



ASAPLUS RESOURCES LIMITED

(Incorporated in Singapore)

(ARBN 158 717 492)

(Proposed ASX Code: AJY)

Prospectus

**Prospectus for the offer of 10,000,000 Shares at an
issue price of \$0.20 per Share**

SHARES OFFERED UNDER THIS PROSPECTUS SHOULD BE CONSIDERED HIGHLY SPECULATIVE
This Prospectus provides important information about Asaplus Resource Limited. You should read the entire document including the Application Form. If you have any questions about the Shares being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser. An investment in the Shares being offered under this Prospectus should be considered highly speculative.

Important Notice

This Prospectus is dated 21 August 2012 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the Shares the subject of this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This document may not be distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States. The securities described in this document have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act 1933 and applicable US state securities law.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer. No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Web Site - Electronic Prospectus

A copy of this Prospectus is available and can be downloaded from the website of the Company at www.asaplusresources.com. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must access the Prospectus only from within Australia. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, free of charge, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Suitability of Investment & Risks

Before deciding to invest in the Company, prospective investors should read entirely this Prospectus and, in particular, the summary of the Company's business in Section 5 and the risk factors in Section 6. They should carefully consider these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding to invest.

Definitions and Photographs

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary. The assets depicted in photographs in this Prospectus are not assets of the Company unless otherwise stated.

Exposure Period

This Prospectus is subject to an exposure period of 7 days from the date of lodgement with ASIC. This period may be extended by ASIC for a further period of up to 7 days. The purpose of this exposure period is to enable this Prospectus to be examined by market participants prior to the raising of funds. If this Prospectus is found to be deficient, any Application Forms received during the exposure period will be dealt with in accordance with Section 724 of the Corporations Act. Application Forms received prior to the expiration of the

exposure period will not be processed until after the exposure period. No preference will be conferred on Application Forms received in the exposure period and all Application Forms received during the exposure period will be treated as if they were simultaneously received on the Opening Date.

Mineralisation Estimates

The information contained in this Prospectus which relates to Exploration Results, Mineral Resources or Ore Reserves (including the information in Section 5.2 and the Independent Geologist's Report in Section 9) was compiled by Mr Peter A Peebles, who is a member of both the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). Mr Peebles is the Director and principal geologist of Darlington Geological Services Pty Ltd and has over 25 years of exploration and mining experience in a variety of mineral deposit styles. Mr Peebles has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (the JORC Code). Mr Peebles consents to inclusion in the Prospectus of the matters based on this information in the form and context in which it appears.

Offer of Shares in CDI form

The Offer contained in this Prospectus is an invitation to apply for Shares in the Company. Shares will be issued in the form of CHESS Depositary Interests (or CDIs), which are a form of beneficial interest in Shares held by a depositary nominee. The issue of CDIs is necessary to allow ASX trading. CDIs give a holder similar, but not identical, rights to a holder of Shares. More details regarding CDIs are contained in Section 8.15. References in this Prospectus to "Shares" include references to "CDIs" as appropriate.

Currency

Unless otherwise stated, amounts in foreign currencies disclosed in this Prospectus are translated to its Australian Dollar equivalent based on the fixed exchange rates of A\$1 = RMB6.55744 and A\$1 = S\$1.29974, and rounded down to 4 significant numbers.

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Corporate Directory

Directors

Ir Che Mohamed Hussein Bin Mohamed Shariff
Independent, Non-executive Chairman

LAU Eng Foo (Andy)
Executive Director

Dominic LIM Kian Gam
Independent, Non-executive Director

Company Secretary

CHUNG Siang Joon, FCCA, CPA
LO Gap Seng

Registered Office

Registered Office in Singapore

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Fax: +65 6491 6407
E-Mail: info@asaplusresources.com

Registered Office in Australia

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Fax: +61 2 9287 0350
E-Mail: dicarlo@companymatters.com.au

Local Agent in Australia

Company Matters Pty Ltd.
Ground Floor, 178 St Georges Terrace
Perth WA 6000

Share Registry

Link Market Services Limited
Ground Floor, 178 St Georges Terrace
Perth WA 6000

Corporate Adviser

Biztrack Public Accounting Corporation
21 Bukit Batok Crescent #15-74
WCEGA Tower
Singapore 658065

Solicitor to the Offer

Kings Park Corporate Lawyers
Suite 8, 8 Clive Street
West Perth WA 6005

Legal Counsel on PRC Law

China Legal Bureau (Singapore)
101 Upper Cross Street #05-40
People's Park Centre
Singapore 058357

Independent Geologist

Darlington Geological Services Pty Ltd.
10 Hispano Place
Carine WA 6020

Investigating Accountant

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Auditor

MGI Singapore PAC
Certified Public Accountants
51 Anson Road #02-57
Anson Centre
Singapore 079904

Website

www.asaplusresources.com

1 Timetable To The Offer

Opening Date of the Offer ¹	29 August 2012
Closing Date of the Offer ²	5 October 2012
Allotment of Shares under this Prospectus	12 October 2012
Quotation of Shares on the ASX	19 October 2012

¹ Subject to an exposure period as required by the Corporations Act, any extension of which will delay the Opening Date of the Offer.

² Prospective investors are encouraged to apply as soon as possible after the Offer opens, as the Company reserves the right to close the Offer earlier or later than as indicated above without prior notice.

This timetable is indicative only, and may change.

Key Offer Statistics and Capital Structure

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Shares currently on issue ^{3,4}	78,000,000
Options currently on issue	Nil
Shares offered under this Prospectus to raise \$2,000,000 (before listing expenses) at an issue price of \$0.20 per Share	10,000,000
Total Shares on issue following the Offer	88,000,000
Full amount to be raised under the Offer	\$2,000,000

³ Including 63,500,000 Shares held by vendors and seed capitalists which will be subject to escrow arrangements. More details of these escrow arrangements are set out in Section 8.12 of this Prospectus.

⁴ The Company has also agreed to issue 3,000,000 Performance Shares to LAU Eng Foo (Andy) (a Director) and other senior management personnel upon DSM being granted an iron ore mining permit. See Section 7.6 for details.



Dear Investor

On behalf of the Directors I am pleased to invite you to participate in the Offer by the Company.

The Company, through its subsidiary, owns the exploration rights to the Silverstone Project, a 5.60 km² iron ore exploration tenement located in Datian County, Fujian Province in the People's Republic of China (the "PRC"). The Directors and I feel that the Silverstone Project has a very exciting prospect because:

- (i) it is highly prospective for iron ore with JORC Code compliant resources already being defined within 4 areas and with the possibility of additional ore resources being defined;
- (ii) the defined resources are either at the surface or close to the surface, and are of a grade that nearby steel mills are prepared to accept;
- (iii) it is located in an area where there are at least 9 iron ore mines (either currently producing or having recently been mined) within 40km; and
- (iv) it is located within 80km by public road to a major steel mill, and in an area where local infrastructure such as population centres, roads, power supply and rail are already established with many steel mills and pig iron facilities being close by.

Contingent upon successful completion of the exploration programme and the grant of all requisite mining and other permits, the Company intends to develop the Silverstone Project to become a full-fledged production mine.

The other strategic objectives of the Company are:

- (a) to build the Company's portfolio of iron ore assets in the Datian county area of Fujian Province in the PRC; and
- (b) to assess and, if warranted, acquire other iron ore projects that have potential to add value to the Company.

The Company has brought together a skilled and experienced team which has operational and technical experience in resource exploration projects.

With this Offer, the Company is seeking to raise \$2,000,000. The funds raised from this Offer, together with the Company's existing funds, will be used primarily to carry out a defined exploration programme and for construction of ancillary infrastructure and purchase of machinery for trial production.

All investors should be aware of the speculative nature of mineral exploration and development. There are risks associated with investing in the Company (see Section 6). Please carefully consider this Prospectus and seek professional advice, if necessary, to make an informed decision.

I look forward to welcoming you as a Shareholder.

Yours faithfully



Ir Che Mohamed Hussein Bin Mohamed Shariff
Chairman

4 Investment Overview

This information is a selective overview only. Prospective investors should read the Prospectus in full, including the experts' reports in this Prospectus before deciding to invest in the Shares.

Question	Response	Where to find more information
Who is issuing this Prospectus?	Asaplus Resources Limited (ARBN 158 717 492), ("Asaplus" or the "Company").	
Who is Asaplus and what does it do?	Asaplus is incorporated in Singapore. Its principal subsidiary, DSM, holds the exploration licence to the Silverstone Project, a 5.60 km ² iron ore exploration tenement located in Fujian Province in the PRC.	Sections 5.1, 5.2 & 5.3
What are the benefits of investing in the Company?	<p>The benefits of investing in the Company include the following:</p> <ul style="list-style-type: none"> • An experienced Board and management team. • A well-defined strategy to explore and develop the Silverstone Project. • The Silverstone Project contains a JORC Code compliant Inferred Resource of 1.52 million tonnes at 45.42% iron ore defined within 4 areas and with the possibility of additional ore resources being defined. • The Silverstone Project is located where infrastructure is already established with a major steel mill and several pig iron facilities close by. 	Sections 5.2, 5.3, 5.4, 7.1 & 7.2
What are the key risks of investing in the Company?	<p>There are a number of risks associated with investing in the share market generally and in the Company specifically. Full details of these risks are set out in Section 6 and include:</p> <ul style="list-style-type: none"> • The exploration licence for the Silverstone Project, the Company's sole tenement, expires on 22 May 2013. While the Directors believe that the exploration licence will be renewed, there is no assurance that it will be renewed either at all, on a timely basis or on commercially acceptable terms and conditions. • The Silverstone Project is located in the PRC and is therefore subject to PRC laws and regulations regarding environmental matters. This means that there are potential risks of liability arising from environmental protection issues. • Notwithstanding that results of preliminary exploration have resulted in a JORC Code compliant Inferred Resources of 1.52 million tonnes of 45.42% iron ore being defined in the Silverstone Project, investors should understand that mineral exploration and mine development are high risk undertakings. There can be no assurance that further exploration will result in the discovery of an economically viable iron ore deposit. 	<p>Section 6.1(a)</p> <p>Section 6.1(f)</p> <p>Section 6.1(b)</p>

