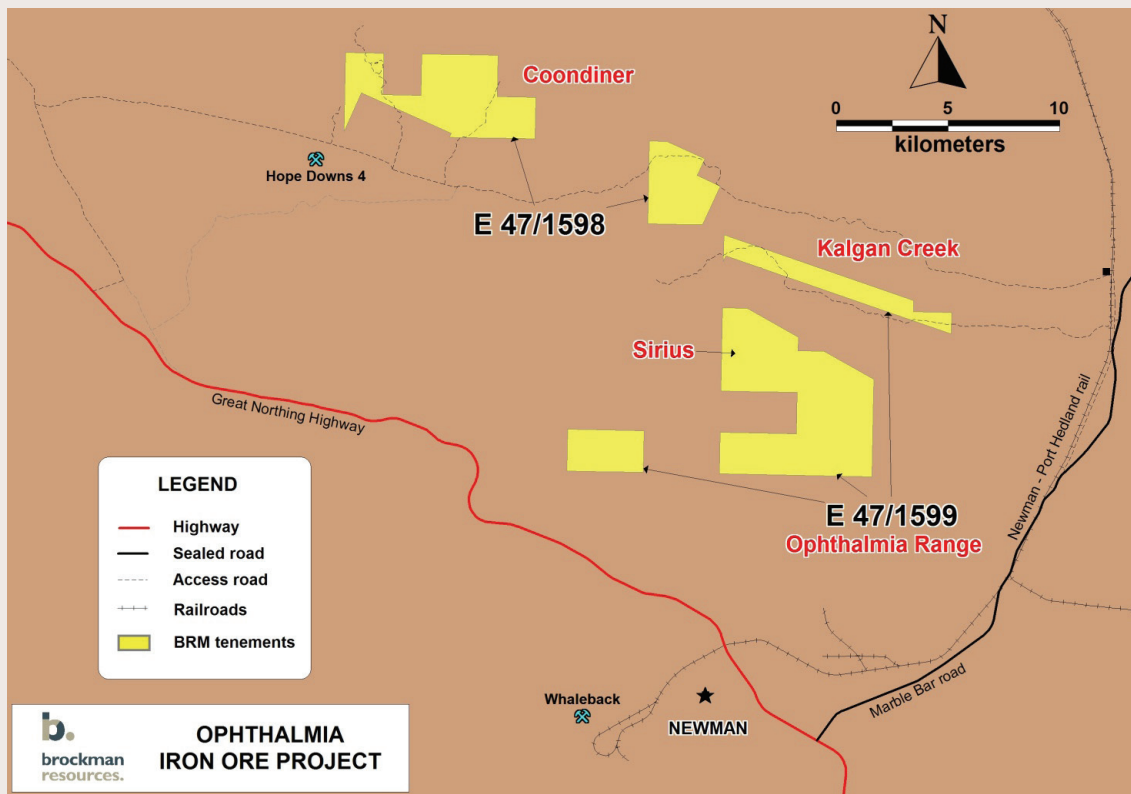


Figure 1: Location of Ophthalmia Prospects

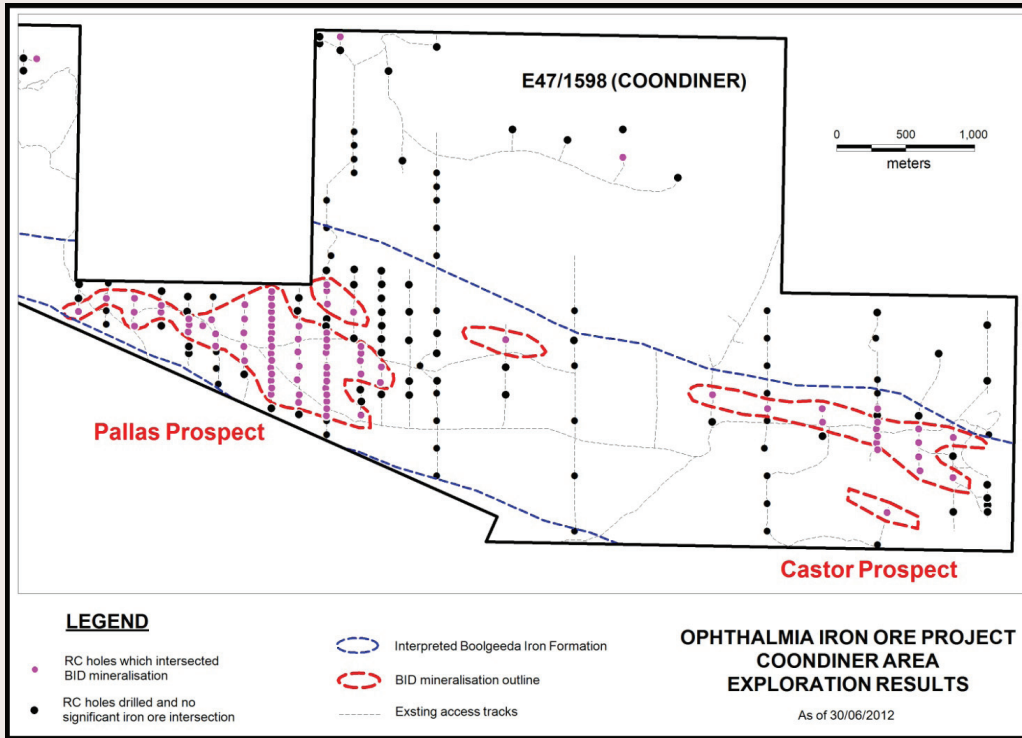


Figure 2: Location of Pallas and Castor Prospects at Coondiner and drill hole location map

