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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)

(I) MAJOR AND CONNECTED TRANSACTION CONDITIONAL GENERAL OFFER FOR ALL SHARES IN BROCKMAN RESOURCES LIMITED NOT ALREADY OWNED BY WN AUSTRALIA (II) SUBSCRIPTION OF NEW SHARES AND CONVERTIBLE BONDS (III) PLACING OF NEW SHARES AND (IV) RESUMPTION OF TRADING

THE CONDITIONAL OFFER

The Board announces that WN Australia, a wholly-owned subsidiary of the Company, intends to make a takeover offer to acquire:

(1) all BRM Shares in issue not already owned by WN Australia as at the Register Date; and

(2) all BRM Shares that are issued during the period from the Register Date to the end of the Offer Period as a result of the exercise of BRM Options,

for a consideration of AUD1.50 plus 18 Consideration WN Shares for each BRM Share.

As at 9 December 2011, there were 144,803,151 BRM Shares and 4,900,000 BRM Options in issue, of which 80,113,433 BRM Shares were held by WN Australia.

* *for identification purpose only*

If WN Australia pursuant to the Conditional Offer acquires (1) all BRM Shares in issue not already owned by WN Australia and (2) all BRM Shares that are issued as a result of the exercise of BRM Options assuming that the BRM Options are exercised in full before the end of the Offer Period, the Group will have to pay approximately AUD104 million (equivalent to approximately HK$820 million) and allot and issue approximately 1,253 million Consideration WN Shares, representing (1) approximately 23.4% of the number of WN Shares in issue as at the date of this announcement; and (2) approximately 17.2% of the number of WN Shares which will be in issue as enlarged by the allotment and issue of the Subscription Shares, the Placing Shares and such Consideration WN Shares. If none of the outstanding BRM Options are exercised, then the Group will have to pay approximately AUD97 million (equivalent to approximately HK$765 million) and allot and issue approximately 1,164 million Consideration WN Shares, representing (1) approximately 21.7% of the number of WN Shares in issue as at the date of this announcement; and (2) approximately 16.2% of the number of WN Shares which will be in issue as enlarged by the allotment and issue of the Subscription Shares, the Placing Shares and such Consideration WN Shares.

The Conditional Offer is subject to a number of conditions as set out in this announcement under the paragraph headed "Conditions".

For the purposes of facilitating the implementation of the Conditional Offer, the Company and BRM entered into the Bid Implementation Agreement on 12 December 2011, the details of which are set out in this announcement under the paragraph headed "Bid Implementation Agreement".

WN Australia also intends to offer to acquire certain BRM Options which exist (or will exist) as at the Register Date at the consideration set out under the paragraph headed "Options Offer" in this announcement.

THE SUBSCRIPTION

On 12 December 2011, the Company and the Subscriber entered into the Subscription Agreement pursuant to which the Company shall issue and the Subscriber shall subscribe for (1) 555,100,000 WN Shares and (2) Convertible Bonds in the principal amount of HK$173,940,000. The Subscription Shares represent (1) approximately 10.36% of the issued share capital of the Company as at the date of this announcement; and (2) approximately 9.39% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. Assuming full Conversion, 289,900,000 Conversion Shares will be issued by the Company, representing (1) approximately 5.41% of the issued share capital of the Company as at the date of this announcement; and (2) approximately 5.13% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares.

The Subscription is conditional upon among other things the Stock Exchange granting listing of and permission to deal in the Subscription Shares and the Conversion Shares. The Subscription Shares and the Convertible Bonds (including the allotment and issue of the Conversion Shares) will be issued under a specific mandate to be approved by the Shareholders at the SGM.

The gross proceeds of the Subscription will be HK$507 million (equivalent to approximately AUD64.3 million). The estimated net proceeds, after the deduction of all related expenses, will be approximately HK$506.8 million (equivalent to approximately AUD64.3 million), representing a net issue price of approximately HK$0.60 per Subscription Share and will be used to partially fund the cash portion of the consideration for the Conditional Offer.

THE PLACING

On 12 December 2011, the Company and the Placing Agent entered into the Underwriting Agreement pursuant to which the Placing Agent agreed to place on a fully underwritten basis 130,000,000 WN Shares at the Placing Price. The Placing Shares represent (1) approximately 2.43% of the issued share capital of the Company as at the date of this announcement; and (2) approximately 2.37% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing is conditional upon among other things the Stock Exchange granting listing of and permission to deal in the Placing Shares. The Placing Shares will be issued under a specific mandate to be approved by the Shareholders at the SGM.

The gross proceeds of the Placing will be HK$78 million (equivalent to approximately AUD9.90 million). The estimated net proceeds, after deduction of the commission and brokerage and other related expenses of the Placing, will be approximately HK$76 million (equivalent to approximately AUD9.64 million), representing a net issue price of approximately HK$0.585 per Placing Share and will be used to partially fund the cash portion of the consideration for the Conditional Offer.

GENERAL

Based on the percentage ratios under Rule 14.07 of the Listing Rules, the Conditional Offer and the Options Offer constitute a major transaction for the Company under the Listing Rules. As at the date of this announcement, certain directors of BRM had an aggregated Relevant Interest in 16,436,247 BRM Shares. Based on the Final Director's Interest Notice, as at 21 September 2011, certain ex-directors held 4,194,214 BRM Shares and 3,600,000 BRM Options (of which an ex-director of BRM held 600,000 BRM Options which WN Australia intends to offer to acquire under the Options Offer). As such, the Conditional Offer and the Options Offer also constitute a connected transaction for the Company subject to independent shareholders' approval under the Listing Rules. As at the date of this announcement, the Subscriber and its owners in aggregate held 323,604,440 WN Shares (approximately 6.04% of the WN Shares in issue) and following completion of the Subscription they will hold in total 878,704,440 WN Shares (approximately 14.86% of the WN Shares in issue as enlarged by the allotment and issue of the Subscription Shares) and the Subscriber also held 255,426 BRM Shares (approximately 0.18% of the BRM Shares in issue). The Subscriber and its associates shall abstain from voting in respect of the resolutions in relation to each of the Conditional Offer, the Subscription and the Placing. The Company will issue a circular as soon as possible on or before 5 January 2012, setting out, among other things, details of the Conditional Offer, further information on the Group and BRM, details of the Subscription, details of the Placing and the notice of the SGM to the Shareholders.

RESUMPTION OF TRADING

Trading in the WN Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:00 a.m. on 12 December 2011 pending the release of this announcement. An application has been made to the Stock Exchange for resumption of trading in the WN Shares with effect from 9:00 a.m. on 13 December 2011.

INTRODUCTION

In 2010, the Company (through WN Australia, its wholly-owned subsidiary) launched two takeover offers respectively for the BRM Shares and the FRS Shares at that time not already owned by the Group. The takeover offers constituted very substantial acquisitions for the Company under the Listing Rules and were approved by the Shareholders. Details of the takeover offers were set out in the circular of the Company dated 26 November 2010 and the supplemental circular of the Company dated 17 October 2011.

The takeover offer for BRM Shares became unconditional in May 2011 and upon completion of the takeover offer on 16 June 2011, the Group's interest in the BRM Shares in issue increased to approximately 55.33% and BRM became a subsidiary of the Company whilst the takeover for FRS Shares did not become unconditional and lapsed.

THE CONDITIONAL OFFER

Terms of the Conditional Offer

The Board announces that WN Australia, a wholly-owned subsidiary of the Company, intends to make a takeover offer to acquire:

(1) all BRM Shares in issue not already owned by WN Australia as at the Register Date; and

(2) all BRM Shares that are issued during the period from the Register Date to the end of the Offer Period as a result of the exercise of BRM Options,

for a consideration of AUD1.50 plus 18 Consideration WN Shares for each BRM Share.

As at 9 December 2011, there were 144,803,151 BRM Shares and 4,900,000 BRM Options in issue, of which 80,113,433 BRM Shares were held by WN Australia.

If WN Australia pursuant to the Conditional Offer acquires (1) all BRM Shares in issue not already owned by WN Australia; and (2) all BRM Shares that are issued as a result of the exercise of BRM Options assuming that the BRM Options are exercised in full before the end of the Offer Period, the Group will have to pay approximately AUD104 million (equivalent to approximately HK$820 million) and allot and issue approximately 1,253 million Consideration WN Shares, representing (1) approximately 23.4% of the number of WN Shares in issue as at the date of this announcement; and (2) approximately 17.2% of the number of WN Shares which will be in issue as enlarged by the allotment and issue of the Subscription Shares, the Placing Shares and such Consideration WN Shares. If none of the outstanding BRM Options are exercised, then the Group will have to pay approximately AUD97 million (equivalent to approximately HK$765 million) and allot and issue approximately 1,164 million Consideration WN Shares, representing (1) approximately 21.7% of the number of WN Shares in issue as at the date of this announcement; and (2) approximately 16.2% of the number of WN Shares which will be in issue as enlarged by the allotment and issue of the Subscription Shares, the Placing Shares and such Consideration WN Shares.