Question	Response	Where to find more information
	<ul style="list-style-type: none"> • Mining in the PRC requires a mining permit, which may be granted once certain criteria are fulfilled, including a mineral deposit of iron ore as defined under the applicable PRC geological standards at the Silverstone Project of more than 5 million tonnes at an average grade of more than 45% Fe. There can be no assurance that the Group will be able to obtain all requisite permits and licences notwithstanding that it has fulfilled all these licensing criteria or, even if such permits and licences are obtained, renew them in the future either at all on a timely basis or on commercially acceptable terms and conditions. 	Section 6.1(b)
What is the financial position of the Company?	Asaplus is a new company that was formed on 24 April 2012. This Prospectus contains financial information including a pro forma balance sheet which is set out in the Investigating Accountant's Report.	Section 11
Who are the Directors of the Company?	<p>The Directors of the Company are:</p> <ul style="list-style-type: none"> • Ir Che Mohamed Hussein Bin Mohamed Shariff (Independent, Non-Executive Chairman); • LAU Eng Foo (Andy) (Executive Director); and • Dominic LIM Kian Gam (Independent, Non-Executive Director). 	Section 7.1
What benefits are being paid to Directors?	<p>The Directors are paid directors' fees for operating the Company.</p> <p>LAU Eng Foo (Andy) has entered into a Sale & Purchase Agreement under which the Company acquired the Silverstone Project for 45,000,000 Shares.</p>	<p>Section 7.4</p> <p>Section 5.5(d)</p>
What important contracts has the Company entered into?	<p>The Company or one of its subsidiaries is a party to a number of important contracts. They include:</p> <ul style="list-style-type: none"> • Exploration Licence Transfer Agreement in relation to the Silverstone Project between Mr Zheng Guangcan (as transferor) and DSM (as transferee) for approximately RMB3.5 million. • Employment Agreement between Yong Heng, a wholly-owned subsidiary of the Company and Lau Eng Foo (Andy) under which Mr LAU will provide the services as executive director to the Group. 	Section 5.5

4 Investment Overview

Question	Response	Where to find more information
How will the proceeds of the Offer be used?	<p>The Company intends to use its current funds and the funds raised from the Offer broadly as follows:</p> <ul style="list-style-type: none"> • \$2,300,000 for the 2-year exploration budget for the Silverstone Project. • \$480,000 for corporate administration expenses for 2 years. • \$700,000 for construction of ancillary infrastructure and purchase of machinery for trial production. • \$360,000 for covering the costs of the Offer. • \$660,000 for general working capital. <p>This is a statement of the Company's intentions as at the date of this Prospectus.</p>	Section 5.6
Will the Company pay dividends?	<p>The Company's initial focus will be on generating capital growth. The Company has no immediate plan to declare or distribute dividends. However, where possible, the Directors intend to adopt a policy of declaring the highest possible rates of dividends after taking into account factors such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors.</p>	Section 5.8

Question	Response	Where to find more information
What are CDIs?	<p>The Listing Rules require that the Company operates both an electronic issuer-sponsored sub-register and an electronic Clearing House Electronic Subregister System (CHESS) sub-register.</p> <p>Asaplus is incorporated in Singapore, a jurisdiction that does not recognise the holding of securities or electronic transfer of legal title to Shares other than shares held in the name of the sole recognized depository agent, namely Central Depository (Pte) Ltd, a subsidiary of the Singapore Exchange. To facilitate the use of CHESS, Shareholders will hold their Shares in the form of CHESS Depositary Interests (or CDIs), which are a form of beneficial interest in Shares held by a depository nominee.</p> <p>CDIs give a holder similar, but not identical, rights to a holder of Shares. References in this Prospectus to "Shares" include references to "CDIs" as appropriate.</p>	Section 8.15
Where will the Shares be quoted?	An application will be made to the ASX for quotation of the Shares under the trading symbol "AJY".	Section 8.10
How can I obtain additional advice?	By speaking to your accountant, stockbroker or other professional adviser.	

5 Company and Business Overview

5.1 Introduction and objectives

The Company was incorporated under the laws of Singapore as a public company limited by shares on 24 April 2012 and became an Australian Registered Body (ARBN 158 717 492) registered under the Corporations Act on 22 June 2012.

The corporate structure of the Company and its subsidiaries as at the date of this Prospectus is as follows:



¹ English names of companies registered in China are unofficial translation of their official names in the Chinese language.

The above corporate structure is the result of completion of material contracts entered into by the Company and/or its subsidiaries, details which are set out in Section 5.5 below.

The strategic objectives of the Company are:

- (a) to create shareholder value through conducting successful exploration programme on the Silverstone Project and, if found to be economically viable, to bring it to production;
- (b) to build the Company's portfolio of iron ore assets in the Datian county area of Fujian Province in the PRC; and
- (c) to assess and, if warranted, acquire other iron ore projects that have potential to add value to the Company.

5.2 Principal project

The Group's sole project is the Silverstone Project, a 5.60 km² iron ore exploration tenement located on the west side of the Dai Yun mountains in Datian County, Fujian Province in the PRC. The nearest major town is Datian (population: approximately 400,000) which is located about 40km by road from the project area.

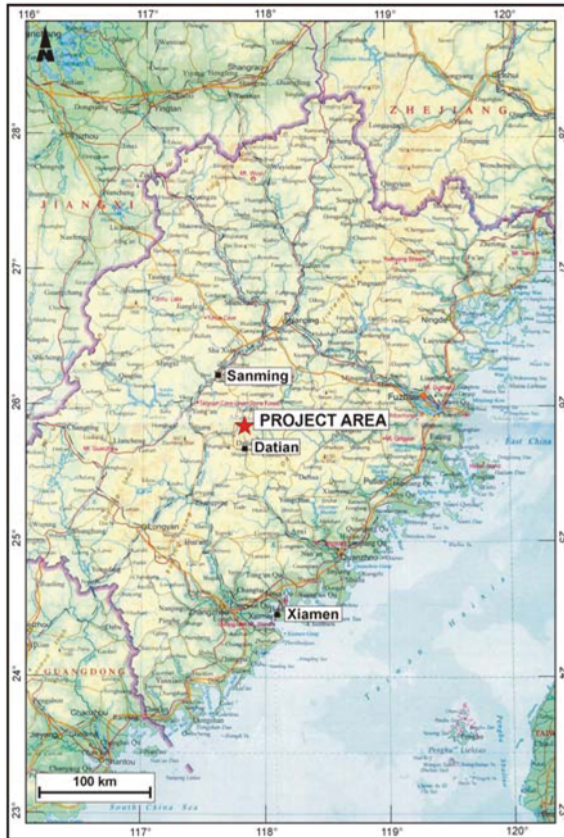
The location of Fujian Province in the PRC and the location of the Silverstone Project are set out in Map 1 and Map 2 below:



Map 1 Location of Fujian Province in the PRC

The topography of the project area is dominated by steep hills and low valleys, with the highest peak having an elevation of 786 metres above sea level, which is 430 metres above the lowest part of the project. A sample snapshot of the landscape of the project area is shown as Photo 1.

Iron ore is not uncommon within the area with at least 9 iron ore mines either currently producing or having recently been mined within 40km of the project. The local area is also host to deposits of other minerals such as coal, copper, lead, zinc and manganese.



Map 2 Location of the Silverstone Project in Fujian Province

The Silverstone Project is highly prospective for iron ore with resources already being defined within 4 areas and with the possibility of additional ore resources being defined. The defined resources are either at the surface or close to the surface (for an example, see Photo 2 and Figure 8 in the Independent Geologist's Report set out in Section 9), and are of a grade that nearby steel mills are prepared to accept. The iron ore should be able to be beneficiated to a higher grade. Local infrastructure such as population centres, roads, power supply and rail is already established with many steel mills and pig iron facilities being close by.



Photo 1 Landscape of the Silverstone Project



Photo 2 A test pit on the Silverstone Project

Resources for the above-mentioned 4 areas (or defined ore bodies) which cover a total of area of 0.259 km² have a total of 1.52 million tonnes of resources in the “inferred” category, details which are set out below:

Ore Body	Area	Tonnes	Grade (Fe%)	JORC Category
I	155,400 m ²	1,015,200	47.86	Inferred
II	8,600 m ²	90,000	40.25	Inferred
III	60,500 m ²	282,600	41.57	Inferred
IV	34,300 m ²	139,700	38.86	Inferred
Total	258,800 m²	1,527,500	45.42	

The Independent Geologist has identified an exploration target of between 4.0 million to 6.0 million tonnes with quality perimeters anticipated to be in the range of 47% to 50% Fe. This additional ore will possibly come from deeper ore zones which are displayed in neighbouring deposits (eg the Xiaohe Mine), but the trenching within the project area has not been deep enough to intersect the possible lower ore zones. The potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a mineral resource under JORC guidelines and that it is uncertain if further exploration will result in the determination of a mineral resource.

Further details on the geology, previous exploration and resources contained in the Silverstone Project are set out in the Independent Geologist’s Report prepared by Darlington Geological Services Pty Ltd which is set out in full in Section 9.

5.3 Exploration licence for the Silverstone Project

At present, DSM carries on exploration on the Silverstone Project under the following exploration licence granted by the Fujian Land and Resources Department:

Licence No.	Content	Grant Date	Area Size	Inflection Points Co-ordinates	
		Expiry Date		Longitude	Latitude
Exploration	Types of Mineral	22 May 2012	5.60 km²	117°46'00''	25°50'30''
Licence No.	Resource:			117°46'30''	25°50'30''
T35120110102043628	Exploration			117°46'30''	25°52'00''
		22 May 2013		117°47'30''	25°52'00''
				117°47'30''	25°50'45''
				117°47'15''	25°50'45''
				117°47'15''	25°50'30''
				117°46'45''	25°50'30''
				117°46'45''	25°50'00''
				117°46'00''	25°50'00''

As exploration licensee for the Silverstone Project, the Group (through DSM) has the right to carry out exploration activities within the Silverstone Project area as designated above and, on successful exploration, has the priority to obtain the mining rights to the mineral resources in that exploration area.

Generally, exploration licences are granted for periods not exceeding 3 years, and may be extended before its expiry for periods not exceeding 2 years at each extension. The exploration licence for the Silverstone Project expires on 22 May 2013. The Directors believe that the exploration licence for the Silverstone Project will continue to be renewed in the future. The Directors are of this belief on the following basis:

- (a) DSM has fulfilled and complied with all conditions of the exploration licence, including: (i) payment of the prescribed exploration right usage fee; and (ii) investing the prescribed minimum expenditure for exploration work;
- (b) the exploration licence for the Silverstone Project has historically been renewed in the past as a matter of course since its first renewal in October 2007; and
- (c) the opinion of the Company's counsel on PRC law in respect of this matter.

Further details on applicable PRC laws and the exploration licence are set out in the independent Legal Counsel's Report on the Tenement prepared by China Legal Bureau (Singapore) which is set out in full in Section 10.

5.4 Company's intentions for the Silverstone Project

DSM is expected to be granted a mining permit for the Silverstone Project provided that the exploration report (prepared under applicable geological standards in the PRC) proves that:

- (a) the mineral deposit as defined by a qualified PRC geologist under the applicable PRC geological standards at the Silverstone Project is more than 5 million tonnes; and
- (b) the grade of the iron ore (average TFe level) is above 45%.

Based on results of preliminary geological studies (under PRC geological standards) carried out to date on four ore bodies with an area totalling 0.259 km² (out of a total tenement area of 5.60 km²), and the exploration target referred to in the Independent Geologist's Report, the Directors believe that with further exploration work, DSM will be able to fulfil these licensing criteria and be granted a mining permit to commence commercial production of iron ore. In such an event, the Company intends to develop the Silverstone Project to become a full-fledge production mine.