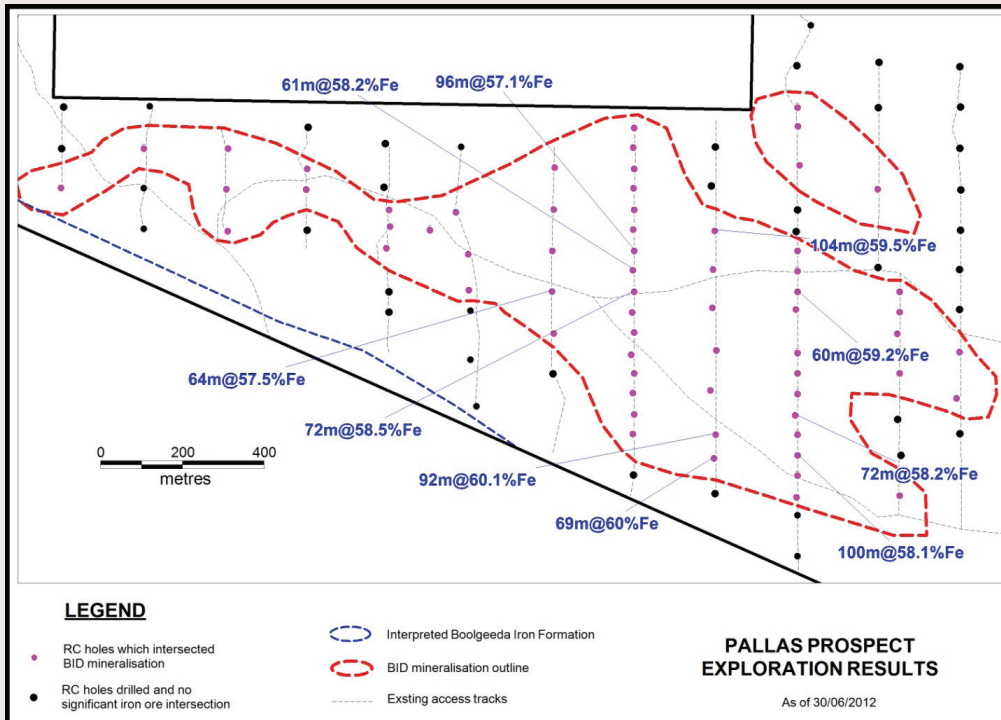


Figure 3: Drill hole location plan – Pallas Prospect

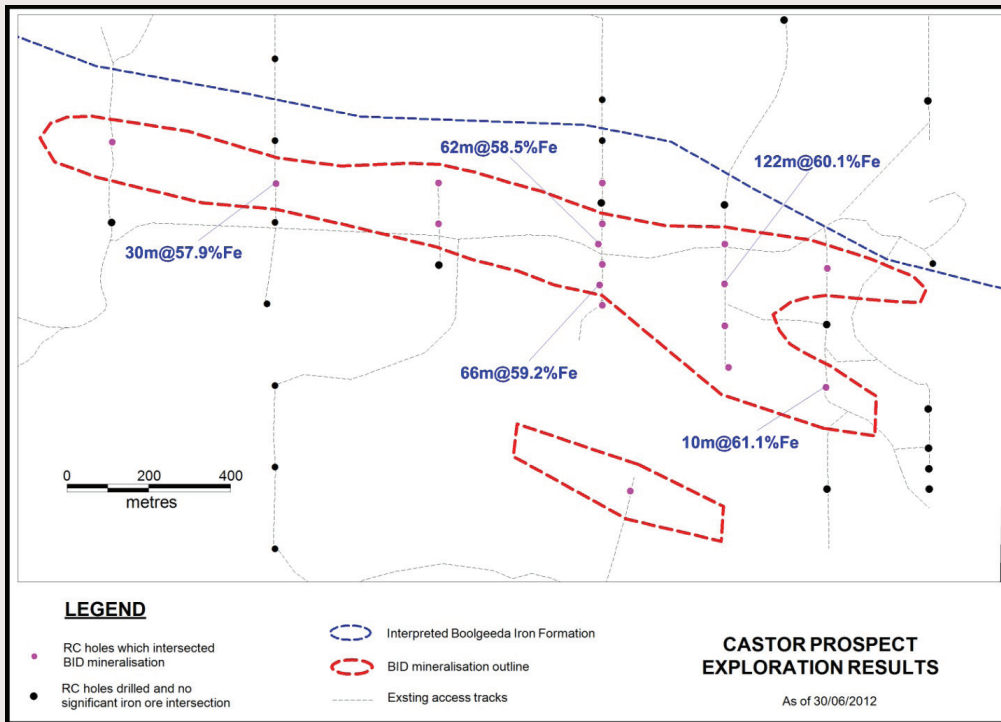


Figure 4: Drill hole location plan – Castor Prospect

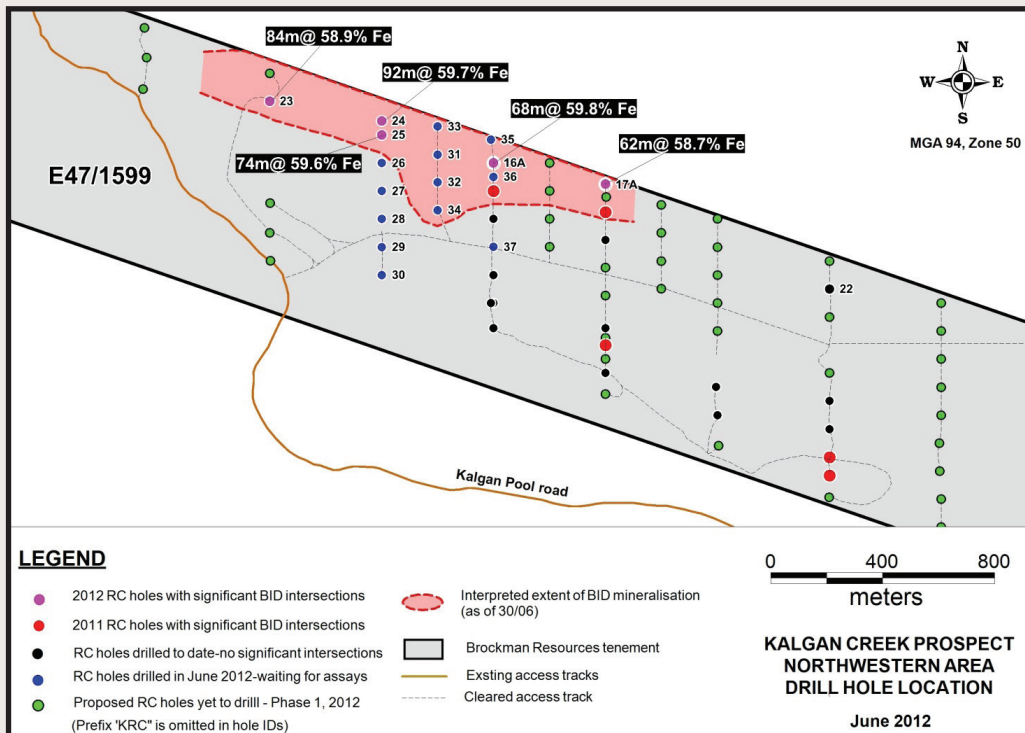


Figure 5: Drill hole location plan – Kalgan Creek

Competent Person's Statement

The information in this report that relates to exploration results at the Ophthalmia project is based on information compiled by Mr A Zhang, who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Brockman Resources Limited. Mr Zhang has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Zhang consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