Each Independent BRM Director has indicated to BRM that, in the absence of a Superior Proposal and subject only to the Independent Expert concluding that the Conditional Offer is fair and reasonable, they intend to accept the Conditional Offer in respect of any BRM Shares they own or control.

An announcement in relation to the Company's intention to make the Conditional Offer through WN Australia is released on ASX on the date of this announcement, a copy of which is available at the Company's websites at www.wnintl.com and www.irasia.com/listco/hk/wahnam. The Bidder's Statement will be lodged with the ASIC on or about 13 December 2011 and shall be despatched to BRM Shareholders on or about 19 December 2011.

Value of the Conditional Offer

As stated above, assuming 100% acceptance of the Conditional Offer (and assuming that all holders of BRM Options exercise their options and accept the Conditional Offer), the Company will have to pay approximately AUD104 million (equivalent to approximately HK$820 million) and allot and issue approximately 1,253 million Consideration WN Shares. Based on the closing price of WN Shares on the Stock Exchange on 9 December 2011 (being the last day of trading in WN Shares before the Announcement Date) of HK$0.67 per WN Share, the aggregate value of such Consideration WN Shares is approximately HK$839.5 million (equivalent to approximately AUD106.5 million). Aggregating such value for the Consideration WN Shares with the cash portion of the consideration for the Conditional Offer, the Conditional Offer equates to an aggregate value of approximately AUD211 million, equivalent to approximately AUD3.03 per BRM Share, which represents a premium of 34% over the closing price of BRM Shares as quoted on the ASX on 9 December 2011 (being the last day of trading in BRM Shares before the Announcement Date).

The Conditional Offer also represents a premium over the following historical trading prices of BRM Shares:

(1) Based on the VWAP of WN Shares for the 30 days to 9 December 2011, the Conditional Offer represents a premium of 38% over the VWAP of BRM Shares for the 30 days to 9 December 2011; and

(2) Based on the VWAP of WN Shares for the 90 days to 9 December 2011, the Conditional Offer represents a premium of 59% over the VWAP of BRM Shares for the 90 days to 9 December 2011.

The consideration for the Conditional Offer was determined having regard to the recent market prices of the BRM Shares and the WN Shares and the estimated mineral resources of BRM as detailed in the paragraph headed "Mineral resources projects of BRM" in this announcement. The Directors (excluding the independent non-executive Directors who will express their opinion after taking into consideration the advice of the independent financial adviser) consider the consideration for the Conditional Offer is fair and reasonable. In the Company's last takeover offer for all BRM Shares launched in 2010, WN Australia offered to acquire each BRM Share (not owned by it then) for 30 WN Shares which on the basis of the closing price of WN Shares on 9 November 2010 (being the day before WN Australia announced the previous takeover offer in 2010) equated to a value approximately AUD6.25 per BRM Share (based on the then exchange rate). Based on the closing price of BRM Shares on 9 November 2010 of AUD4.53, the consideration under the previous takeover offer represented a premium of approximately 40%. On the basis of the closing price of WN Shares as at 9 December 2011 (being the last day of trading in WN Shares before the Announcement Date), the consideration for the present Conditional Offer (including the cash consideration of AUD1.50 for each BRM Share accepted) equates to a value of approximately AUD3.03 per BRM Share, which represents a premium of approximately 34% over the closing price of BRM Shares on 9 December 2011 of AUD2.26. The premium offered by the Company under the present Conditional

Offer is lower than that under the previous takeover offer launched in 2010 due to the fact that the present market conditions differ slightly from the time of the previous takeover offer and there is a substantial cash element in the present Conditional Offer as compared to a pure scrip offer under the previous takeover offer.

Revised offer

Subject to the applicable laws and regulations in Australia, WN Australia reserves its right to revise the terms of the Conditional Offer. Should the terms of the Conditional Offer be revised materially, the Company will issue further announcement(s) and will re-comply with the then applicable requirements of the Listing Rules (including seeking Shareholders' approval if required).

Offer Period

The Offer Period will commence on the date when the Bidder's Statement is despatched to BRM Shareholders and is expected to close one month thereafter, unless extended by WN Australia. The Company will issue further announcements when the Offer Period is determined.

If within the last 7 days of the Offer Period, the Conditional Offer is varied to improve the consideration offered, then the Offer Period will be automatically extended so that it ends 14 days after the variation. Further announcement(s) will be made by the Company regarding the Offer Period as and when appropriate.

Conditions

The Conditional Offer and any contract that results from acceptance of the Conditional Offer is subject to the following conditions:

(1) The Treasurer of the Commonwealth of Australia (the "Treasurer") consents, on an unconditional basis, under the FATA to the proposed acquisition by WN Australia of all of the BRM Shares not already held by WN Australia. The Treasurer is taken to have so consented:

    (a) if WN Australia and any other relevant foreign person receives written advice from or on behalf of the Treasurer to the effect that the acquisition of the BRM Shares is not inconsistent with the Australian Government's foreign investment policy or is not objected to under the FATA; or

    (b) if notice of the proposed acquisition of the BRM Shares is given to the Treasurer and the Treasurer has ceased to be empowered to make any order under Part II of the FATA in relation to the proposed acquisition because of lapse of time.

(2) The requisite majority of:

(a) Independent Shareholders approves the acquisition by WN Australia of all of the BRM Shares not already owned by WN Australia on the terms as set out in the Bidder's Statement and the transactions contemplated thereunder, including the allotment and issue of the Consideration WN Shares;

(b) Shareholders approves the Subscription Agreement and the transactions contemplated thereunder, including:

(i) the allotment and issue of the Subscription Shares;

(ii) the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares which may fall to be issued upon Conversion; and

(c) Shareholders approves the Underwriting Agreement and the transactions contemplated thereunder, including the allotment and issue of the Placing Shares;

at general meeting by poll.

(3) Completion of the Subscription.

(4) Completion of the Placing.

(5) At the end of the Offer Period, WN Australia has a Relevant Interest in at least 80% of all BRM Shares.

(6) Between the Announcement Date and the end of the Offer Period (each inclusive), no Prescribed Occurrence occurs.

(7) Between the Announcement Date and the end of the Offer Period (each inclusive):

(a) there is not in effect any preliminary or final decision, order or decree issued by a government agency;

(b) no action or investigation is announced, commenced or threatened by any government agency; and

(c) no application is made to any government agency (other than by the Company or any of its Associates),

in consequence of or in connection with the Conditional Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel under, or relating to a breach of, Chapter 6, 6A, 6B or 6C of the Corporations Act or relating to unacceptable circumstances within the

meaning of section 657A of the Corporations Act) which restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, the making of the Conditional Offer or the acquisition of BRM Shares under the Conditional Offer, or the completion of any transaction contemplated by the Bidder's Statement, or seeks to require the divestiture by WN Australia of any BRM Shares, or the divestiture of any material assets of BRM or the Group.

(8) The AUD/USD exchange rate as quoted on Bloomberg does not exceed USD1.10 for 50% or more of the time during each of the five Trading Days after the last of conditions 1, 2, 3, 4 and 5 is satisfied.

(9) A statutory condition that:

(a) an application is made to the Stock Exchange and the ASX for admission to quotation of (i.e. the grant of the listing of, and permission to deal in), the Consideration WN Shares within 7 days after the start of the Bid Period; and

(b) permission for admission to quotation of (i.e. the grant of the listing of, and permission to deal in) the Consideration WN Shares on the Stock Exchange and the ASX is granted no later than 7 days after the end of the Bid Period.

Subject to the Corporations Act, WN Australia may, at any time and at its sole and absolute discretion, waive any of the above conditions (except conditions 1, 2 and 9) and declare the Conditional Offer free from those conditions and in relation to any specific occurrence or any specific entity by giving notice in writing to BRM not less than seven days before the end of the Offer Period (or in the case of condition 6, not later than three Business Days after the end of the Offer Period). Save for conditions 1 and 2 which are conditions precedent, and condition 9 which is a statutory condition, all of which are required by specific laws, rules or regulations, the other conditions to the Conditional Offer are voluntary conditions for the benefit of the offeror i.e. WN Australia and thus can be waived by WN Australia. The Company will consider the risks and benefits to the Company when considering whether to waive any of such conditions. It will only waive a condition if the Board (including the independent non-executive Directors) considers it to be in the interests of the Company and the Shareholders as a whole.

To the extent not accepted at the relevant time, WN Australia may withdraw the Conditional Offer at any time with the written consent of ASIC and subject to the conditions (if any) specified in such consent. If the Conditional Offer is withdrawn and at the time of withdrawal, not all of the conditions of the Conditional Offer have been satisfied or waived, all contracts arising from its acceptance will become void.