5.5 Summary of other contracts material to the Company's project and operations

The exploration licence which forms the Silverstone Project was originally granted to Mr Zheng Guangcan (an unrelated party) in October 2005. The exploration licence was transferred to DSM on 21 January 2011 for a consideration of approximately RMB3.5 million cash.

For the purposes of and in connection with the Offer, the shareholders of DSM transferred their entire equity interest in DSM to DHIC, an entity indirectly owned and controlled by Asaplus International Limited (an entity controlled by LAU Eng Foo (Andy) and the Other Vendors) through various wholly-owned intermediate holding companies, including Yong Heng. Yong Heng was then acquired by the Company for 45,000,000 Shares being issued to Asaplus International Limited and the Other Vendors.

Following are summaries of each of the contracts which together formed the above acquisitions and restructuring exercise:

- (a) Exploration Licence Transfer Agreement in relation to the Silverstone Project between Mr Zheng Guangcan (as transferor) and DSM (as transferee)

Mr Zheng Guangcan and DSM entered into an Exploration Licence Transfer Agreement on 20 December 2010, under which Mr Zheng Guangcan:

- (i) transferred the 100% rights to and interest in the exploration licence in relation to the Silverstone Project to DSM for a consideration of RMB3,521,830, which has been paid in full in accordance with the terms of the agreement; and
- (ii) provided a number of warranties and indemnities, including in relation to: (a) title, power and authority; (b) the good standing of the exploration licence; and (c) accuracy of information.

The agreement was governed by the laws of the PRC. The agreement has been completed, and the parties' respective obligations under the agreement have been fulfilled in their entirety in accordance with the terms of the agreement.

- (b) Equity Transfer Agreement in relation to DHIC between Yinzhou Consulting Co., Ltd. (as purchaser) and Madam Lin Liqin and Mr Wu Shaoling (as vendors)

Yinzhou Consulting Co., Ltd. and Madam Lin Liqin and Mr Wu Shaoling entered into an Equity Transfer Agreement on 26 June 2012, under which Madam Lin Liqin and Mr Wu Shaoling:

- (i) transferred their combined 100% equity interest in DHIC to Yinzhou Consulting Co., Ltd. for a consideration of RMB100,000 which was paid in full in accordance with the terms of the agreement; and
- (ii) warranted that there is no encumbrance or lien on such equity interest, and that there is also no dispute or litigation related to such equity interest.

The agreement is governed by the laws of the PRC.

On completion of the above Equity Transfer Agreement, DHIC became a wholly-owned subsidiary of Yinzhou Consulting Co., Ltd., a wholly-owned subsidiary of Yong Heng.

- (c) Equity Transfer Agreements in relation to DSM between DHIC (as purchaser) and each of Madam Lin Liqin and Mr Hong Xusheng (as vendors)

DHIC and each of Madam Lin Liqin and Mr Hong Xusheng entered into an Equity Transfer Agreement on 6 July 2012, under which Madam Lin Liqin and Mr Hong Xusheng :

- (i) transferred their combined 100% equity interest in DSM to DHIC for a total nominal consideration of RMB10,000 which was paid in full in accordance with the terms of the agreement; and
- (ii) warranted that there is no encumbrance or lien on such equity interest, and that there is also no dispute or litigation related to such equity interest.

The agreements are governed by the laws of the PRC.

On completion of the above Equity Transfer Agreements, DSM became a wholly-owned subsidiary of DHIC, and as a consequence thereof, an indirect wholly-owned subsidiary of Yong Heng.

- (d) Sale & Purchase Agreement in relation to South Mongyol Mines Limited and Yong Heng between the Company (as purchaser) and Asaplus International Limited (as vendor)

On 19 July 2012, the Company and Asaplus International Limited, a company controlled by LAU Eng Foo (Andy), a Director of the Company, entered into a Sale & Purchase Agreement (the "SPA"). The SPA was amended by a Supplemental Agreement dated 10 August 2012. Under the SPA (as amended), the Company acquired all of the issued share capital of South Mongyol Mines Limited and its then subsidiary Yong Heng for a consideration of \$10,000,000 to be satisfied by the issue of 45,000,000 Shares ("Consideration Shares") issued and credited as being fully paid.

By a letter dated 20 July 2012, Asaplus International Limited instructed the Company to issue the Consideration Shares to Asaplus International Limited and persons nominated by Asaplus International Limited, in full satisfaction of the Company's obligations to issue the Consideration Shares, as follows:

	No. of Consideration Shares
Asaplus International Limited	27,400,000
Other Vendors	17,600,000
Total	45,000,000

Under the SPA, Asaplus International Limited provided a number of warranties and indemnities, including in relation to: (a) title, power and authority; (b) the ownership of DSM; (c) the good standing of the exploration licence to the Silverstone Project; and (d) accuracy of information. The warranties are qualified by disclosures made in the SPA and in due diligence reports. Any liability of Asaplus International Limited for a breach of a warranty is limited to 100% of the purchase price.

The SPA (as amended) is governed by the laws of Singapore. As of the date of this Prospectus, the SPA (as amended) has been completed and the parties' respective obligations under the agreement have been fulfilled in accordance with the terms of the agreement.

On completion of the SPA (as amended), Yong Heng became an indirect wholly-owned subsidiary of the Company, and Asaplus International Limited became the controlling shareholder of the Company.

- (e) Disposal of South Mongyol Mines Limited

Upon completion of the SPA (as amended):

- (i) South Mongyol Mines Limited transferred its interest in the entire issued and paid-up share capital of Yong Heng to the Company for a nominal consideration of HK\$10,000; and thereafter
- (ii) the Company disposed of its interest in the entire issued and paid-up share capital of South Mongyol Mines Limited to Madam Emelinda Bosaito Consigo (an unrelated third party) for a consideration of US\$1,000.

On completion of the above transactions, Yong Heng became a direct wholly-owned subsidiary of the Company

- (f) Agreement for the provision of a comprehensive business process outsourcing package between the Company and Biztrack Partnership Pte Ltd.

On 30 April 2012, the Company and Biztrack Partnership Pte Ltd. entered into an agreement for the provision of a comprehensive business process outsourcing package, under which:

- (i) Biztrack Partnership Pte Ltd. will provide the Company with:
 - (A) the use of its business premises;
 - (B) the non-exclusive services of a suitably qualified personnel to act as the Company's General Counsel;
 - (C) the non-exclusive services of a suitably qualified personnel to act as the Company's Chief Financial Officer;
 - (D) the non-exclusive services of a suitably qualified personnel to act as the Company's Company Secretary;
 - (E) any clerical and administrative services as the Company may require; and
 - (F) other management support services;
- (ii) the duration for the service contract is for a period of two years from the Quotation Date; and
- (iii) the service fee is a sum of S\$84,000 (approximately \$64,600) per year.

The sole director and shareholder of Biztrack Partnership Pte Ltd. is a director and minority shareholder of Biztrack Public Accounting Corporation, the Company's corporate adviser.

5.6 Use of funds raised under the Offer

The Company intends to use its current funds of approximately \$2,500,000 cash and cash equivalents on hand as at the date of this Prospectus and the funds raised from the Offer broadly as follows:

Funds available	
Funds raised prior to this Offer	\$2,500,000
Funds from this Offer	\$2,000,000
Total funds available	\$4,500,000

Use of funds	
Exploration programme ¹	\$2,300,000
Construction of ancillary infrastructure and purchase of machinery for trial production	\$700,000
Costs of the Offer ²	\$360,000
Corporate administration expenses for two years ³	\$480,000
General working capital ⁴	\$660,000
Total use of funds	\$4,500,000

¹ The budget for the 2-year exploration programme is itemised and commented upon in the Independent Geologist's Report in Section 9 of this Prospectus.

² The costs of the offer are detailed in Section 8.17 of this Prospectus.

³ These expenses include wages, Directors' fees, rents and outgoings, accounting fees, legal fees, ASX listing fees, auditing fees, share registry fees, travel expenses and all other items of a general administrative nature.

⁴ The Company will consider investment opportunities in the resources sector in the PRC. There are currently no opportunities under review, and any such investments will be considered against the exploration success and merit of the Company's existing projects.

This table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances may affect the way funds will be applied. The Directors reserve the right to vary the way funds are applied on this basis.

5.7 Sufficiency of working capital

The Directors are of the opinion that the Company will have enough working capital to carry out its business objectives as described in this Prospectus.

5.8 Dividend policy

The Company does not intend to pay dividends on securities for the year ending 31 March 2013.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors. However, where possible, the Directors intend to adopt a policy of declaring the highest possible rates of dividends after taking into account factors such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors.

The Directors expect that any dividend, if paid, will be paid without franking credits.

5.9 Company tax status and financial year

The Company will not carry on business in, or operate with management control out of, Australia. Hence, the Directors do not expect the Company to be considered a tax resident in Australia.

The financial year of the Company will end on 31 March annually.

5.10 Litigation

Legal proceedings may arise from time to time in the course of the Company's business. As at the date of this Prospectus, the Company or any of its subsidiaries is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6 Risk Factors

An investment in the Company is not risk free. Before deciding to trade in the Shares, Shareholders and prospective investors should read the entire Prospectus, consider at least the following risk factors in light of their personal circumstances and investment objectives (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser.

The operating and financial performance and position of the Company, the value of the Shares and the amount and timing of any dividends that the Company may pay will be influenced by a range of factors. Many of these factors will remain beyond the control of the Company and the Directors. Accordingly, these factors may have a material effect on the Company's performance and profitability which may cause the market price of the Shares to rise or fall over any given period.

This section identifies the areas the Directors regard as major risks associated with an investment in the Company. This list is not intended to be an exhaustive list of the risk factors to which the Group is exposed.

6.1 Specific risks

In addition to the general investment risks outlined in Section 6.2 below, there are specific risks associated with the Company's existing and proposed operations. These include:

(a) Renewal of exploration licence

The current exploration licence for the Silverstone Project is due to expire on 22 May 2013. Any delay or inability to renew the exploration licence may materially and adversely affect the Group. However, the Directors believe that the exploration licence for the Silverstone Project will continue to be renewed in the future. The Directors are of this belief for the reasons set out in Section 5.3.

(b) Exploration success and grant of mining permit

Under PRC law and regulations, DSM is entitled to priority for the grant of a mining permit to commence commercial production of iron ore once there is discovery of 5 million tonnes of iron ore at a grade of more than 45% (measured and calculated under applicable geological standards in the PRC). Based on results of preliminary geological studies (under PRC geological standards) carried out to date, and the exploration target referred to in the Independent Geologist's Report, the Directors believe that with further exploration works, DSM will be able to fulfil these licensing criteria and be granted a mining permit to commence commercial production of iron ore.

However, notwithstanding that results of preliminary exploration has resulted in 1.52 million tonnes of JORC-compliant Inferred Resources iron ore being defined in the Silverstone Project, and an exploration target being referred to by the Independent Geologist, shareholders and investors should understand that mineral exploration and mine development are high-risk undertakings. Therefore, there can be no assurance that further exploration of the Silverstone Project will result in the discovery of an economic iron ore deposit sufficient to meet the aforesaid licensing criteria. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to permit requirements, availability of appropriate exploration equipment, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents and many other factors beyond the control of the Company.