DAMAJIANSHAN MINE

During the quarter ended 30 June 2012, cash receipts from product sales of approximately RMB6.6 million were contributed by the Company's wholly owned subsidiary, Smart Year Investments Limited, a 90% owner and operator of the Damajianshan Mine (quarter ended 30 June 2011: RMB2.5 million).

Cash payments for production associated with the mining operation during the quarter ended 30 June 2012 amounted to approximately RMB5.8 million (quarter ended 30 June 2011: RMB2.3 million) and cash payments of expenditure associated with exploration activities and development amounted to approximately RMB0.6 million (quarter ended 30 June 2011: RMB0.3 million).

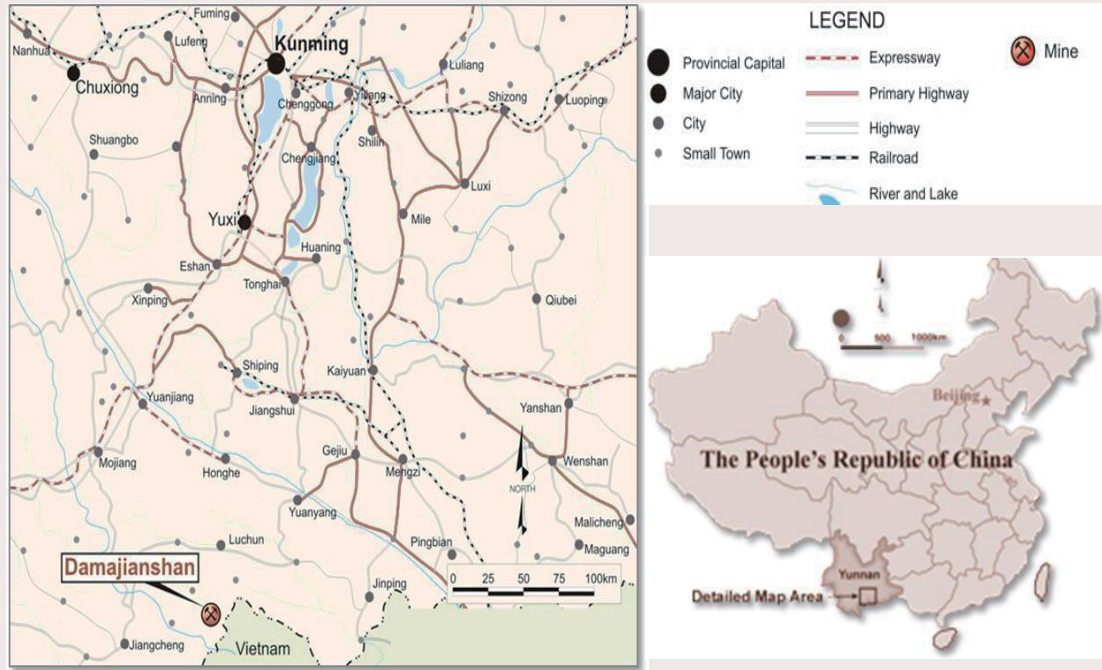
In the current quarter, installation works and the re-routing of the electricity pipelines have been completed and the main activity undertaken for the quarter was fine-tuning the installed equipment.

Due to the impact of our production line reinstallation, production of copper ore was halted but the mining team was continuing their exploration activities and tunneling work and full production is expected to be resumed by the end of August 2012. The Company believes that production capacity will be significantly enhanced as a result of these initiatives.

Scheduling and the re-designing of the new tailing dam also commenced and the Company has engaged consultant companies for the tailing dam re-design project and the conduct of various environment and safety assessments.

The Damajianshan Mine is located in Qimaba Township, Luchun County of Yunnan Province in the PRC. The Damajianshan mining right covers 3.67 square kilometers including approximately 7.6 million tonnes of Ore Reserves, with an average Cu grade of 1.46%, and Mineral Resources of approximately 15.2 million tonnes, with an average Cu grade of 1.68%.