The Company will make an application to the ASX for admission to quotation of the Consideration WN Shares within 7 days after the start of the Bid Period.

The Company will make an application to the Stock Exchange for the grant of listing of, and permission to deal in, the Consideration WN Shares within 7 days after the start of the Bid Period.

Compulsory acquisition

If at the end of the Offer Period WN Australia and its Associates have a Relevant Interest in at least 90% of the BRM Shares in issue and WN Australia and its Associates have acquired at least 75% (by number) of BRM Shares that WN Australia offered to acquire under the Conditional Offer, WN Australia will be entitled to acquire the remaining BRM Shares through a compulsory acquisition procedure. Should this compulsory acquisition right become available to WN Australia, WN Australia intends to exercise its right to acquire any remaining BRM Shares not acquired during the Offer Period; following which the BRM Shares would be delisted from the ASX.

Bid Implementation Agreement

For the purposes of facilitating the implementation of the Conditional Offer, the Company and BRM entered into the Bid Implementation Agreement on 12 December 2011. A summary of the key terms of the Bid Implementation Agreement is set out below.

(1) Making of the Conditional Offer

The Company agreed to make an offer on terms and conditions no less favourable than as set out in the Bidder's Statement. As WN Australia is making the Conditional Offer on the Company's behalf, the Company must procure that WN Australia performs the Company's obligations under the Bid Implementation Agreement.

(2) BRM's assessment of the Conditional Offer

Independent BRM Directors' recommendation

BRM agreed that in any public statements relating to the Conditional Offer, each Independent BRM Director will recommend that BRM Shareholders accept the Conditional Offer in the absence of a Superior Proposal for BRM, subject only to the Independent Expert concluding that the Conditional Offer is fair and reasonable to BRM Shareholders.

Maintenance of recommendation

BRM agreed that the Independent BRM Directors and the Independent BRM Board will not make any public statement or take any other action that qualifies their support of the Conditional Offer or contradicts, or subsequently change, withdraw or modify, their recommendation.

This restriction does not apply where the Independent BRM Board determines (after the Company's right of last offer summarised in paragraph (4) under the heading "Notice of unsolicited approach and right of last offer" below have been exhausted) that (a) a Competing Proposal constitutes a Superior Proposal, or (b) where the Independent Expert (i) gives a report that concludes that the Conditional Offer is not fair and reasonable or (ii) having

originally given a report that the Conditional Offer is fair and reasonable, changes its opinion to conclude that the Offer is not fair and reasonable, or (c) where the Independent BRM Board has determined in good faith after receiving expert advice that the Independent BRM Directors' duties require them to change their recommendation.

Independent BRM Directors' intentions

BRM represented and warranted to the Company that each Independent BRM Director has indicated their intention to accept the Conditional Offer in relation to any BRM Shares that they own or control within two days after conditions (1), (2), (3) and (4) set out under the paragraph headed "Conditions" above have been satisfied.

These intentions do not need to be proceeded with if the Independent BRM Board determines (after complying with the obligations in relation to the Company's right of last offer summarised in paragraph (4) under the heading "Notice of unsolicited approach and right of last offer" below) that (a) a Competing Proposal constitutes a Superior Proposal, or (b) the Independent Expert (i) gives a report that concludes that the Conditional Offer is not fair and reasonable or (ii) having originally given a report that the Conditional Offer is fair and reasonable, changes its opinion to conclude that the Conditional Offer is not fair and reasonable.

(3) Facilitating and promoting the Conditional Offer

During the Offer Period, in the absence of a Superior Proposal (which the Independent BRM Directors recommend to BRM Shareholders after BRM has complied with the obligations in relation to the Company's right of last offer summarised in paragraph (4) under the heading "Notice of unsolicited approach and right of last offer" below) and subject only to the Independent Expert concluding that the Conditional Offer is fair and reasonable, BRM has agreed to support and procure that the Independent BRM Directors support the Conditional Offer, and use its reasonable endeavours to procure that BRM's chief financial officer and company secretary, as reasonably requested by the Company, support the Conditional Offer.

BRM has also agreed that it will, during the Offer Period, participate in efforts which are reasonably required by the Company to promote the merits of the Conditional Offer. This may include meeting with key BRM Shareholders, analysts, management, customers, press and other parties mutually agreed with the Company.

BRM will not be required to comply with the above obligations if the Independent BRM Board has determined in good faith, after receiving external legal advice, that taking those actions would reasonably be likely to constitute a breach of the Independent BRM Board's fiduciary or statutory obligations.

(4) Exclusivity

BRM represented and warranted to the Company that neither BRM nor any of its representatives were engaged in any negotiations or discussions with any entity or any person in relation to the possible making of a Competing Proposal nor had they received any communication indicating that BRM will be approached to commence negotiations or discussions regarding a Competing Proposal.

BRM also represented and warranted that it and its representatives had ceased any existing discussions or negotiations with any party which may reasonably be expected to lead to a Competing Proposal.

No shop

During the Exclusivity Period, BRM will not, and will ensure that its representatives do not, except with the Company's prior written consent, directly or indirectly solicit or invite any Competing Proposal or expression of interest or offer which may lead to a Competing Proposal, or initiate discussions with any third party which may reasonably be expected to lead to a Competing Proposal.

No talk, no due diligence and no commitments

During the Exclusivity Period, BRM agreed not to, and to ensure that its representatives do not, except with the Company's prior written consent:

- participate in any discussions or negotiations in relation to a Competing Proposal or which may reasonably be expected to lead to a Competing Proposal, or communicate any intention to do so;

- provide any information to any third party for the purposes of enabling that party to make a Competing Proposal, or communicate any intention to do so; or

- enter into any agreement, arrangement or understanding in relation to a Competing Proposal requiring BRM to abandon, or otherwise fail to proceed with, the Conditional Offer.

The restrictions and obligations described above do not apply to the extent that they restrict BRM from taking or not taking action in relation to a bona fide Competing Proposal (which was not encouraged, solicited or invited by BRM or its representatives) provided that the Independent BRM Board has determined in good faith that the proposal could reasonably be expected to lead to a Superior Proposal and, after receiving external legal advice, that failing to respond to the proposal would constitute or would be likely to constitute a breach of the Independent BRM Board's fiduciary or statutory obligations.

Notice of unsolicited approach and right of last offer

During the Exclusivity Period, BRM agreed that it would promptly notify the Company of any approach or attempt to initiate, resume or continue discussions or negotiations with BRM or any of its representatives, which may reasonably be expected to lead to a Competing Proposal. BRM also agreed to promptly notify the Company of any request for information relating to BRM or the BRM Group or any of their businesses or operations or any request for access to their books or records, other than requests occurring in the ordinary course of business.

If BRM notifies the Company of a Competing Proposal and of its intention to enter into an agreement, commitment, arrangement or understanding in relation to that proposal, the Company has the right to make a counterproposal to BRM within 3 Business Days after receiving the notice.

BRM and the Independent BRM Board will consider such a counterproposal in good faith and, if it considers that the counterproposal would provide a benefit to BRM Shareholders at least equal to the Competing Proposal, BRM and the Company have agreed to use reasonable endeavours to amend the Bid Implementation Agreement and implement the counterproposal as soon as reasonably practicable.

The restrictions and obligations described above do not apply if the Independent BRM Board has determined in good faith, after receiving external legal advice, that taking these actions would be reasonably likely to constitute a breach of the Independent BRM Board's fiduciary or statutory obligations.

(5) Options and shareholder loans

The Company represented and warranted that it will:

- make the Options Offer; and

- ensure that the Bidder's Statement contains appropriate disclosure regarding the remittance of the consideration for the Conditional Offer to BRM in respect of any acceptances of the Conditional Offer by a borrower under an employee loan scheme adopted by BRM (the "Loan Scheme").

BRM represented and warranted that it will use all reasonable endeavours and do everything reasonably practicable to:

- ensure that each borrower under the Loan Scheme is able to accept the Conditional Offer; and

- seek the agreement of the holders of the AUD3.00 BRM Options, AUD3.21 BRM Options and AUD5.85 BRM Options to the cancellation (subject to the Conditional Offer becoming unconditional) on arm's length terms, of their BRM Options.

(6) Reimbursement of legal costs

The Company has agreed to pay BRM a fee of up to AUD1 million (including goods and services tax) for BRM's reasonable legal costs and costs relating to the Independent Expert incurred and paid in relation to the Conditional Offer. This fee will be payable if any of the conditions 1, 2, 3 or 4 set out under the paragraph headed "Conditions" above have not been satisfied or waived by the end of the Offer Period. The fee will also be payable if BRM terminates the Bid Implementation Agreement for any of the following reasons:

- if the SGM is not held and concluded within 60 days after the Announcement Date;

- if the Subscription is not completed in accordance with its terms within 60 days after the Announcement Date;

- if the Placing is not completed in accordance with its terms within 60 days after the Announcement Date; or

- if the Company commits a material breach of the Bid Implementation Agreement and that material breach is not remedied within the prescribed time.