As the Group's future prospects will be substantially dependent on its intended mining operations, in the event that the Group is not able to obtain such permits notwithstanding that it has fulfilled all these licensing criteria, or if the Group is unable to obtain such mining permits for whatever reason, the Group's financial condition, results of its operations and future prospects will be materially and adversely affected. There can be no assurance that the Group will be able to obtain all requisite permits and licences notwithstanding that it has fulfilled all these licensing criteria or if at all or, even if such permits and licences are obtained, renew them in the future either at all, on a timely basis or on commercially acceptable terms and conditions.

(c) Currency, foreign exchange and foreign exchange rate risk

Revenue generated, and capital and operating costs incurred, by the Company and the Group will largely be denominated in the Chinese currency, which is the Chinese Yuan or Renminbi. The conversion of the Chinese Yuan into foreign currencies is regulated in China. The Company also intends to report its financial results in the Chinese Yuan, which is the Group's functional currency. As a result, the Group will be subject to foreign exchange currency risks due to exchange rate movements which will affect the Company's transaction costs and translation of its results. The exchange rates of foreign currencies are affected by numerous factors outside the Company's control. These factors include the economic conditions of China, interest and inflation rates and other economic factors.

The value of the Chinese Yuan is subject to change in the Chinese government's policies and to international economic and political developments. There can be no assurance that the Chinese Yuan will not become volatile against other currencies or that the Chinese Yuan will not be devalued. The Company does not hedge against movements in the Chinese Yuan. There can be no assurance that future changes in the exchange rate of the Chinese Yuan against other currencies will not have adverse effects on the Company's financial position.

Under Chinese government regulations, all foreign enterprises must establish a "current account" and a "capital account" with a bank authorised to deal in foreign exchange. Currently, foreign enterprises are able to exchange the Chinese Yuan into foreign exchange at designated foreign exchange banks for settlement of "current account" transactions, which include payment of dividends on the basis of a board resolution authorising the distribution of profits or dividends, without other regulatory approval. Conversion of the Chinese Yuan into foreign currencies for "capital account transactions" which include the receipt and payment of foreign exchange for loans, contributions and purchases of fixed assets continues to be subject to limitations and requires regulatory approval. There can be no assurance that the Company will be able to convert the Chinese Yuan into foreign currencies in order to repatriate funds from China to pay dividends or satisfy its foreign exchange requirements in the future.

(d) Legal considerations

China operates under a civil law system. This system is different from the common law system which exists in Australia and in Singapore. While individual court decisions in China may be noted for reference, they may not have precedent value. Although legislative reforms during the last two decades have significantly enhanced the protection enjoyed by enterprises in China, some of these laws, regulations and measures are relatively recent and their interpretation and enforcement remain uncertain. In addition, the legal system in China is subject to continuing development in areas such as foreign investment, tax and foreign exchange and these could adversely affect the operations of the Company's operating entities.

Should it be necessary for the Company to enforce its legal rights in relation to its business it would need to do so in accordance with the laws of China and perhaps other jurisdictions. If multiple jurisdictions or cross-border issues are involved the matters may well attract unusual complexities which may result in added costs.

The Company is incorporated in Singapore and subject to the laws of Singapore. Whilst these laws are in some respects similar to Australian law, there are differences, some of which are set out in Section 13.1. There is a risk that shareholder rights and protections under Singapore law may be weaker than under Australian law. Furthermore, the appropriate forum for any disputes involving shareholder rights is Singapore and this may inconvenient affected shareholders who do not ordinarily reside in Singapore.

(e) Political, economic and social reforms

The Chinese economy has gradually changed from a centralised economy to a market economy. This reform has, among other things, resulted in significant economic growth. Political, economic and social factors may lead to further readjustment of the reforms already in place. However, there is no assurance that any future change that occurs as a result of political, economic or social reforms in China will have a positive effect on China's economic development or that the Company's operating entities will benefit from or will be able to capitalise on these reforms. There is a risk that the Company's operating entities' operations, markets and financial position may be adversely affected by these continuing changes.

(f) Environmental licence risk

The Silverstone Project is located in the PRC and is therefore subject to PRC laws and regulations regarding environmental matters. This means that there are potential risks of liability arising from environmental protection issues. The Group operates in accordance with all applicable laws and currently acceptable industrial practices and conducts its operations in a responsible manner with regard to the environment.

(g) Commodity price volatility

Commodity price volatility impacts both the value of the Silverstone Project and the potential revenue (if any) derived therefrom. Commodity prices, in this instance iron ore prices, fluctuate and are affected by many factors beyond the control of the Company. These factors include supply and demand fluctuations, forward selling activities and other macro-economic factors. Furthermore, international prices of iron ore are usually denominated in foreign currencies such as the United States Dollars, whereas future selling prices of the iron ore produced by the Group (if and when the Group commences commercial production) will be denominated in the Chinese Yuan. Depending on the movement of these foreign currencies against the Chinese Yuan, future selling prices of the iron ore produced by the Group will become higher or lower compared with internationally sourced iron ore. Depending on the severity and direction of these price movements, the Group's future revenue and profit margins may be adversely affected.

(h) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the

future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

(i) Competition risk

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(j) Insurance risks

Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive. For example, the Group does not currently maintain any fire and theft insurance, key personnel insurance or third-party liability insurance. These types of insurance are not commonly taken out in the PRC. The Directors are considering whether the Group can obtain these types of insurance on acceptable terms, and intends to regularly review the extent and adequacy of insurance policies held by the Group.

(k) Reliance on key management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(l) Liquidity risk

Due to the size and nature of the Company, the liquidity of its Shares traded on ASX can be low. This could impact on Shareholders' ability to sell their Shares.

(m) Acquisition risks

The Group's other strategic objectives include building a portfolio of iron ore assets in Datian County, and assessing, and if warranted, acquiring other iron ore projects that have potential to add value to the Company. Any such future transactions will be accompanied by risks commonly associated with acquisition of exploration tenements or operating mines as the case may be. There is a risk that the Group may not be able to achieve either or both these other strategic objectives, or that the Group's financial performance and financial position may be adversely affected if it is not able to manage its growth by potential acquisitions efficiently and effectively.

6.2 General investment risks

In addition to the above specific risks associated with the Company's existing and proposed operations there are also general risks associated with an investment in the Shares. These include:

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market and, in particular, the market for exploration and mining companies, may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

(b) Economic risk

Changes in both Australian and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact future operations and earnings.

(c) Changes in legislation and government regulation

The introduction of new legislation or amendments to existing legislation and regulations by governments, and the decisions of courts and tribunals, can impact adversely on the assets, operations and, ultimately, the financial performance of the Company. In addition, any adverse changes in the political and regulatory condition in China, Hong Kong, Singapore or Australia could affect the prospects of the Company's operating entities. Financial and economic changes such as changes in both monetary and fiscal policies, import regulations and tariffs, taxation, methods of taxation and currency exchange could affect the profitability of the Company and adversely affect the return to Shareholders.

(d) Legal proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company or any of the Subsidiaries.

7.1 Directors

The Company is managed by the Board of Directors. The Board comprises three Directors, namely:

Name	Age	Designation
Ir Che Mohamed Hussein Bin Mohamed Shariff	57	Independent, Non-executive Chairman
LAU Eng Foo (Andy)	57	Executive Director
Dominic LIM Kian Gam	47	Independent, Non-executive Director



Photo 3 Directors

(from left) – Dominic Lim, Ir Che Mohamed Hussein and Andy Lau

The business and working experience of each Director is summarised below:

(a) Ir Che Mohamed Hussein Bin Mohamed Shariff (appointed 1 August 2012)

Hussein is a professional engineer educated in the United Kingdom. He studied at Loughborough University of Technology under a Malaysian government scholarship, and graduated with a BSc (Hons) degree in Civil Engineering. He is currently a member of both the Institute of Engineers Malaysia and the Board of Engineers Malaysia. Hussein has a distinguished career in public service having served in various positions in the state economic development corporation of a Malaysian state where his recent postings have been senior positions at the highest levels of management. Therefore, he brings with him more than 30 years' experience in property development, construction and technical management, including managing a state-owned large-scale granite quarry.

The Board elected to appoint Hussein as Chairman because his experience and qualification give him an effective combination of technical, engineering, management and leadership skills to discharge his duties as Chairman.

(b) LAU Eng Foo (Andy) (appointed 1 August 2012)

Andy is currently managing director of a successful group of companies in Malaysia specialising in civil engineering construction, earthwork, and granite and iron ore extraction contracting. He has been involved in these lines of business since the early 1970's. Upon listing of the Company on ASX, Andy will relinquish his day-to-day management role in the Malaysian companies to fully focus on his role as the Company's Executive Director to spearhead the Company's' business in China. As Executive Director, Andy will provide the entrepreneurial drive and strategic direction for the Company.

(c) Dominic LIM Kian Gam (appointed 1 August 2012)

Dominic is the Head of Loan Syndication and Distribution at Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), a Singapore-incorporated bank which is ranked the world's strongest bank by Bloomberg Markets magazine in both 2011 and 2012. Dominic has more than 20 years of banking experience, and has extensive knowledge of the lending business in the Asia-Pacific market, covering a wide array of lending products, ranging from structured financing and debt securitization to project and leveraged financing, and encompassing all industries and sectors. Prior to joining OCBC Bank, he was with several international investment and commercial banks.

Dominic is a business graduate from the National University of Singapore and has a MSc degree in Finance from Zicklin School of Business, Baruch College, a constituent college of City University of New York. Dominic is a member of Beta Gamma Sigma Society, an honour society for business students, graduates and scholars founded in 1913 at the University of Wisconsin in the United States.

Notification of the appointment of these Directors was sent to ASIC on 15 August 2012.

7.2 Senior management team

The day-to-day management of the Group's business is tasked to LAU Eng Foo (Andy) who is the Company's Executive Director. He is supported by a small core management team of very experienced personnel, comprising:

(a) QIU Changsheng (Age 56), General Manager of China Operations

Changsheng is a qualified forestry engineer who graduated from Fujian College of Forestry. He joined the provincial civil service of Fujian Province in 1983. He served in various positions culminating in his appointment as Director of the Forestry Bureau of Datian County. During his 30-year career in the Fujian Province provincial civil service, Changsheng has established a good network of contacts at all levels and at all government departments in Fujian Province, and is thoroughly familiar with the workings, procedures and working culture of the various provincial government departments.

As General Manager, Changsheng will primarily be responsible for all local regulatory compliance and licensing matters. He will also be the Group's primary point of contact with all government departments, including the Land and Resource Department which is the local authority responsible for renewals of exploration licences and issuance of mining permits.

(b) HONG Xusheng (Age 52), Controller & Deputy General Manager

Xusheng's principal role as Controller & Deputy General Manager is to be responsible for the efficient functioning of the Group's day-to-day operations and activities. He also supervises the Subsidiaries' finance department which is responsible for the Subsidiaries' financial management function. He will assist the Executive Director and General Manager in business development and on new projects to be undertaken by the Group.