Map of Damajianshan Mine



JORC Copper Ore Reserves for the Damajianshan Mine are set out in the following table and there is no significant change since 11 November 2011.

These estimates were included in the Independent Geologist's Report dated 11 November 2011 prepared by Christopher Arndt, Consulting Geologist in collaboration with Xianping Zhu, Consulting Geophysicist, and Huairan Liu, Consulting Geologist in accordance with the JORC Code.

As at November 2011, the Damajianshan Mine had Ore Reserves of 7,554kt.

Table 3: Damajianshan Mine Mineral Resource Summary

JORC Mineral Resource	Tonnage (kilotonnes) ("kt")	Grades					
		Cu%	As%	Pb%	Zn%	Bi%	Ag g/t
Measured	4,408	1.79	6.83	1.54	0.37	0.24	51.1
Indicated	3,153	1.70	7.52	1.79	0.52	0.25	57.4
Subtotal	7,561	1.75	7.11	1.64	0.43	0.24	53.6
Inferred	7,678	1.61	6.48	2.18	0.48	0.24	63.1
Total	15,239	1.68	6.80	1.91	0.46	0.24	58.3

Table 4: Damajianshan Mine Ore Reserves Summary

JORC Ore Reserve	Tonnage (kilotonnes) ("kt")	Grades			
		Cu%	As%	pb%	Ag g/t
Proved	4,404	1.49	5.70	1.28	42.6
Probable	3,150	1.42	6.28	1.49	47.9
Total	7,554	1.46	5.94	1.37	44.8

During the quarter, the Company continued with its exploration activities. The exploration activities are aimed to find additional resources in order to support the Company's further expansion plan. New drilling works and detailed prospecting and scoping plans are now being planned to better define the lithology, grade and assemblage within the mining lease.

Competent Person Statement

The information in this Report that relates to Exploration Results, Mineral Resources or Ore Reserves in relation to the Damajianshan Mine has been reviewed by Mr. Christopher Arndt who is a self employed consultant to the Company. Mr. Arndt is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.¹ Mr. Arndt consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

LIMOUSINE BUSINESS

Receipts from the limousine rental and airport shuttle bus operations amounted to approximately HK\$28 million during the quarter ended 30 June 2012, decreased by 8.8% from HK\$30.7 million as recorded in the corresponding quarter last year. We will continue to monitor the market development and formulate the best business strategy so as to sustain our overall profit margin.

CORPORATE PROFILE

Wah Nam International Holdings Limited
ARBN 143 211 867

Non-executive Director:
Kwai Sze Hoi (Chairman)
(appointed on 15 June 2012)

Liu Zhengui (Vice Chairman)
(appointed on 15 June 2012 as Vice Chairman;
27 April 2012 as non-executive director)

Warren Talbot Beckwith
(appointed on 15 June 2012)

Executive Directors:
Luk Kin Peter Joseph (CEO)
Chu Chung Yue Howard
Chan Kam Kwan Jason

Independent Non-executive Directors:
Lau Kwok Kuen Eddie
Uwe Henke Von Parpart
Yip Kwok Cheung Danny

Company Secretary
Chan Kam Kwan Jason

Wah Nam International Australia Pty Ltd
ACN 134 696 727

Directors:
Luk Kin Peter Joseph
Chan Kam Kwan Jason
Warren Talbot Beckwith
Chu Chung Yue Howard

Secretaries
Tara Robson
Ng Kai Man Carmen

Registrars

Principal Share Registrars and Transfer Office
Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

Branch Share Registrars and Transfer Office — Hong Kong

Tricor Secretaries Limited
26/F., Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

Branch Share Registrars and Transfer Office — Australia

Computershare Investor Services Pty Limited
Reserve Bank Building
Level 2, 45 St George's Terrace
Perth, Western Australia, 6000

Shares Details

Shares on issue

As at 30 June 2012: and as at the date of this report:

7,175,039,665 fully paid shares on issue
15,000,000 options quoted, expiring
30 September 2014

Unquoted securities

As at 30 June 2012 and as at the date of this report:

209,500,000 unlisted options granted
— 8,500,000 share options, expiring
17 Jan 2014 EX HK\$1.164
— 27,000,000 share options, expiring
10 Feb 2014 EX HK\$1.240
— 39,000,000 share options, expiring
10 Nov 2013 EX HK\$2.00
— 50,000,000 share options, expiring
31 Dec 2014 EX HK\$0.72
— 85,000,000 share options, expiring
13 Dec 2015 EX HK\$0.72

Convertible Bond

(i) 5% Convertible Bond, convertible on or before 10 Jan 2014 with a principal amount of HK\$95,940,000, which is convertible into 159,900,000 ordinary shares (subject to adjustment).