BRM employee loan holders

BRM has in place the Loan Scheme pursuant to which BRM may grant loans to its employees (the "Borrowers") to fund the exercise of BRM Options held by the respective employees. The BRM Shares (the "Loan Shares") issued to the Borrower using the funds (the "Loan") provided under the Loan Scheme are pledged to BRM as security for the repayment of the Loan.

In the event that the holders of the Loan Shares accept the Conditional Offer, the cash portion of the consideration of the Conditional Offer of AUD1.50 per BRM Share accepted will be utilised to repay the outstanding Loan and in respect of any outstanding Loan, the consideration of 18 Consideration WN Shares per BRM Share accepted will be pledged to BRM as security against such outstanding Loan.

In order to facilitate the above arrangement, the BRM Board has advised that they intend to amend the terms of the Loan Scheme so that Consideration WN Shares may be recorded as security for the Loan Scheme.

As at the date of this announcement, Mr. Colin Paterson (a director of BRM) together with his family and Mr. Wayne Richards (an ex-director in the past year of BRM) together with his family, all of whom participants of the Loan Scheme as Borrowers, had an outstanding Loan balance as at 30 November 2011 of AUD2,745,723 and AUD3,998,741 respectively and pledged 1,450,000 BRM Shares and 2,000,000 BRM Shares to BRM respectively. If Mr. Colin Paterson (together with his family) and Mr. Wayne Richards (together with his family) accept the Conditional Offer, they will receive (1) cash of AUD2,175,000 and AUD3,000,000 respectively which will be used to settle their respective outstanding Loan amount; and (2) 26,100,000 Consideration WN Shares and 36,000,000 Consideration WN Shares respectively which will be pledged to BRM as security for their remaining outstanding Loans.

Options Offer

WN Australia also offers to acquire the following BRM Options which exist (or will exist) as at the Register Date at the following considerations:

Exercise price per BRM Option	**Number of BRM Options**	**Consideration per BRM Option under the Options Offer**
AUD1.25	250,000	18 Consideration WN Shares plus AUD0.25
AUD1.30	600,000	18 Consideration WN Shares plus AUD0.20

In order to facilitate the Options Offer, the BRM Board has agreed that it will approve the transfer of BRM Options to WN Australia pursuant to the Options Offer.

The Options Offer and any contract that results from acceptance of the Options Offer is subject to:

(1) the requisite majority of Independent Shareholders approving the acquisition by WN Australia of all of the AUD1.25 BRM Options and the AUD1.30 BRM Options and the transactions contemplated thereunder, including the allotment and issue of the Consideration WN Shares;

(2) the Conditional Offer being declared unconditional; and

(3) at the end of the Offer Period, WN Australia having a relevant interest in at least 90% of all BRM Shares.

THE SUBSCRIPTION

On 12 December 2011, the Company and the Subscriber entered into the Subscription Agreement pursuant to which the Company shall issue and the Subscriber shall subscribe for the Subscription Shares and the Convertible Bonds.

Date of the Subscription Agreement

12 December 2011

Parties

(1) Subscriber: Ocean Line Holdings Limited

(2) Issuer: the Company

Subject to the terms and conditions of the Subscription Agreement, the Subscriber will subscribe for 555,100,000 WN Shares and Convertible Bonds in the principal amount of HK$173,940,000. As at the date of this announcement, the Subscriber and its owners in aggregate held 323,604,440 WN Shares, representing approximately 6.04% of the entire issued share capital of the Company and the Subscriber also held 255,426 BRM Shares representing approximately 0.18% of the BRM Shares in issue. Following completion of the Subscription, the Subscriber and its owners will hold 14.86% of the issued WN Shares as enlarged by the Subscription Shares and will hold 14.16% of the issued WN Shares as enlarged by the Subscription Shares and the Conversion Shares pursuant to the Conversion in full.

Number of Subscription Shares

The number of Subscription Shares shall be 555,100,000 WN Shares (with an aggregate nominal value of HK$55,510,000) representing (1) approximately 10.36% of the issued share capital of the Company as at the date of this announcement; and (2) approximately 9.39% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

Ranking of the Subscription Shares

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

Principal terms of the Convertible Bonds

Principal amount	:	HK$173,940,000
Maturity date	:	a date falling on the second anniversary of the Issue Date
Interest	:	interest is payable on redemption of the outstanding principal amount of the Convertible Bonds on the Maturity Date at the rate of 5% per annum accruing from the Issue Date on a daily basis and shall be calculated on the basis of the actual number of days elapsed in a year of 365 days in arrears and on the Maturity Date only, with interest payment date to fall on the Maturity Date. A default interest at the rate of 20% per annum, calculated on the basis of the actual number of days elapsed in a year of 365 days, shall apply if the Convertible Bonds become due and payable on the occurrence of any events of default (as set out in the Subscription Agreement)
Conversion right	:	for so long as the aggregate interests of the holder of the Convertible Bonds (and its associates as defined under section 6 of the FATA) prior to the exercise of the conversion rights under the Convertible Bonds do not exceed 14.9% of the then issued share capital of the Company, the exercise of the conversion rights of the relevant portion of the Convertible Bonds shall be automatically triggered at the end of each month prior to the Maturity Date if and to the extent that, immediately upon exercise of the conversion right of the relevant portion of such Convertible Bonds (provided always that, if it will result in the exercise of the conversion rights under the Convertible Bonds as held by the holder in part, the conversion of which shall represent a minimum of 1,000,000 Conversion Shares), the aggregate interests of the holder of the Convertible Bonds and its associates shall represent a percentage equivalent to or rounded up to (and in any event not exceeding) 14.9% of the then enlarged issued share capital of the Company. In such circumstances, the holder of the Convertible Bonds shall be obliged to give notification to the Company, whereupon the outstanding amount of such Convertible Bonds shall be converted into WN Shares.

		In addition to the above, the Company shall be entitled to elect for the conversion of the Convertible Bonds at any time by giving notice to the holder of the Convertible Bonds, in the event that immediately upon the Conversion, (a) the aggregate interests of the holder of the Convertible Bonds and its associates shall not be more than 14.9% of the then enlarged issued share capital of the Company; or (b) the aggregate interests of the holder of the Convertible Bonds and its associates shall be more than 14.9% of the then enlarged issued share capital of the Company, but the holder of the Convertible Bonds (and/or its associates) has obtained prior approval from FIRB in relation to such resultant shareholdings in the Company.
Mandatory redemption on Maturity Date	:	the principal amount of the Convertible Bonds which remain outstanding on the Maturity Date shall be automatically redeemed by the Company on the Maturity Date
Conversion Price	:	the Conversion Price of HK$0.60 per Conversion Share, subject to adjustments as set out and in accordance with the terms and conditions of the Convertible Bonds
Adjustment to the Conversion Price	:	the Conversion Price is subject to adjustment for consolidation or subdivision of WN Shares provided that no adjustment shall be made to the Conversion Price in any case in which the amount by which the same would be reduced would be less than one cent and any adjustment that would otherwise be required then to be made shall not be carried forward
Ranking of the Conversion Shares	:	the Conversion Shares, when allotted and issued, will rank pari passu in all respects with the WN Shares in issue as at the Exercise Date
Early redemption	:	At any time after the lapse of the Conditional Offer, the holder of the Convertible Bonds shall have the right to require the Company to redeem the whole or part of the outstanding principal amount of the Convertible Bonds at 100% of the face value of such outstanding principal amount. The term "lapse of the Conditional Offer" shall refer to the circumstance where the Conditional Offer does not become unconditional upon expiry of the Offer Period pursuant to its terms and conditions. For the avoidance of doubt, in the event that the early redemption right is exercised on the whole or part of the outstanding principal amount of the Convertible Bonds prior to the Maturity Date, no interest shall be payable in respect of the relevant principal amount of the Convertible Bonds being so redeemed.

Conversion Shares

Assuming the conversion rights attached to the Convertible Bonds are exercised in full, 289,900,000 Conversion Shares will be issued by the Company, representing (1) approximately 5.41% of the issued share capital of the Company as at the date of this announcement; and (2) approximately 5.13% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares.

Subscription Price/Conversion Price

The Subscription Price is HK$0.60 per Subscription Share while the Conversion Price is also HK$0.60 per Conversion Share. The Subscription Price and the Conversion Price represent (i) a discount of approximately 10.4% to the closing price of HK$0.67 per WN Share as quoted on the Stock Exchange on 9 December 2011, being the last trading day prior to the date of the Subscription Agreement; and (ii) a discount of approximately 1.6% to the average closing price per WN Share of approximately HK$0.61 as quoted on the Stock Exchange for the last five consecutive trading days up to and including 9 December 2011.