Xusheng graduated from Xiamen Polytechnic of Automotive Technology. His professional experience is in international trade having spent a large portion of his working career at Xiamen International Trade Group Corporation, a large state-owned international import-export corporation dealing in a wide range of products including chemicals, agricultural commodities, minerals and metals.

(c) LOY Wei Choo, Joseph (Age 63), Geological Manager

Joseph, who graduated with a BSc (Hons) degree majoring in geology and chemistry from the University of Malaya, is a former government geologist. He had worked in the Singapore government service for 11 years. As a geologist attached to the then Public Works Department, Joseph and another colleague were credited¹ as being instrumental in the preparation of the professionally acclaimed 1976 monograph *Geology of the Republic of Singapore*. After leaving government service, Joseph developed and managed a number of granite quarries in Malaysia, and acted as a geological consultant to a number of exploration companies and mine owners in Malaysia and Indonesia.

As the Group's Geological Manager, Joseph will oversee and be responsible for the implementation of the Group's planned geological exploration programme. He will work closely with accredited PRC geologists for PRC licensing purposes. After the Company's listing on ASX, he will also work with the Company's independent geologist to meet the Company's reporting obligations under the Listing Rules.

¹ L. Calembert, Professor at Liege University (Belgium), *The Engineering Geologist* (Vol 15, No.4), a newsletter of the Engineering Geology Division of The Geological Society of America.

7.3 Directors' holdings

The Directors will be paid the following remuneration by the Company:

	Directly Held	Indirectly Held
Ir Che Mohamed Hussein	Nil	Nil ¹
LAU Eng Foo (Andy)	Nil	39,000,000 ²
Dominic LIM Kian Gam	Nil	Nil

¹ An adult and financially independent son of Ir Che Mohamed Hussein, namely Mr Mohamed Ilyia Anwar, is one of the Other Vendors who owns 880,000 Shares for his own benefit. Ir Che Mohamed Hussein does not have any interest, pecuniary or otherwise, in these shares held by Mr Mohamed Ilyia Anwar. Being one of the Other Vendors, Mr Mohamed Ilyia Anwar will enter into an escrow arrangement to restrict dealings in these 880,000 Shares owned by him for a period of two years from Quotation Date.

² LAU Eng Foo (Andy) has a deemed interest in the 39,000,000 Shares held by Asaplus International Limited by virtue of his 37.5% shareholding in Asaplus International Limited. The other shareholders of Asaplus International Limited are Mr HONG Xusheng (25%) and Madam TAN Wil Lian³ (37.5%). LAU Eng Foo (Andy) is also a director of Asaplus International Limited, the other being Mr HONG Xusheng.

³ Madam TAN Wil Lian is the spouse of a director and minority shareholder of Biztrack Public Accounting Corporation, the Company's corporate adviser.

7.4 Remuneration received by the Directors and their related entities

The Directors will be paid the following remuneration by the Company:

Director	Director's fees per annum	Salaries and bonuses	Benefits in the previous 2 years prior to the date of this Prospectus
Ir Che Mohamed Hussein	S\$50,000	Nil	Nil
LAU Eng Foo (Andy)	S\$40,000	S\$120,000 ¹ per year	Nil
Dominic LIM Kian Gam	S\$40,000	Nil	Nil

¹ See Section 7.5.

7.5 Executive service agreement

The Company's wholly owned subsidiary, Yong Heng has entered into an employment agreement dated 1 August 2012 with LAU Eng Foo (Andy) "Employment Agreement", under which Yong Heng had appointed LAU Eng Foo (Andy) as Group chief executive officer for an annual fee of S\$120,000 with a nominal payment of S\$1 per year under the Employment Agreement until such time a mining permit to commence commercial iron ore production at the Silverstone Project is granted to DSM (the "Performance Milestone"). The Employment Agreement is for a period of 6 years commencing on 1 September 2012 but may be terminated before the end of the term:

- (i) immediately by the Company or LAU Eng Foo (Andy) for cause; or
- (ii) by either party giving the other party three months' notice.

Notwithstanding that the aforesaid Employment Agreement is entered into between Yong Heng and LAU Eng Foo (Andy), the scope of duties to be performed by LAU Eng Foo (Andy) covers duties in relation to the Company and all its subsidiaries.

The Employment Agreement is governed by the laws of Singapore.

7.6 Performance Shares

As incentive for key personnel to properly plan, supervise and carry out the planned exploration work, and contingent upon the exploration results achieving the requisite iron ore deposit targets (defined under relevant geological standards applicable in the PRC), to further motivate them to diligently and expeditiously carry out all required procedures to successfully apply for a mining permit to commence commercial iron ore production at the Silverstone Project, the Company had agreed to grant and issue 3,000,000 new Shares to be credited as being fully paid (the "Performance Shares") to the following key personnel upon and only upon attainment of the Performance Milestone (as defined in Section 7.5):

Key personnel	Position	No. of Performance Shares
LAU Eng Foo (Andy)	Executive Director & Group Chief Executive Officer	1,200,000
QIU Changsheng	General Manager	1,000,000
HONG Xusheng	Controller & Deputy General Manager	450,000
LOY Wei Choo, Joseph	Geological Manager	350,000
	TOTAL	3,000,000

7.7 No other Director's interests

Other than as set out below or elsewhere in this Prospectus, no Director holds at the date of this Prospectus, or has held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer;

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (a) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (b) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

7.8 Corporate governance

The primary responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders. To fulfil this role the Board is responsible for the overall corporate governance of the Company, including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The responsibilities of the Board include:

- (a) Protection and enhancement of Shareholder value;
- (b) Formulation, review and approval of the objectives and strategic direction of the Company;
- (c) Approving all significant business transactions, including acquisitions, divestments and capital expenditure;
- (d) Monitoring the financial performance of the Company by reviewing and approving budgets and monitoring results;
- (e) Ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- (f) Identification of significant business risks and ensuring that such risks are adequately managed;
- (g) Reviewing the performance and remuneration of executive directors and key staff;
- (h) Establishment and maintenance of appropriate ethical standards; and
- (i) Evaluating and adopting, as appropriate, ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Company is seeking listing on ASX and will be subject to the continuous disclosure obligations under ASX Listing Rules and Corporations Act. Subject to the exceptions outlined below, the Company has adopted ASX Corporate Governance Council's Corporate Governance Principles and Recommendations to determine an appropriate system of control and accountability to best fit its business and operations commensurate with these guidelines. Copies of corporate governance policies are accessible on the Company's website at www.asaplusresources.com.

As the Company's activities develop in size, nature and scope, the implementation of additional corporate governance structures will be given further consideration.

The Board sets out below its "if not, why not" report in relation to those matters of corporate governance where the Company's practices depart or will depart from the recommendations.

Recommendation Reference - ASX Guidelines	Notification of Departure	Explanation for Departure
2.4	A nomination committee has not been established.	The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification or attributes required in new Directors. Where appropriate, independent consultants will be engaged to identify possible new candidates for the Board.
3.2	A diversity policy has not been established.	The Board supports workplace diversity but considers that the Company is not of a size or maturity to justify a formal diversity policy. The Company has only recently been incorporated. The Board's priority has been to ensure that its members have the appropriate level of experience and skills to manage the Company at its early stages of operation rather than focussing on gender and other diversity factors.
4.1, 4.2, 4.3	An audit committee has not been established.	The Board considers that the Company is not of a size, nor are its financial affairs of such complexity, to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, the integrity of financial reporting, the identification and management of risk and review of the operation of the internal control systems. When performing the role of an audit committee or when the Board meets as the audit committee it will be chaired by Dominic LIM Kian Gam who has a Bachelor's degree in business and a MSc degree in finance and has relevant financial expertise.
8.1	A remuneration committee has not been established.	The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of a remuneration committee. The Board as a whole is responsible for the remuneration arrangements for Directors and executives of the Company and considers it more appropriate to set aside time at Board meetings each year to specifically address matters that would ordinarily fall to a remuneration committee.

8 Details Of The Offer

8.1 Shares offered for subscription

By this Prospectus the Company offers for subscription up to 10,000,000 Shares to raise \$2,000,000 before expenses of the Offer.

All Shares offered under this Prospectus will rank equally with existing Shares. The rights and liabilities of the Shares offered under this Prospectus are summarised in Section 8.13.

The details of how to apply for Shares are set out in Section 8.6.

8.2 Minimum subscription

The minimum subscription under the Offer is \$2,000,000. The Company will not issue any Shares pursuant to this Prospectus until applications for subscriptions for all 10,000,000 Shares for \$2,000,000 are received.

Should subscriptions for all 10,000,000 Shares not be received within 4 months from the date of this Prospectus, the Company will either repay the Application money to the Applicants or issue a supplementary prospectus or replacement prospectus and allow the Applicants one month to withdraw their Applications and be repaid their Application money. No interest will be paid on this money.

8.3 Opening and Closing Dates

The Opening Date of the Offer will be 29 August 2012 and the Closing Date will be 5 October 2012. The Directors reserve the right to close the Offer early or to extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

8.4 Capital Structure and shareholding

Offer	
Full amount to be raised under the Offer	\$2,000,000

At the close of the Offer, the capital structure of the Company and table of Shareholders will be:

Shares	
Shares currently on issue	78,000,000
Shares offered under this Prospectus	10,000,000
Total Shares on issue following the Offer	88,000,000

Shareholder	As of the date of this Prospectus		On completion of the Offer	
	No. of Shares	%	No. of Shares	%
Parties associated to directors				
Asaplus International Limited	39,000,000	50.00	39,000,000	44.32
Other Vendors	17,600,000	22.56	17,600,000	20.00
	56,600,000	72.56	56,600,000	64.32
Parties not associated to Directors				
Seed capitalists	6,900,000	8.85	6,900,000	7.84
Other existing Shareholders	14,500,000	18.59	14,500,000	16.48
Shares issued under this Prospectus			10,000,000	11.36
	21,400,000	27.44	31,400,000	35.68
Total	78,000,000	100.00	88,000,000	100.00

As of the date of this Prospectus, there are no options outstanding, and the Company is not offering any options under this Prospectus.

8.5 Substantial Shareholders

The following Shareholders are substantial Shareholders of the Company:

Substantial Shareholder	Number of Shares	As of the date of	On completion of
		this Prospectus	the Offer
		%	%
Asaplus International Limited	39,000,000	50.00	44.32
DING Poi Bor ¹	4,400,000	5.64	5.00
Total	43,400,000	55.64	49.32

¹ Mr DING Poi Bor is an executive director and controlling shareholder of DKLS Industries Berhad, a public company listed on Bursa Malaysia (formerly known as the Kuala Lumpur Stock Exchange) in Malaysia. He is a financial investor who will not have any management or executive role in the Company or the Group.

8.6 Application for Shares

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attached to the Shares offered by this Prospectus before deciding to apply for Shares. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

An Application for Shares can be made only on the Application Form contained at the back of this Prospectus. The Application Form must be completed in accordance with the instructions set out in the Application Form.