(ii) 5% Convertible Bond, convertible on or before 19 Apr 2015 with a principal amount of HK\$78,000,000, which is convertible into 130,000,000 ordinary shares (subject to adjustment).

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

Hong Kong, 30 July 2012

GLOSSARY

ASX	ASX Limited ACN 008 624 691, or the financial products market, the Australian Securities Exchange, as the situation requires
Board	the Board of Directors
Brockman	Brockman Resources Limited ("BRM") ACN 009 372 150
Company	Wah Nam International Holdings Limited ARBN 143 211 867, a company incorporated in Bermuda and listed on the SEHK and ASX
Group	Wah Nam International Holdings Limited, its associates and subsidiaries
Independent Brockman Director	the directors of Brockman from time to time but does not include those board members who are nominees of the Company
JORC Code	Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (4th Edition)
SEHK	Hong Kong Exchanges and Clearing Company Limited or the financial products market or the Hong Kong Stock Exchange, as the situation requires
Marillana Project	The 100% owned Marillana iron ore project is Brockman's flagship project located in the Hamersley Iron Province
PRC	the People's Republic of China
Smart Year Investments Limited	Smart Year Investments Limited, a wholly owned subsidiary of the Company which held 90% of interests of Luchun Xingtai Mining Co. Limited.
Takeover Offer	the off-market takeover offer by the Company through Wah Nam Australia for the remaining ordinary fully paid shares in Brockman not already owned by the Company, details please refer to the Bidder's Statement dated 21 December 2011
Wah Nam Australia	Wah Nam International Australia Pty Ltd ACN 134 696 727

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

WAH NAM INTERNATIONAL HOLDINGS LIMITED

ABN

ARBN 143 211 867

Quarter ended ("current quarter")

30 June 2012

Consolidated statement of cash flows

Cash flows related to operating activities

	Current quarter HK\$'000	Year to date HK\$'000 (Note)
1.1 Receipts from product sales and related debtors	8,025	19,003
1.2 Payments for (a) exploration & evaluation	(39,439)	(74,057)
(b) development	(646)	(3,722)
(c) production	(7,077)	(12,850)
(d) administration expenses, and other working capital	(43,885)	(86,823)
1.3 Dividends received	—	—
1.4 Interest and other items of a similar nature received	5,890	20,729
1.5 Interest and other costs of finance paid	(233)	(490)
1.6 Income taxes paid	—	(492)
1.7 Other (provide details if material)		
1.7(a) Transaction costs associated with BRM takeover	(35,757)	(54,193)
1.7(b) Receipts from limousine rental & airport shuttle services	28,000	58,497
1.7(c) Advance from related parties	1,916	1,916
1.7(d) Repayment to related parties	—	(18,119)
Net Operating Cash Flows	(83,206)	(150,601)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	—	—
(b) equity investments	—	—
(c) other fixed assets	(4,933)	(10,883)
1.9 Proceeds from sale of: (a) prospects	—	—
(b) equity investments	—	—
(c) other fixed assets	—	149
1.10 Loans to other entities	—	—
1.11 Loans repaid by other entities	—	—
1.12 Other (provide details if material)	—	—
Net investing cash flows	(4,933)	(10,734)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(88,139)	(161,335)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	—	—
1.15	Proceeds from sale of forfeited shares	—	—
1.16	Proceeds from borrowings	1,666	1,666
1.17	Repayment of borrowings	(3,827)	(7,754)
1.18	Dividends paid	—	—
1.19	Other (provide details if material)		
	1.19(a) repayment under BRM employee loan scheme	3,459	51,874
	1.19(b) proceeds from exercise of BRM share options	393	2,558
	1.19(c) compensation for cancellation of BRM share options	(9,177)	(9,177)
	1.19(d) acquisition of additional interest in BRM	(365,610)	(742,034)
	1.19(e) cash backed performance bond guarantee of BRM	(181)	(181)
	1.19(f) proceeds from issue of bond	—	78,000
	Net financing cash flows	(373,277)	(625,048)
	Net decrease in cash held	(461,416)	(786,383)
1.20	Cash at beginning of quarter/year to date	816,154	1,135,798
1.21	Exchange rate adjustments to item 1.20	(20,987)	(15,664)
	Cash at end of quarter	333,751	333,751