The Subscription Price and the Conversion Price was determined with reference to the prevailing market price and the recent trading volume of the WN Shares and was negotiated on an arm's length basis between the parties. The Directors (including the independent non-executive Directors) consider that the terms of the Subscription are fair and reasonable based on the current market conditions and is in the interests of the Company and the Shareholders as a whole.

Conditions of the Subscription

Completion of the Subscription is conditional upon the following conditions being satisfied (or waived as to conditions (1) and (4) below) by 6:00 p.m. on 31 January 2012 (or such other date as the parties may agree):

(1) there being no breach of the warranties given by the Company under the Subscription Agreement;

(2) the Stock Exchange granting listing of and permission to deal in the Subscription Shares and the Conversion Shares;

(3) the passing by the Shareholders at the SGM of the relevant resolution approving the Subscription Agreement and the transactions contemplated thereunder; and

(4) there being (from the date of the Subscription Agreement up to the Completion Date) no material adverse change in the financial position and trading prospects of the Group and no event which has or could reasonably be expected to have a material adverse effect on the Group to the reasonable satisfaction of the Subscriber.

Completion of the Subscription

Completion shall take place on the Completion Date.

Specific mandate

The Subscription Shares and the Convertible Bonds (including the allotment and issue of the Conversion Shares upon Conversion) will be issued under a specific mandate to be approved by the Shareholders at the SGM.

Listing application

The Convertible Bonds will not be listed on any stock exchange.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares and the Conversion Shares.

The Company shall apply for quotation of the Subscription Shares and the Conversion Shares on the ASX once they have been allotted.

THE PLACING

On 12 December 2011, the Company and the Placing Agent entered into the Underwriting Agreement pursuant to which the Placing Agent agreed to place on a fully underwritten basis the Placing Shares at the Placing Price.

Date of the Underwriting Agreement

12 December 2011

Parties

(1) Issuer: the Company

(2) Placing Agent: REORIENT Financial Markets Limited

REORIENT Financial Markets Limited is the financial adviser of the Company regarding the Conditional Offer. Mr. Chu Chung Yue, Howard (an executive Director) is an independent non-executive director of REORIENT Group Limited, the holding company of REORIENT Financial Markets Limited while Mr. Uwe Henke Von Parpart (an independent non-executive Director) is an employee of REORIENT Financial Markets Limited. Save for the aforesaid, 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.

Placees

The Placees shall be independent investors and not connected persons of the Company. It is intended that the Placing Shares will be placed to six or more Placees which will be independent individuals, corporate and/or institutional investors. Further announcement will be made by the Company in the event there are less than six Placees. Upon the Placing Completion, it is expected that none of the Placees will become a substantial Shareholder (as defined in the Listing Rules).

The Placing is fully underwritten by the Placing Agent. The Placing Agent shall have the obligation to purchase the Placing Shares should the Placees fail to be procured or the Placees fail to purchase any or all of the Placing Shares.

Number of Placing Shares

The Placing Shares of 130,000,000 new WN Shares (with an aggregate nominal value of HK$13,000,000) represent (1) approximately 2.43% of the issued share capital of the Company as at the date of this announcement; and (2) approximately 2.37% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK$0.60 represents (i) a discount of approximately 10.4% to the closing price of HK$0.67 per WN Share as quoted on the Stock Exchange on 9 December 2011, being the last trading day prior to the date of the Underwriting Agreement; and (ii) a discount of approximately 1.6% to the average closing price per WN Share of HK$0.61 as quoted on the Stock Exchange for the last five consecutive trading days up to and including 9 December 2011.

The Placing Price was determined with reference to the prevailing market price and the recent trading volume of the WN Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing are fair and reasonable based on the current market conditions and that the Placing is in the interests of the Company and the Shareholders as a whole.

Rights of the Placing Shares

The Placing Shares will be sold free from all liens, charges and encumbrances and together with the rights attaching to them, including the right to receive all dividends declared, made or paid after the date of the Underwriting Agreement.

Conditions of the Placing

Completion of the Placing is conditional upon the following conditions being satisfied (or waived as to conditions (1) and (5) below) by 6:00 p.m. on 31 January 2012:

(1) there being no breach of the warranties given by the Company in any material respect to the reasonable satisfaction of the Placing Agent;

(2) there being no breach of the warranties given by the Placing Agent in any material respect to the reasonable satisfaction of the Company;

(3) the passing by the Shareholders at the SGM for the relevant resolution approving the Underwriting Agreement and the transactions contemplated thereunder;

(4) the Stock Exchange granting listing of and permission to deal in the Placing Shares; and

(5) there being (from the date of the Underwriting Agreement up till the time immediately prior to the Transaction Date) no material adverse change in the financial position and trading prospects of the Group and no event which has or could reasonably be expected to have a material adverse effect on the Group to the reasonable satisfaction of the Placing Agent.

Placing Completion

Placing Completion shall take place after the fulfilment (or waiver, as applicable) of the all the conditions of the Placing, on the second business day from the Transaction Date.

Specific mandate

The Placing Shares will be issued under a specific mandate to be approved by the Shareholders at the SGM.

Listing application

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares. The Company shall apply for quotation of the Placing Shares on the ASX once they have been allotted.

INFORMATION ON BRM

Overview

BRM is an ASX-listed Australian iron ore development company with a market capitalisation of approximately AUD327.3 million (equivalent to approximately HK$2,580 million) as at 9 December 2011. BRM was originally listed on the ASX on 17 August 2004 as Yilgarn Mining Ltd and was renamed BRM to reflect the company's strategic decision to position itself as an iron ore developer. BRM's main focus is the development of the Marillana Project (as described below).

Mineral resources projects of BRM

(a) Marillana Project

Background

The Marillana Project is BRM's principal project and is located approximately 100 kilometres north-west of Newman in the Hamersley Iron Province of Western Australia's Pilbara region. The Marillana Project covers a total area of 96 square kilometres and is held by a wholly-owned subsidiary of BRM.

Resources and reserves

A summary of the mineral resources and ore reserves of the Marillana Project are set out below:

Table 1: Marillana CID Resources

Resource Classification	**Tonnes** *(Mt)*	**Fe** *(%)*	**CaFe** *(%)*	**Al_2O_3** *(%)*	**SiO_2** *(%)*	**P** *(%)*	**LOI** *(%)*
Indicated	84.2	55.8	61.9	3.6	5.0	0.097	9.8
Inferred	17.7	54.4	60.0	4.3	6.6	0.080	9.3
TOTAL	**101.9**	**55.6**	**61.5**	**3.7**	**5.3**	**0.094**	**9.7**

CaFe represents calcined Fe and is calculated by BRM using the formula:
CaFe = Fe%/((100-LOI)/100)

Table 2: Marillana Detrital Ore Reserves*

Ore Reserve Classification	Mt	Fe (%)
Proven	133	41.6
Probable	868	42.5
TOTAL	**1,001**	**42.4**

Table 3: Marillana CID Ore Reserves*

Ore Reserve Classification	Mt	Fe (%)	CaFe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)
Probable	48.5	55.5	61.5	5.3	3.7	0.09	9.7
TOTAL	**48.5**	**55.5**	**61.5**	**5.3**	**3.7**	**0.09**	**9.7**

* *Reserves are included within Resources*

Project development

The development of the Marillana Project up to the date of this announcement is summarised in the table below:

Date	Event
December 2008	• Ausenco Ltd was contracted to complete a pre-feasibility study ("PFS")
August 2009	• PFS was completed confirming the technical robustness of the Marillana Project on a conventional mining and processing basis
September 2009	• Definitive feasibility study ("DFS") commenced
September 2010	• DFS completed
December 2010	• Front end engineering design ("FEED") services contract for the design and construction of stage one was awarded
	• Bankable feasibility study ("BFS") commenced

Date	Event
September 2011	• Strategic review of all operations, including project development was announced
	• Completion date for BFS was pushed out from December 2011 to a yet to be determined date
October 2011	• Receipt of FEED report which recommended the commissioning of an optimisation study on the plant design and a change to the construction contracting strategy
November 2011	• Commencement of optimisation study on the plant design with a target completion date of June 2012

Mining and metallurgy

BRM has established 2 starter pits for testing purposes. Ore from these pits has been used to undertake a range of mining and metallurgy test work. Details of the mining and metallurgy work undertaken by BRM are available in its announcements published on the ASX.

Based on BRM's most recent quarterly update (for the quarter ended 30 September 2011), BRM has completed the pilot plant beneficiation testwork on a 150 tonne representative sample of ore from starter Pit 1. A full circuit concentrate has been produced with an iron grade of 61.6% Fe and combined silica/alumina grade of 8.99% at a mass recovery of 43.7% (from an initial head grade of 43.9% Fe). All other contaminant grades remain within the required specifications. Similar testwork is being conducted for Pit 2 and is expected to be completed within the quarter ending 31 December 2011.