Applications must be for a minimum of 10,000 Shares (being minimum application money of \$2,000), and thereafter in multiples of 1,000 Shares (\$200).

The Application Form must be accompanied by a cheque in Australian Dollars, for the full amount of the application money. Cheques must be made payable to **"Asaplus Resources Limited – Share Offer Account"** and should be crossed "Not Negotiable".

Application Forms must not be circulated to prospective investors unless accompanied by a copy of this Prospectus.

Completed Application Forms and accompanying cheques must be received by no later than 5.00pm (AEST) on the Closing Date by the Share Registry:

By Post to:	By Delivery to:
Asaplus Resources Limited c/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235	Asaplus Resources Limited c/- Link Market Services Limited Ground Floor, 178 St Georges Terrace Perth WA 6000 or 1A Homebush Bay Drive Rhodes NSW 2138

The Company reserves the right to extend the Offer or close the Offer early without notice. Applicants are therefore urged to lodge their Application Form as soon as possible.

A completed and lodged Application Form, together with a cheque for the application money, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon allotment of the Shares.

If the Application Form is not completed correctly, or if the accompanying payment of the application money is for the wrong amount, it may still be treated as valid. The Directors' decision as to whether to treat the Application as valid and how to construe, amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the application money.

No brokerage or stamp duty is payable by Applicants in respect of Applications for Shares under this Prospectus.

8.7 Applicants outside Australia

The distribution of the Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons who come into possession of the Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities law of that jurisdiction. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed to enable them to acquire Shares under this Prospectus.

The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

8.8 Application money held in trust

All application money will be deposited into a separate bank account maintained by Link Market Services Limited, the Company's share registry, and held in trust for Applicants until the Shares are issued or application money returned. Any interest that accrues will be paid to the Company and will not be paid to Applicants.

8.9 Allocation and allotment of Shares

The Company reserves the right to reject any Application or to allocate to any Applicant fewer Shares than the number applied for. The Company also reserves the right to reject or aggregate multiple applications in determining final allocations.

In the event an Application is not accepted or accepted in part only, the relevant portion of the application money will be returned to the Applicant, without interest.

The Company reserves the right not to proceed with the Offer or any part of it at any time before the allocation of the Shares to Applicants. If the Offer or any part of it is cancelled, all application money, or the relevant application money will be refunded.

The Company also reserves the right to close the Offer or any part of it early, or extend the Offer or any part of it, or accept late Application Forms either generally or in particular cases.

The allotment of Shares to Applicants will occur as soon as practicable after Application Forms and application money have been received for the minimum subscription of Shares being offered, following which statements of shareholding will be dispatched. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their statement of shareholding will do so at their own risk.

8.10 ASX listing

The Company will apply to ASX within 7 days of the date of this Prospectus for admission to the Official List and for official quotation of its Shares on ASX. If ASX does not grant permission for the quotation of the Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, none of the Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application money without interest.

The fact that ASX may list the Company's securities is not to be taken in any way as an indication of the merits and commercial viability of the Company or the listed securities. ASX takes no responsibility for the contents of this Prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of the contents of this Prospectus.

8.11 CHESS

The Company will apply to participate in CHESS. CHESS is operated by ASX Settlement, a wholly owned subsidiary of ASX.

Under CHESS, the Company will not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASX Settlement will send a CHESS statement.

8.12 Restricted securities

ASX may classify certain securities as being subject to the restricted securities provisions of the Listing Rules. In particular, Directors, other related parties and promoters may be required to escrow securities held by them for up to 24 months from the date of quotation of the Company's Shares on ASX.

None of the Shares offered under this Prospectus will be treated as restricted securities and will be freely transferable from their date of allotment.

The Company has escrow arrangements in respect of 63,500,000 Shares. The following parties will, on or before Quotation Date, enter into restriction agreements under which they are restricted from dealing in any Share held by them: (i) until 7 May 2013, being the date after the expiry of 12 months from the date Shares were issued to the relevant Shareholder; or (ii) for 24 months from Quotation Date (as the case may be). The number of Shares that will be subject to escrow arrangements and the period for which they are to be escrowed are set out below.

Shareholder	No. of Shareholders	No. of Shares escrowed	Period Escrowed
Asaplus International Limited	1	39,000,000	For 24 months from the Quotation Date
Other Vendors	19	17,600,000	For 24 months from the Quotation Date
Seed capitalists not a related party of the Company or of a promoter or vendor	7	6,900,000	Until 7 May 2013
Total	27	63,500,000	

8.13 Rights and liabilities attached to Shares and CDIs

The rights and liabilities attached to the Shares are:

- (a) detailed in the Company's Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours;
- (b) in certain circumstances, regulated by Singapore law (in particular the Companies Act of Singapore), the Listing Rules and the general law; and
- (c) in the case of CDI's, regulated by the rules of ASX Settlement.

The following is a summary of the more significant rights and liabilities attached to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

The summary applies also to CDIs and CDI holders, unless specified otherwise.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. The person who holds a share which is not fully paid shall be entitled to a fraction of a vote equal to that proportion of a vote that the amount paid on the relevant share bears to the total issue price of the share. Voting may be in person or by proxy, attorney or representative.

A holder of CDIs cannot directly vote in person at a general meeting, and must instead either: (i) direct CDN how to vote in advance of the meeting, or (ii) request CDN to appoint the holder of the CDIs as CDN's proxy to attend and vote at the general meeting in relation to such number of underlying Shares represented by the CDIs.

(b) Dividends

Subject to the rights of holders of shares issued with any special rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible to each share of a class on which the Directors resolve to pay a dividend in proportion to the amount for the time being paid on a share bears to the total issue price of the share. On close of the Offer, all Shares currently on issue and the Shares issued under this Prospectus are fully paid Shares.

(c) Future issues of securities

Subject to the Companies Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(d) Transfer of Shares

Subject to the Constitution, a shareholder may transfer Shares by:

- (i) in the form of CDIs, a market transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules for the purpose of facilitating transfers in CDIs; or
- (ii) an instrument in writing in any usual or common form or in any other form approved by the Directors or in any other usual or common form.

(e) Meetings and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Companies Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Companies Act.

(f) Election of Directors

There must be a minimum of 3 Directors. At every annual general meeting one third of the Directors (rounded down if necessary, to the nearest whole number) must retire from office. Any other Director who, if he or she does not retire, will at the conclusion of the meeting have been in office for 3 or more years and for 3 or more annual general meetings since he or she was last elected to office must also retire. These retirement rules do not apply to certain appointments including that of the managing director.

(g) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and Company Secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(h) Winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the shareholders:

- (i) divide the assets of the Company among the members in kind;
- (ii) determine how the division is to be carried out as between the members or different classes of members.
- (iii) Shareholder Liability

As the Shares under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(j) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three-quarters of shareholders present and voting at a general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(k) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

8.14 CHESS

The Company will apply to participate in the Clearing House Electronic Subregister System (CHESS), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Operating Rules. On admission to CHESS, the Company will operate an electronic issuer-sponsored subregister and an electronic CHESS subregister. These two subregisters together will make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Instead, Shareholders will receive holding statements that set out the number of Shares each Shareholder owns. If a Shareholder is broker-sponsored, ASX Settlement will send him a CHESS statement. This statement will also advise investors of either their Holder Identification Number (HIN) in the case of a holding on the CHESS subregister or Security Holder Reference Number (SRN) in the case of a holding on the issuer-sponsored subregister.

A CHESS statement or issuer-sponsored statement will routinely be sent to Shareholders at the end of every calendar month during which the balance of their holding changes. A Shareholder may request a statement at any other time; however a charge may be imposed for additional statements.

Singapore law does not recognise the electronic CHESS subregister, and beneficial ownership of Shares held on the CHESS subregister will be held in the form of CDIs.

8.15 CDIs

(a) What are CDIs?

CHESS Depositary Interests, or CDIs, are a form of beneficial interest in Shares (sometimes called a depositary receipt), rather than a holding of the Shares themselves. This means that a depositary nominee (in this case, CHESS Depositary Nominees Pty Ltd. ("CDN")) holds the Shares on behalf of the CDI holder as trustee, and passes through all benefits accruing to the underlying Shares such as dividends, capital returns, bonus issues, and rights to take up new Shares in entitlement issues.

One CDI represents an interest in one underlying Share.

(b) Why issue CDIs?

The issue of CDIs instead of Shares is necessary because under Singapore law, Singaporean companies cannot participate in uncertificated electronic share trading systems such as ASX's CHESS system. Accordingly, Shares will instead be issued directly to CDN, which is a special purpose subsidiary of ASX that has been set up to act as depositary nominee and trustee for CDI holders. Successful applicants will receive CDIs which represent an interest in the Shares held by CDN.

The Company will issue holding statements for CDIs in exactly the same way that holding statements are issued for uncertificated shares that are traded on ASX.

(c) What are the main differences between Shares and CDIs?

The main difference is that a CDI holder is not the registered holder of Shares. The Shares are held in the name of CDN, which issues CDIs representing those Shares. However, as the beneficial owner of the same number of Shares which are represented by a number of CDIs, a CDI holder effectively has all the benefits of share ownership with the exception of the direct right to vote in person at a general meeting. CDI holders must instead either: (i) return voting direction forms in advance of the general meeting, which direct CDN on how to vote on a particular resolution; or (ii) direct CDN to appoint him or her to attend and vote at the general meeting as CDN's proxy for such number of underlying Shares represented by the CDIs he or she owns. CDN is then obliged under ASX Settlement Operating Rules to lodge proxy votes in accordance with the directions of CDI holders.

Other aspects of direct Share ownership are, in effect, enjoyed by CDI holders including direct payment of dividends and other distributions, direct receipt of notices of meeting, annual reports and other information from the Company, and rights to take up new shares in entitlement issues. The Company's Share Registry will maintain a register of CDI holders to facilitate direct communication and dealing in this way.

(d) Can CDIs be converted into Shares?

Holders of CDIs can elect to convert their CDIs into the underlying Shares. This will result in the cancellation of the CDIs and the transfer of the Shares from CDN to the former holder of the CDIs. However, any such Shares cannot be traded on ASX unless they are first converted back into CDIs by reversing the above procedure. CDI holders should contact their sponsoring participant (this will usually be the stockbroker who bought the CDIs for them) or the Share Registry for more information on the procedure.

8.16 Capital raising fee

Company may pay a capital raising fee of up to six percent (6%) of the capital raised by a AFSL license holder, or other licensed or exempted intermediaries to that party, of which part of those fees may be passed on to other parties (negotiated at the discretion of that party) who have assisted in the capital raising.

8.17 Expenses of the Offer

The total estimated expenses of this Prospectus are estimated to be \$360,000, consisting of the following:

Cost	\$
Capital raising fee	120,000
Investigating accountant's report	10,000
Independent geologist's report	25,000
Auditing and accounting fees	20,000
Legal fees (Australian lawyers and PRC Counsel)	60,000
Corporate adviser's fee	60,000
Prospectus design and printing	10,000
ASIC and ASX fees	40,000
Travelling & other miscellaneous expenses	15,000
Total	360,000

These expenses have or will be paid by the Company.