Note: Pursuant to a resolution of the Board of Directors dated 8 November 2011, the financial year end date of the Group has been changed from 31 December to 30 June. Accordingly, the "Year-to-date" figure covers a six-month period from 1 January 2012 to 30 June 2012 during this transitional period.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter HK\$'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	1,762
1.24	Aggregate amount of loans to the parties included in item 1.10	—

1.25 Explanation necessary for an understanding of the transactions

1.23	Being payment of executive directors's salary and non-executive directors' fees
1.2(d)	Includes the human resources service fees of HK\$60,000 paid to a company in which a director of the company has beneficial interest.

+ See chapter 19 for defined terms.

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter, some material non-cash activities are as follows:

A bond with principal amount of HK\$78,000,000 was fully redeemed and the proceeds from the redemption had been fully applied for subscription of the convertible bond with the same principal amount.

Convertible bond in principal amount of HK\$78,000,000 out of the entire HK\$173,940,000 have been converted by holders into 130,000,000 new ordinary shares of the Company.

A total of 657,612,126 ordinary shares of the Company have been issued and allotted to Brockman shareholders who have accepted the takeover offer.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available HK\$'000	Amount used HK\$'000
3.1 Loan facilities	46,800	26,651
3.2 Credit standby arrangements	—	—

Note: In addition to the above facilities the Company has in place two convertible notes (see 7.5.) The effective interest rates of the convertible bonds (the principal amounts of HK\$173.4 million and HK\$78 million) are 11.12% and 11.87% per annum respectively. As at 30 June 2012, the carrying amount of the convertibles bonds is approximately HK\$154.4 million.

Estimated cash outflows for next quarter

	HK\$'000
4.1 Exploration and evaluation	(71,963)
4.2 Development	(1,000)
4.3 Production	(7,323)
4.4 Administration expenses, other working capital and professional fee	(46,360)
4.5 Financing activities (i.e. cash consideration for acquiring the remaining 1.88% equity interests in BRM)	(32,703)
Total	(159,349)

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter HK\$'000	Previous quarter HK\$'000
5.1 Cash on hand and at bank	117,971	574,910
5.2 Deposits at call	215,274	239,952
5.3 Bank overdraft	—	—
5.4 Other (share of JV cash)	506	1,292
Total: cash at end of quarter (item 1.22)	333,751	816,154

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note(2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E45/3752	No ground available	100%	—
	L47/0366	Application withdrawn	100%	—
6.2 Interests in mining tenements acquired or increased	E45/4051	Application lodged	—	100%
	E47/2667	Application lodged	—	100%
	L45/0292	Application lodged	—	100%
	L45/0296	Application lodged	—	100%
	L67/0389	Application lodged	—	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 Preference⁺ securities (description)				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3⁺ Ordinary securities	7,175,039,665	7,175,039,665		
7.4 Changes during quarter				
(a) Increases through issues	787,612,126	787,612,126		
(b) Decreases through returns of capital, buy-backs				

+ See chapter 19 for defined terms.

7.5	+Convertible debt securities <i>(description)</i>	1 1	<i>Interest</i> 5% p.a. 5% p.a.	<i>Conversion price</i> HK\$0.60 HK\$0.60	<i>Maturity date</i> 10 January 2014 19 April 2015
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	1	—		
7.7	Options <i>(description and conversion factor)</i>	8,500,000 27,000,000 39,000,000 15,000,000 50,000,000 85,000,000	15,000,000	<i>Exercise price</i> HK\$1.164 HK\$1.240 HK\$2.000 A\$0.2 HK\$0.72 HK\$0.72	<i>Expiry date</i> 17 January 2014 10 February 2014 10 November 2013 30 September 2014 13 December 2014 13 December 2015
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does/ ~~does not*~~ ~~(delete one)~~ give a true and fair view of the matters disclosed.



Sign here:

.....
(Company secretary)

Date: 30 July 2012

Print name: Chan Kam Kwan, Jason

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.