Rail and port infrastructure

In December 2010, BRM announced that it was in advanced negotiations with Fortescue Metals Group Limited ("FMG") for rail and port access. BRM continues to progress negotiations with FMG for a haulage and port services agreement.

As a founding member of the North West Infrastructure ("NWI") Group, BRM has been working closely with fellow NWI members (Atlas Iron Limited and FerrAus Limited) towards establishing viable options for the development of new port facilities in South West Creek.

Development schedule

According to the DFS, the Marillana Project is expected to begin production in early 2014. As stated in the table under the paragraph headed "Project development" above, BRM has commenced an optimisation study that is due to be completed in June 2012. Furthermore, a strategic review was commenced following the recent changes to the board of directors of BRM. The review covers the Marillana Project and all facets of BRM's business and is scheduled for completion by December 2011, at which point a revised timetable will be determined for the key project milestones leading to production, which will be announced by the Company in due course.

Project approvals

BRM announced on 17 February 2011 that it received state environmental approval for the development of the Marillana mine.

The Department of Mines and Petroleum has granted BRM's application for a gas pipeline, to connect the Marillana Project to the Goldfields Gas Transmission Pipeline immediately south of Newman. Heritage surveys were completed over the entire corridor and no impediments to development were identified.

A heritage agreement was executed with the Palyku Native Title Claimant Group, whose traditional lands cover the northern parts of the proposed rail spur line, facilitating the commencement of heritage surveys over this area in early August 2011.

(b) Other iron ore projects

BRM also owns the Duck Creek, West Hamersley, Mt Stuart and Ophthalmia iron ore projects in the West Pilbara region of Western Australia. BRM has planned exploration programs for a number of these projects but to date has not delineated any mineral resources or ore reserves at these projects.

(c) Other projects — Irwin-Coglia Nickel-Cobalt Laterite Project

BRM has a 40% interest in the Irwin-Coglia nickel-cobalt laterite joint venture located 150 kilometres south east of Laverton in Western Australia. The remaining 60% interest in the joint venture is held by Murrin Murrin Holdings Pty Ltd and Glenmurrin Pty Ltd. Since establishing the joint venture, the co-venturers have completed extensive drilling programs and reported an indicated mineral resource of 16.8 million tonnes grading 1.07% Ni and 0.14% Co.

Financial information of BRM

Based on BRM's annual financial report for the year ended 30 June 2011, BRM recorded audited net assets of approximately AUD51.3 million (equivalent to approximately HK$404.4 million) as at 30 June 2011. BRM's projects were under exploration development stage and did not generate any turnover for the years ended 30 June 2010 and 2011. The table below sets out the loss before and after taxation of BRM for the years ended 30 June 2010 and 2011.

	For the year ended 30 June			
	2010		**2011**	
	AUD'000	*HK$'000*	*AUD'000*	*HK$'000*
Loss before and after taxation	24,239	191,064	40,807	321,661

REASONS FOR THE CONDITIONAL OFFER, THE SUBSCRIPTION AND THE PLACING

The Conditional Offer

The Group is principally engaged in: exploitation, processing and sales of mineral resources, including copper, zinc and lead ore concentrates in the PRC, provision of limousine rental and airport shuttle bus services in Hong Kong and the PRC, acquisition, exploration and development of mineral tenements in Australia, and investment in equity securities.

In 2010, WN Australia launched the takeover offer for BRM Shares not already then owned by the Group. The takeover offer for BRM became unconditional in May 2011 and upon completion of the takeover offer, the Company's interest in BRM Shares in issue increased to approximately 55.33% and BRM became a subsidiary of the Company. The Company's interest in BRM Shares remains at approximately 55.33% as at the date of this announcement.

BRM has substantial mineral resources reported on its Marillana Project and as set out in tables 1, 2 and 3 under the paragraph headed "Mineral resources projects of BRM" in this announcement. The closing price of BRM Shares has declined from its peak at AUD6.15 per BRM Share on 22 November 2010 to AUD2.26 per BRM Share on 9 November 2011. The consideration for the Conditional Offer was determined having regard to the recent market prices of the BRM Shares and the WN Shares and the estimated mineral resources of BRM. The Directors consider that the consideration is fair and reasonable and that at the current valuation of BRM the Conditional Offer presents a good opportunity for the Company to consolidate its control of BRM, raising its equity interest in BRM and increasing its share of interest in the mineral assets of BRM. On the basis of the closing price of WN Shares as at 9 December 2011 (being the last day of trading in WN Shares before the Announcement Date), the consideration for the present Conditional Offer (including the cash consideration of AUD1.50 for each BRM Share accepted) equates to a value of approximately AUD3.03 per BRM Share which represents a premium of approximately 34% over the closing price of BRM Shares on 9 December 2011; whereas under the Company's last takeover offer for all BRM Shares launched in 2010, WN Australia offered to acquire each BRM Share (not owned by it then)

for 30 WN Shares which on the basis of the closing price of WN Shares on 9 November 2010 (being the day before WN Australia announced the previous takeover offer in 2010) equated to a value of approximately AUD6.25 per BRM Share (based on the then exchange rate) which represented a premium of approximately 40% over the closing price of BRM Shares on 9 November 2010. The premium offered by the Company under the present Conditional Offer is lower than that under the previous takeover offer launched in 2010 due to the fact that the present market conditions differ slightly from the time of the previous takeover offer and there is a substantial cash element in the present Conditional Offer as compared to a pure scrip offer under the previous takeover offer.

With a view to increasing its equity interests in BRM, the Company has set a minimum 80% Relevant Interest condition for the Conditional Offer, taking into account the following:

- The Company at present holds 55.33% of BRM Shares in issue and the Conditional Offer is expected to be supported by the Independent BRM Board who collectively holds approximately 11.35% of BRM Shares in issue.

- Under Australia's tax regime, if WN Australia becomes the owner of at least 80% of the BRM Shares in issue, BRM Shareholders who accept the Conditional Offer may be entitled to a relief from tax for capital gains made on the exchange of BRM Shares for the Consideration WN Shares (known as the capital gains tax scrip-for-scrip rollover relief).

Furthermore, the Conditional Offer may also bring about potential saving from compliance cost as explained as follows. If at the end of the Offer Period WN Australia and its Associates have a Relevant Interest in at least 90% of the BRM Shares in issue and WN Australia and its Associates have acquired at least 75% (by number) of BRM Shares that WN Australia offered to acquire under the Conditional Offer, WN Australia intends to exercise its right to acquire any remaining BRM Shares not acquired during the Offer Period and following which the BRM Shares would be delisted from the ASX. The Company is dually listed on the Stock Exchange and on ASX. BRM, a 55.33%-owned subsidiary of the Company, is also listed on ASX. At present, both the Company and BRM are subject to the requirements of ASX Listing Rules while the Company is also subject to the requirements of the Listing Rules. If BRM were to become a wholly-owned subsidiary of the Company and the BRM Shares were to be delisted from ASX, while the Company will continue to be subject to the requirements of ASX Listing Rules (and the Listing Rules), BRM on its own would no longer be subject to the ASX Listing Rules requirements which would result in savings in compliance costs for the Group.

Taking into account the terms of the Conditional Offer including the consideration for the offer, the mineral assets and prospects of BRM, the transaction cost for the offer and the potential saving from compliance cost if BRM is delisted from ASX as a result of the offer, the Directors (excluding the independent non-executive Directors who will express their opinion after taking into consideration the advice of the independent financial adviser consider) the terms of the Conditional Offer (and the Options Offer) are fair and reasonable and the Conditional Offer (and the Options Offer) is in the interests of the Company and its shareholders as a whole.

The Subscription

The purpose of the Subscription is to raise funds to finance the cash portion of the consideration for the Conditional Offer. The Subscription Price and the Conversion Price were determined with reference to the prevailing market price and the recent trading volume of the WN Shares and were negotiated on an arm's length basis between the parties. The Directors (including the independent non-executive Directors) consider that the terms of the Subscription are fair and reasonable based on the current market conditions and the Subscription is in the interests of the Company and the Shareholders as a whole.

The gross proceeds of the Subscription will be HK$507 million (equivalent to approximately AUD64.3 million). The estimated net proceeds, after the deduction of all related expenses, will be approximately HK$506.8 million (equivalent to approximately AUD64.3 million), representing a net issue price of approximately HK$0.60 per Subscription Share and will be used to partially fund the cash portion of the consideration for the Conditional Offer. In the event that the Conditional Offer does not complete and lapses, the proceeds from the Subscription will be used for the development of the Group's mining business.