9 Independent Geologist's Report





Darlington Geological Services Pty Ltd

(ABN 56 125 009 725)

10 Hispano Place
Carine
WA 6020

Mobile: 0488 151 822
Email: darlingtongeoservices@gmail.com

17 August 2012

The Directors
Asaplus Resources Limited
21 Bukit Batok Crescent #15-74
WCEGA Tower
Singapore 658065

Dear Sirs

INDEPENDENT GEOLOGIST'S REPORT ON MINERAL EXPLORATION PROPERTY

I, the undersigned Peter A. Peebles of Darlington Geological Services Pty Ltd., have been engaged by Asaplus Resources Limited ("Asaplus") to prepare an Independent Geologist's Report ("Report") on Asaplus's mineral exploration property. The purpose of the Report is for inclusion in a Prospectus to be issued by Asaplus to raise \$2,000,000.

For the purpose of Section 716 of the Corporations Act 2001, Peter A. Peebles was involved in the preparation of the Report for inclusion in Asaplus's prospectus ("Prospectus"), but was not involved in the preparation, authorisation or issuance of any other part of the Prospectus.

The Report has been prepared in accordance with the Valmin Code, which is binding upon members of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy and applies to reports prepared after 1st April 1998. It has also been prepared in accordance with rules and guidelines of the Australian Securities and Investments Commission (ASIC) and the Australian Stock Exchange Limited (ASX).

Peter A. Peebles BSc assumes responsibility for the Report. He has more than 25 years relevant experience and is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy.

The author has no material interest in any of the mineral assets under review, nor has he held any such interest in the past.

The author has had no input into any of the mineral tenements under review. The Report has been prepared strictly as an independent report. It has been prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this report, nor on the outcome of the proposed Prospectus issue.

The contents of the Report are based on reports and data held by Asaplus, and a site visit. Documents and reports reviewed in preparation of this Report are cited in the Bibliography, which constitutes part of the Report. Unpublished material, not publicly available is held at the office of Asaplus. During the course of this review a site visit was made to the project.

Asaplus has warranted in writing that full disclosure of all material information in its possession has been made and to the best of its knowledge and understanding, such information is complete, accurate and true. Asaplus has stated that all the information provided may be presented in this Report and that none of it is regarded as confidential. Asaplus has reviewed a draft of the Report for correction and matters of fact and notification of material omissions.

All material used in preparation of this Report is judged to be reliable. However, should there be instances where work undertaken is poorly documented, such circumstances are noted in the body of the Report.

Asaplus has a satisfactory and clearly defined exploration and expenditure program which is reasonable having regard to its stated objectives. Sufficient exploration has taken place in the past to justify the budgeted exploration and expenditure program. This exploration budget is set out in the Report.

This report does not deal with the legal status of the tenement within the project areas. This matter is dealt with in the Legal Counsel's Report set out elsewhere in this Prospectus. Investigations relating to present or future title claims have not been undertaken in this Report. Potential consequences of exploration and mining on areas containing rare and endangered flora and fauna have not been assessed.

Matters related to the Company's potential responsibility for environmental rehabilitation arising from previous mining activity in the project areas have also not been examined.

Peter A. Peebles has given his consent in writing to the issue of this prospectus including this Independent Geologist's Report in the form and context in which it appears and has not withdrawn consent prior to the lodgement of the Prospectus with the ASIC.

Yours faithfully



Darlington Geological Services Pty Ltd

OVERVIEW

Asaplus Resources Ltd has the Silverstone Iron Ore Project (also known as the Yin Shiping Mine) which is situated in Datian County, Fujian Province in the People's Republic of China. The location of Fujian Province is shown as Figure 1. The project is highly prospective for iron ore, with resources already defined within four areas and with the possibility of additional iron ore resources being defined. Nearby are several other similar styled iron ore deposits, which are either currently being mined or have been in the recent past.

There is a major steel mill in Sanming (see Figure 2) which is approximately 80km by road from the project. This mill produces approximately 5.5 million tonnes of steel per year and is seeking additional suitable mill feed for its operations. Scattered around the project area are several much smaller "pig iron" facilities, which again are seeking suitable feed for their operations.

Datian County is the main mineral producing county of Fujian Province. Mineral resources within Datian County are relatively rich, with abundant coal, iron ore and smaller copper, lead, zinc and manganese deposits. By Australian standards, the size of the iron ore deposits are small and usually of a lower grade, but generally the ore is easily able to be beneficiated to an acceptable grade and the infrastructure is already established (population centres, roads, power, rail etc) with many steel mills and pig iron facilities being close by.



Figure 1 Location of Fujian Province within China

1.0 SILVERSTONE MINE, DATIAN COUNTY, FUJIAN PROVINCE

1.1 Introduction and Location

The project, which covers an area of 5.6 sq km is located on the west side of the Dai Yun mountains in Datian County, Fujian Province in the People's Republic of China. The nearest major city/town is Datian (population approx. 400,000) which is located approximately 40 km by road from the project area. Figure 2 shows the location of the project area within Fujian Province.

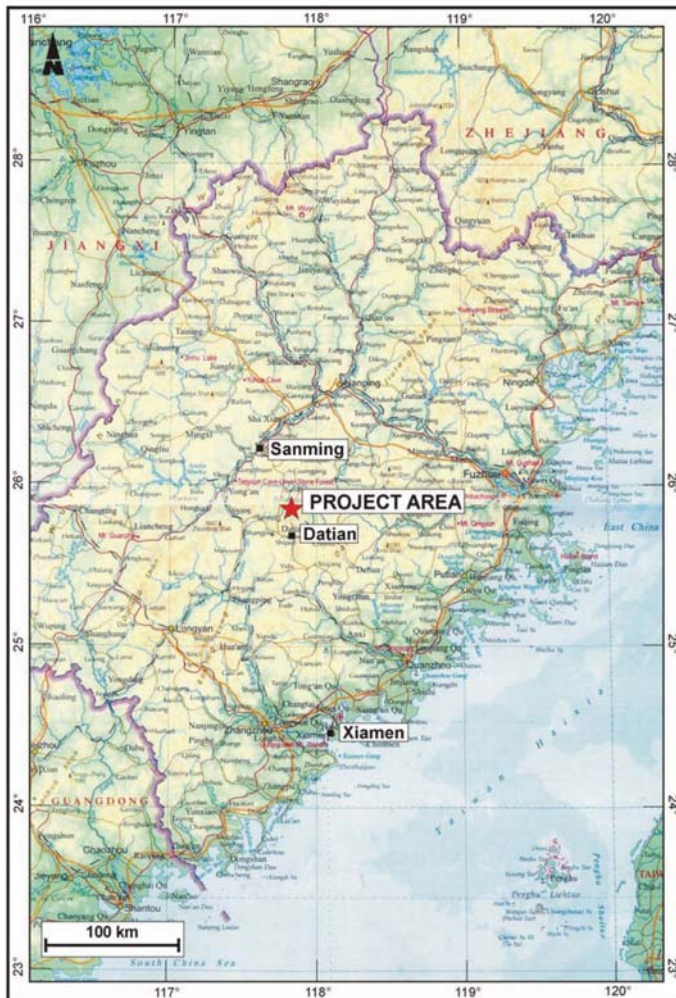


Figure 2 Location of the project area

The topography of the project area is dominated by steep hills and low valleys, with the highest peak having an elevation of 786 metres above sea level, which is 430 metres above the lowest part of the project. Within the valleys are scattered agricultural activities (rice growing, sweet potatoes) while on the hillsides there is some forestry production (mainly pine).

The climate is described as subtropical marine monsoon climate, humid all year around, warm in winter and cool in summer, with abundant rainfall of 1600 -1800mm annually.

Iron ore is not uncommon within the area. There are at least 9 iron ore mines (either currently producing or having recently been mined) within 40km of the project. The locations of these mines are shown as Figure 3. These iron ore mines all have a very similar geological setting to the iron mineralization so far defined within the project area. The Jianse, Taihua and Qianping mines all average about 47.8% Fe in the limonite ores, and 53.0% Fe for the magnetite ores. Other mines shown in Figure 3 average about 35% to 42 % Fe. The local area is also host to deposits of other commodities such as coal, copper, lead, zinc and manganese.

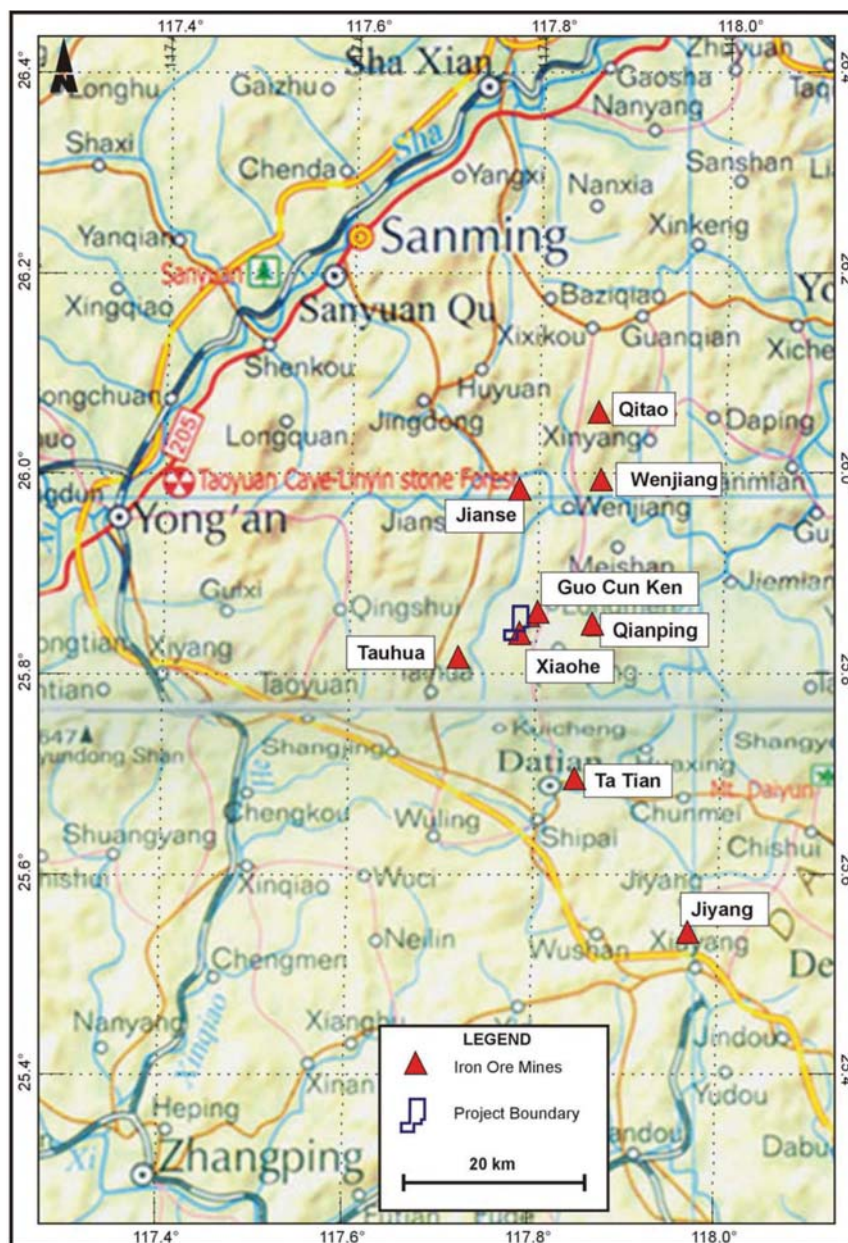


Figure 3 Location of nearby iron ore mines

1.2 Geology

The simplified geological setting is shown as Figure 4. The dominant unit is known as the Lindi Group of Lower Carboniferous age. It is exposed mainly in the southern and central parts of the project and consists of gray quartz mica schist, quartzite and gravelly coarse sandstone, quartz sandstone, with siltstone, mudstone, limestones and carbonaceous mudstone. It is up to 300 metres in thickness.