The Placing

The gross proceeds of the Placing will be HK$78 million (equivalent to approximately AUD9.90 million). The estimated net proceeds, after the deduction of the commission and brokerage and other related expenses of the Placing, will be approximately HK$76 million (equivalent to approximately AUD9.64 million), representing a net issue price of approximately HK$0.585 per Placing Share and will be used to partially fund the cash portion of the consideration for the Conditional Offer. In the event that the Conditional Offer does not complete and lapses, the proceeds from the Placing will be used for the development of the Group's mining business.

SHAREHOLDING STRUCTURE

The table below sets out the shareholding structure of the Company as at the date of this announcement and in the following scenarios:

					Immediately upon completion of the Subscription and the Placing and assuming the Conditional Offer is fully accepted but before any Conversion				After completion of the Subscription and the Placing and assuming full Conversion and the Conditional Offer is fully accepted			
	As at the date of this announcement		Upon completion of the Subscription and the Placing before any conversion of the Convertible Bonds and any acceptance of the Conditional Offer		Assuming there are no BRM Shares issued as a result of the exercise of BRM Options outstanding as at the Announcement Date before the end of the Offer Period		Assuming all BRM Options outstanding as at the Announcement Date are exercised before the end of the Offer Period		Assuming there are no BRM Shares issued as a result of the exercise of BRM Options outstanding as at the Announcement Date before the end of the Offer Period		Assuming all BRM Options outstanding as at the Announcement Date are exercised before the end of the Offer Period	
	No. of WN Shares	*%*	*No. of WN Shares*	*%*	*No. of WN Shares*	*%*	*No. of WN Shares*	*%*	*No. of WN Shares*	*%*	*No. of WN Shares*	*%*
The XSS Group Limited and its subsidiaries *(note 1)*	361,300,276	6.74%	361,300,276	5.98%	361,300,276	5.01%	361,300,276	4.94%	361,300,276	4.82%	361,300,276	4.76%
Shimmer Expert Investments Limited *(note 2)*	279,548,000	5.22%	279,548,000	4.62%	279,548,000	3.88%	279,548,000	3.83%	279,548,000	3.73%	279,548,000	3.69%
Parklane International Holdings Limited *(note 3)*	137,592,592	2.57%	137,592,592	2.28%	137,592,592	1.91%	137,592,592	1.89%	137,592,592	1.83%	137,592,592	1.81%
The Subscriber and its owners	323,604,440	6.04%	878,704,440	14.54%	883,302,108	12.25%	883,302,108	12.11%	1,173,202,108	15.65% *(note 5)*	1,173,202,108	15.46% *(note 5)*
Directors and ex-directors (in the past year) of BRM who accept the Conditional Offer *(note 4)*	–	–	–	–	371,348,298	5.15%	436,148,298	5.98%	371,348,298	4.95%	436,148,298	5.75%
Public Shareholders												
The Placees	–	–	130,000,000	2.15%	130,000,000	1.80%	130,000,000	1.78%	130,000,000	1.73%	130,000,000	1.71%
BRM Shareholders (other than the Subscriber and directors and ex-directors in the past year of BRM) who accept the Conditional Offer	–	–	–	–	788,468,958	10.94%	811,868,958	11.13%	788,468,958	10.52%	811,868,958	10.70%
Other public Shareholders	4,257,234,095	79.43%	4,257,234,095	70.43%	4,257,234,095	59.06%	4,257,234,095	58.34%	4,257,234,095	56.77%	4,257,234,095	56.12%
	5,359,279,403	100.00%	6,044,379,403	100.00%	7,208,794,327	100.00%	7,296,994,327	100.00%	7,498,694,327	100.00%	7,586,894,327	100.00%

Notes:

1. These WN Shares are held by The XSS Group Limited, a company incorporated in the British Virgin Islands, and 50%, 20% and 30% issued share capital of which is beneficially owned by Mr. Luk Kin Peter Joseph (an executive Director), Ms. Cheung Sze Wai (Mr. Luk's spouse) and Ms. Chong Yee Kwan (Mr. Luk's mother) respectively. The XSS Group Limited owns, among others, the entire issued share capital of Equity Valley Investments Limited and Prideful Future Investments Limited.

2. These WN 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.

3. These WN 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.

4. As at the date of this announcement, Mr. Ross Stewart Norgard and Mr. Colin Paterson, both being directors of BRM, had a Relevant Interest in 13,503,000 BRM Shares and 2,933,247 BRM Shares respectively. Based on the Final Director's Interest Notice filed with ASX by each of Mr. Barry Cusack, Mr. Wayne Richards, Mr. John David Nixon and Mr. Ross Ashton, all of whom resigned as directors of BRM with effect from 16 September 2011, as at 21 September 2011, (i) Mr. Barry Cusack held 1,500,000 BRM Options; (ii) Mr. Wayne Richards held 3,000,000 BRM Shares and 1,500,000 BRM Options; (iii) Mr. John David Nixon held 100,000 BRM Shares and 600,000 BRM Options; and (iv) Mr. Ross Ashton held 1,094,214 BRM Shares.

5. These percentage interests to be held by the Subscriber and its owners are for illustrative purposes only. Pursuant to the terms of the Convertible Bonds, unless prior approval from FIRB has been obtained by the holder of the Convertible Bonds (and/or its associates as defined under section 6 of FATA), Conversion can only take place if the holder of the Convertible Bonds and its associates will not be interested in more than 14.9% of the then enlarged issued share capital of the Company.

Save as aforesaid and save for WN Australia, the Subscriber and certain directors (and ex-directors in the past 12 months) of BRM who hold BRM Shares, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the other BRM Shareholders are third parties independent of the Company and its connected persons.

Upon completion of the Conditional Offer (on the basis that the Conditional Offer is fully accepted and all BRM Options are exercised before the end of the Offer Period), the Subscription and the Placing, the Subscriber and its owners will hold approximately 12.11% of the issued WN Shares as enlarged by the Consideration WN Shares, the Subscription Shares and the Placing Shares and will hold approximately 15.46% of the issued share capital of the Company as enlarged by the Consideration WN Shares, the Subscription Shares, the Placing Shares and the Conversion Shares pursuant to full Conversion. However, pursuant to the terms of the Convertible Bonds, unless prior approval from FIRB has been obtained by the holder of the Convertible Bonds (and/or its associates as defined under section 6 of FATA) Conversion can only take place if the holder of the Convertible Bonds and its associates will not be interested in more than 14.9% of the then enlarged issued share capital of the Company. Save for the Subscriber, none of the other BRM Shareholders will become a substantial shareholder of the Company upon completion of the Conditional Offer.

FUNDRAISING IN THE PAST 12 MONTHS

There were no equity fund raising activities conducted by the Group in the past 12 months immediately preceding the date of this announcement.

GENERAL

Based on the percentage ratios under Rule 14.07 of the Listing Rules, the Conditional Offer and the Options Offer constitute a major transaction for the Company under the Listing Rules. As at the date of this announcement, certain directors of BRM had an aggregated Relevant Interest in 16,436,247 BRM Shares. Based on the Final Director's Interest Notice filed by each of Mr. Barry Cusack, Mr. Wayne Richards, Mr. John David Nixon and Mr. Ross Ashton, all of whom resigned as directors of BRM with effect from 16 September 2011, as at 21 September 2011 they held in aggregate 4,194,214 BRM Shares and 3,600,000 BRM Options (of which Mr. John David Nixon held 600,000 BRM Options which WN Australia intends to offer to acquire under the Options Offer). The total acquisition costs of the BRM Shares held by such directors and ex-directors of BRM amounted to approximately AUD 10.3 million (equivalent to approximately HK$81.2 million). As such, the Conditional Offer and the Options Offer also constitute a connected transaction for the Company subject to independent shareholders' approval under the Listing Rules.

As at the date of this announcement, the Subscriber and its owners in aggregate held 323,604,440 WN Shares (approximately 6.04% of the WN Shares in issue) and the Subscriber also held 255,426 BRM Shares (approximately 0.18% of the BRM Shares in issue). The Subscriber and its associates shall abstain from voting in respect of the resolutions in relation to each of the Conditional Offer, the Subscription and the Placing.

The Company will issue a circular as soon as possible on or before 5 January 2012, setting out, among other things, details of the Conditional Offer, further information on the Group and BRM, details of the Subscription, details of the Placing and the notice of the SGM to the Shareholders.

RESUMPTION OF TRADING

Trading in the WN Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:00 a.m. on 12 December 2011 pending the release of this announcement. An application has been made to the Stock Exchange for resumption of trading in the WN Shares with effect from 9:00 a.m. on 13 December 2011.

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

"Announcement Date"	the day the Conditional Offer is announced, being 12 December 2011
"ASIC"	Australian Securities and Investments Commission
"Associate"	has the meaning given in section 12 of the Corporations Act
"ASX"	ASX Limited (trading as the Australian Securities Exchange)
"ASX Listing Rules"	the official listing rules of the ASX, as amended from time to time
"AUD"	Australian dollars, the lawful currency of Australia
"AUD1.25 BRM Options"	BRM Options with an exercise price of AUD1.25 per BRM Share and expiring on 21 April 2013
"AUD1.30 BRM Options"	BRM Options with an exercise price of AUD1.30 per BRM Share and expiring on 11 November 2013
"AUD3.00 BRM Options"	BRM Options with an exercise price of AUD3.00 per BRM Share and expiring on 31 August 2014
"AUD3.21 BRM Options"	BRM Options with an exercise price of AUD3.21 per BRM Share and expiring on 16 March 2012 and 15 June 2014
"AUD5.85 BRM Options"	BRM Options with an exercise price of AUD5.85 per BRM Share and expiring on 16 January 2015
"Bid Implementation Agreement"	the bid implementation agreement entered into between the Company and BRM on 12 December 2011
"Bid Period"	the period starting when the Bidder's Statement is given to BRM and ending at the end of the Offer Period
"Bidder's Statement"	the offer document to be issued by WN Australia in respect of the Conditional Offer
"Bloomberg"	the Bloomberg Professional Service data product owned and distributed by Bloomberg Finance L.P.

"Board"	the board of Directors
"BRM"	Brockman Resources Limited ACN 009 372 150, the ordinary shares of which are listed on ASX
"BRM Options"	options issued by BRM carrying rights to subscribe for new BRM Shares subject to the terms and conditions of the options
"BRM Shareholders"	holders of any BRM Shares
"BRM Shares"	ordinary fully paid shares in BRM
"Business Day"	a day (not being a Saturday, Sunday and public holiday) on which licensed banks in Australia or in Hong Kong (as the case may be) are generally open for business throughout their normal business hours
"Company"	Wah Nam International Holdings Limited, the shares of which are dually listed on the Stock Exchange and ASX
"Competing Proposal"	any proposed transaction or arrangement (including any takeover bid, scheme of arrangement, share or asset sale, capital reduction or buy back, joint venture or dual listed company structure) under which a person other than the Company or any of its Associates would, subject to satisfaction of conditions: (a) acquire control (as defined in section 50AA of the Corporations Act) of BRM; (b) become the holder of a Relevant Interest in 10% or more of the shares in BRM; (c) acquire (whether directly or indirectly) or become the holder of, or otherwise acquire, have a right to acquire or have an economic interest in all or a substantial part of the assets or business of BRM and its subsidiaries; (d) otherwise acquire or merge with BRM; or (e) enter into any agreement or understanding requiring the Independent BRM Board to recommend a proposal referred to in (a) to (d) above

"Completion Date"	the second Business Day after the fulfilment or waiver (as applicable) of the conditions set out in the Subscription Agreement or such other date as may be agreed in writing by the Company and the Subscriber
"Conditional Offer"	the takeover offer by WN Australia to acquire all the BRM Shares not held by it as set out in the Bidder's Statement
"connected person(s)"	has the meaning ascribed to such term in the Listing Rules
"Consideration WN Shares"	WN Shares which may be issued by the Company as part of the consideration for the Conditional Offer and the Options Offer (as the case may be)
"Conversion"	the exercise of the conversion rights attached to the Convertible Bonds and the issuance of the Conversion Shares accordingly
"Conversion Price"	the price at which each Conversion Share will be issued upon Conversion, being HK$0.60 per Conversion Share and subject to adjustments which may be made pursuant to the terms and conditions of the Convertible Bonds, provided that if such price shall be less than the nominal amount of a WN Share, the nominal amount of a WN Share
"Conversion Shares"	the new WN Shares to be issued upon Conversion
"Convertible Bonds"	the convertible bonds to be issued by the Company to the Subscriber in the principal amount of HK$173,940,000 in aggregate pursuant to the Subscription Agreement
"Corporations Act"	the Australian Corporations Act 2001 (Cth)
"Director(s)"	the director(s) of the Company
"Exercise Date"	a date on which a notice is given pursuant to the Subscription Agreement in respect of the Conversion
"FATA"	the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth)
"FIRB"	the Foreign Investment Review Board of Australia
"FRS Shares"	ordinary fully paid shares in FerrAus Limited ACN 097 422 529
"Group"	the Company and its subsidiaries

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent BRM Board"	the directors of BRM from time to time but does not include those board members who are nominees of the Company, being Mr. Luk Kin Peter Joseph, Mr. Chu Chung Yue, Howard, Mr. Richard (Dick) Melville Wright, Mr. Robert Brierley and Mr. Warren Beckwith
"Independent BRM Director"	an independent director of BRM from time to time but does not include those directors who are nominees of the Company, being Mr. Luk Kin Peter Joseph, Mr. Chu Chung Yue, Howard, Mr. Richard (Dick) Melville Wright, Mr. Robert Brierley and Mr. Warren Beckwith
"Independent Expert"	the independent expert of BRM to express an opinion on whether the Conditional Offer is fair and reasonable to BRM Shareholders
"Independent Shareholders"	holders of WN Shares other than the Subscriber and its associates
"Issue Date"	the date on which the Convertible Bonds are issued by the Company to the Subscriber under the Subscription Agreement
"JORC Code"	the Australasia Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (4th Edition)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Maturity Date"	a date falling on the second anniversary of the Issue Date
"Offer Period"	the period during which the Conditional Offer remains open which will commence on the date when the Bidder's Statement is despatched to BRM Shareholders and will end on such date as set out in the Bidder's Statement, or such later date to which the Conditional Offer has been extended
"Options Offer"	the offer by WN Australia to acquire all of the AUD1.25 BRM Options and AUD1.30 BRM Options which exist (or will exist) as at the Register Date
"Placees"	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Underwriting Agreement

"Placing"	the placing on a fully underwritten basis of the Placing Shares pursuant to the terms of the Underwriting Agreement
"Placing Agent"	REORIENT Financial Markets Limited, a licensed corporation under the SFO to carry out business in type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities
"Placing Completion"	completion of the placing of the Placing Shares in accordance with the terms as set out in the Underwriting Agreement
"Placing Price"	HK$0.60 per Placing Share
"Placing Shares"	130,000,000 new WN Shares to be placed by the Placing Agent under the Placing
"PRC"	the People's Republic of China
"Prescribed Occurrence"	the events set out in sections 652C(1) and (2) of the Corporations Act
"Register Date"	the day set by WN Australia under section 633(2) of the Corporations Act
"Relevant Interest"	has the meaning given in sections 608 and 609 of the Corporations Act
"SGM"	the special general meeting to be convened and held by the Company in respect of inter alia the Conditional Offer, the Subscription and the Placing
"Shareholder(s)"	holder(s) of any WN Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber"	Ocean Line Holdings Limited, who has agreed to subscribe for the Subscription Shares and the Convertible Bonds under the Subscription Agreement
"Subscription"	the subscription of the Subscription Shares and the Convertible Bonds by the Subscriber pursuant to the Subscription Agreement
"Subscription Agreement"	the subscription agreement entered into between the Company and the Subscriber on 12 December 2011

"Subscription Price"	HK$0.60 per Subscription Share
"Subscription Shares"	555,100,000 new WN Shares to be issued to the Subscriber pursuant to the Subscription
"Superior Proposal"	a Competing Proposal which: (a) is bona fide and in writing and in the determination of the Independent BRM Board acting in good faith after consultation with BRM's independent advisers, is capable of being valued and completed, taking into account all aspects of the Competing Proposal (including its terms and conditions and the identity of the person or persons making it); and (b) in the determination of the Independent BRM Board acting in good faith and in order to satisfy what the board considers to be its fiduciary or statutory duties would, if completed substantially in accordance with its terms, result in a transaction more favourable to BRM Shareholders than the Conditional Offer
"Takeovers Panel"	the Australia Takeovers Panel, a peer review body that regulates corporate control transactions in widely held Australian entities, and resolution of takeover disputes
"Trading Day"	the daily period that the Stock Exchange is open for trading
"Transaction Date"	the date on which the sale and purchase of the Placing Shares are input into the automatic order matching system as operated by the Stock Exchange, which shall be no later than 31 January 2012
"Underwriting Agreement"	the conditional underwriting agreement entered into between the Company and the Placing Agent on 12 December 2011 in relation to the Placing
"USD"	United States dollars, the lawful currency of the United States of America
"Voting Power"	has the meaning given in section 610 of the Corporations Act
"VWAP"	volume weighted average price
"WN Australia"	Wah Nam International Australia Pty Ltd, a wholly-owned subsidiary of the Company

"WN Shares"	ordinary shares of HK$0.10 each in the share capital of the Company
"%"	per cent

By order of the Board
Wah Nam International Holdings Limited
Luk Kin Peter Joseph
Chairman

Hong Kong, 12 December 2011

As at the date of this announcement, the Board 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.

For illustration purposes, AUD is translated into HK$ at an exchange rate of AUD1.00 = HK$7.8825.