Occupying the low lying valleys are Quaternary deposits consisting of mainly red brown, yellow clay, gravel and small gravel. General thickness is 0.5~3m with local thicknesses of up to 30m.

Intruding into the Lindi Group in the northern portion of the project area are Upper Carboniferous granodiorite batholiths which contain both quartz and feldspar veins within the intrusive granodiorite complex. The feldspar veins have been investigated for a commercial source of feldspar, with an inferred resource of 860,000 tonnes. (see Figure 4). The development of the feldspar deposit is not considered to be a priority for the Company at this stage, as the Company intends to focus on the iron ore deposits as a first priority.

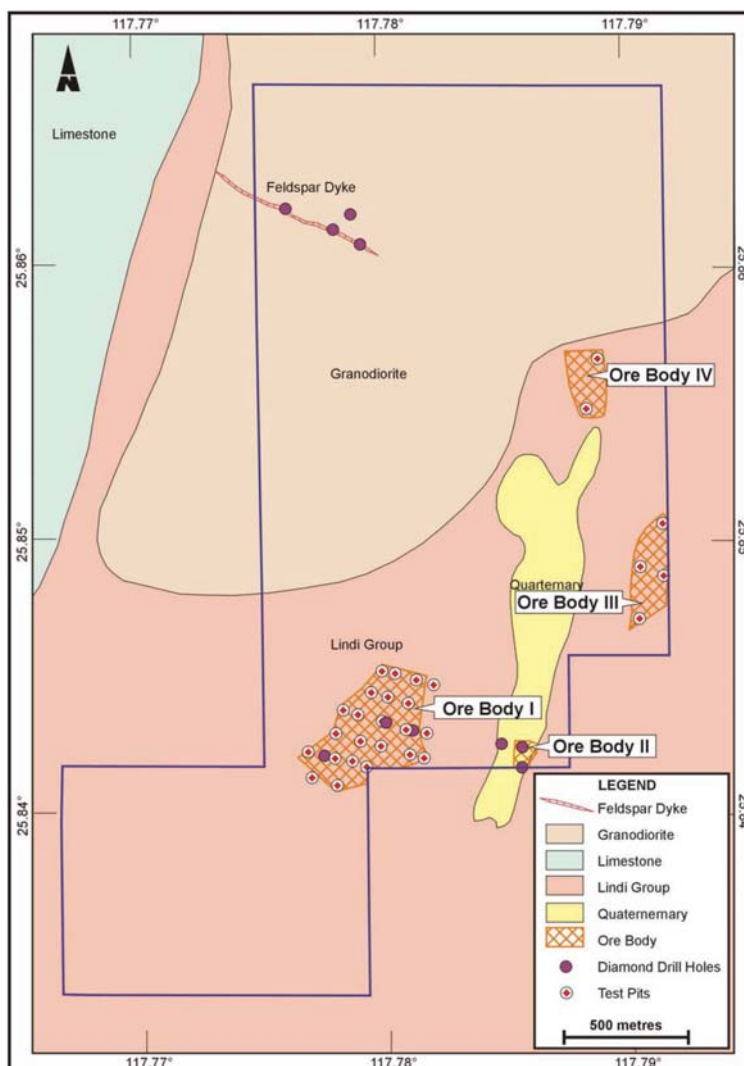


Figure 4 Simplified geological setting

The geological structure is very simple, with no large scale faults or folds influencing the distribution of the known iron ore deposits. Some minor faulting is noticed in the Guo Cun Ken small open pit iron ore mine to the east (See Fig 5). The location of the Guo Cun Ken mine is shown on Figure 6. Another nearby mine (the Xiaohe mine) is also shown in Figure 6.



Figure 5 Small fault in the Guo Cun Ken open pit mine

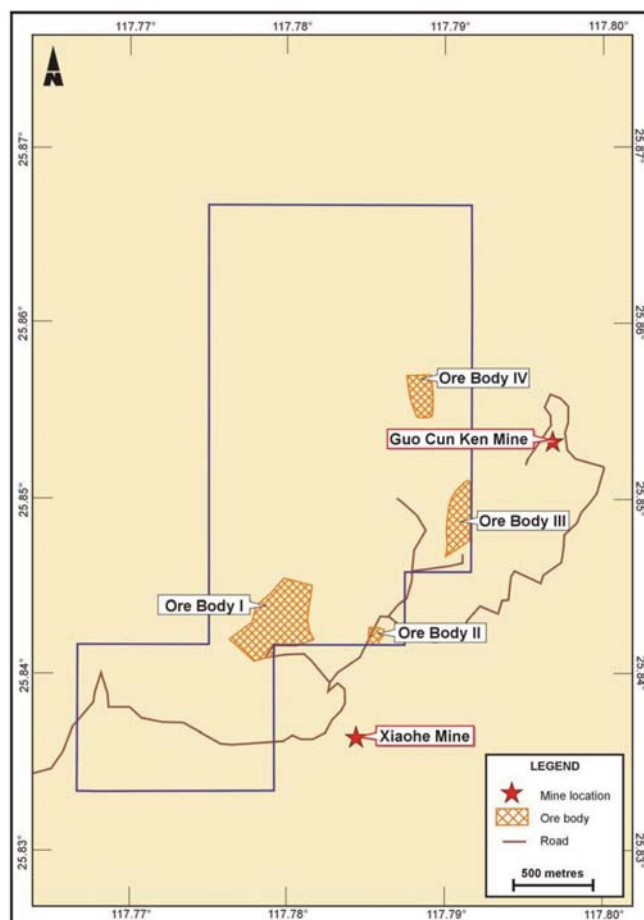


Figure 6 Location of the Xiaohe and Guo Cun Ken mines

1.3 Past Exploration

In 1977, a geological survey team of the Fujian Provincial Bureau carried out a regional geological survey as previously local people had exposed some limonite and manganese on the surface. From 1981 to 1985, the Fujian Province Minxi Geological Team carried out regional mapping, but no further work was done until 2005 when the 197 Geological Team of Fujian Province commenced further exploratory work through to October 2009. This work consisted of geological mapping, rock chip sampling and the excavation of some pits. Some 10 diamond drill holes were also drilled, with six of these being in the iron ore areas and four in the granodiorite where the feldspar veins were drilled.

In early 2011 the 197 Geological Team conducted further work in the form of the excavation of further test pits by using an excavator. These pits were all channel sampled, and samples sent for analysis. A total of 35 samples were sent for SG determination. The samples were analysed at the Government run Fujian Geology Mineral Bureaus Sanming City Laboratory. It is primarily the work conducted by the 197 Geological Team that has lead to the current understanding of the iron ore resources and potential within the project area.

In total, 29 test pits have been excavated and 6 diamond holes have been drilled to develop the iron ore potential, while another 4 diamond holes have been drilled to investigate the feldspar potential in the northern part of the project (see Figure 4).

In May 2012, the Fujian Geology Mineral Bureau's Sanming City Laboratory was visited and selected samples taken to be re-analysed at a separate laboratory (the CCIC Laboratory in Xiamen). In total 9 samples were re-analysed. Table 1 shows the results of the re-analysis compared to the original assay value. The variation between the Iron (Fe) results is interpreted to be within a normal range.

Table 1 Results of Re-Analysis of Selected Samples

Sample No	Original Fe %	Repeat Fe %	Al ₂ O ₃	SiO ₂	P	S	TiO ₂	MnO
1150469	44.92	44.58	5.91	19.44	0.05	0.06	0.35	2.43
1150472	51.3	50.96	6.09	5.78	0.015	0.15	0.084	2.44
1150479	45.16	44.85	7.99	13.27	0.36	0.18	0.23	0.17
1150489	46.04	45.82	6.97	13.76	0.21	0.12	0.14	0.08
1150508	51.2	51.33	6.29	6.04	0.37	0.072	0.18	0.055
1150518	65.77	65.42	1.04	1.76	0.01	0.031	0.029	0.27
1150526	39.77	39.02	7.49	10.26	0.35	0.12	0.25	8.99
1150528	48.91	48.79	6.78	9.52	0.15	0.11	0.23	1.2
1150532	22.93	21.53	22.53	29.87	0.043	0.086	1.08	1.85

1.4 Mineralisation

The iron ore deposits within the project area are the result of the granodiorites intruding into the limestone/carbonate members of the Lindi Group to form a skarn. During the formation of the skarn, iron and other metals were remobilized and then with modern weathering processes, there was further remobilization and precipitation to further enrich the iron bearing material on or near the surface. As a result, the ore zones form as strata, at or near the surface. In some cases there is only one ore zone, while in others there is a surficial deposit, separated from a lower horizon by clay waste material. Figures 7 and 8 show the relationships between the various ore zones.



Figure 7 Ore exposed at the Xiaohe mine



Figure 8 Ore zone at Pit JQ2-3 – Ore Body I

The main mineral which makes up the deposits is limonite, with minor amounts of magnetite.

The ore can be in several forms, ranging from very hard coherent and blocky material with relatively high SG's (up to 4.47) to more vuggy, open and powdery material with relatively low SG's (as low as 1.42). Figures 9 and 10 shows some of the more coherent higher grade material which has been stockpiled from previous small scale operators.



Figure 9 Blocky high grade ore



Figure 10 Coherent high grade ore

So far, four areas have been defined as having iron ore resources within them (Ore Bodies I, II, III and IV) while another (Area V) has been defined as having potential to host economic iron mineralization. Figure 4 shows the location of the four defined ore bodies while Figure 15 shows the location of Area V.

No. I Ore Body has a maximum exposed length of about 550m, with a maximum width of about 400m, with a mapped outcrop area of about 155,400m². It occurs as a near surface layer with an average vertical thickness 2.90m (ranges from 1 metre up to nearly 10 metres). This ore body is open to the SE. A small excavation outside of the calculated resource area has exposed blocky coherent ore from which a grab sample analysed 44.69% Fe. The location of this sample is shown on Figure 11.

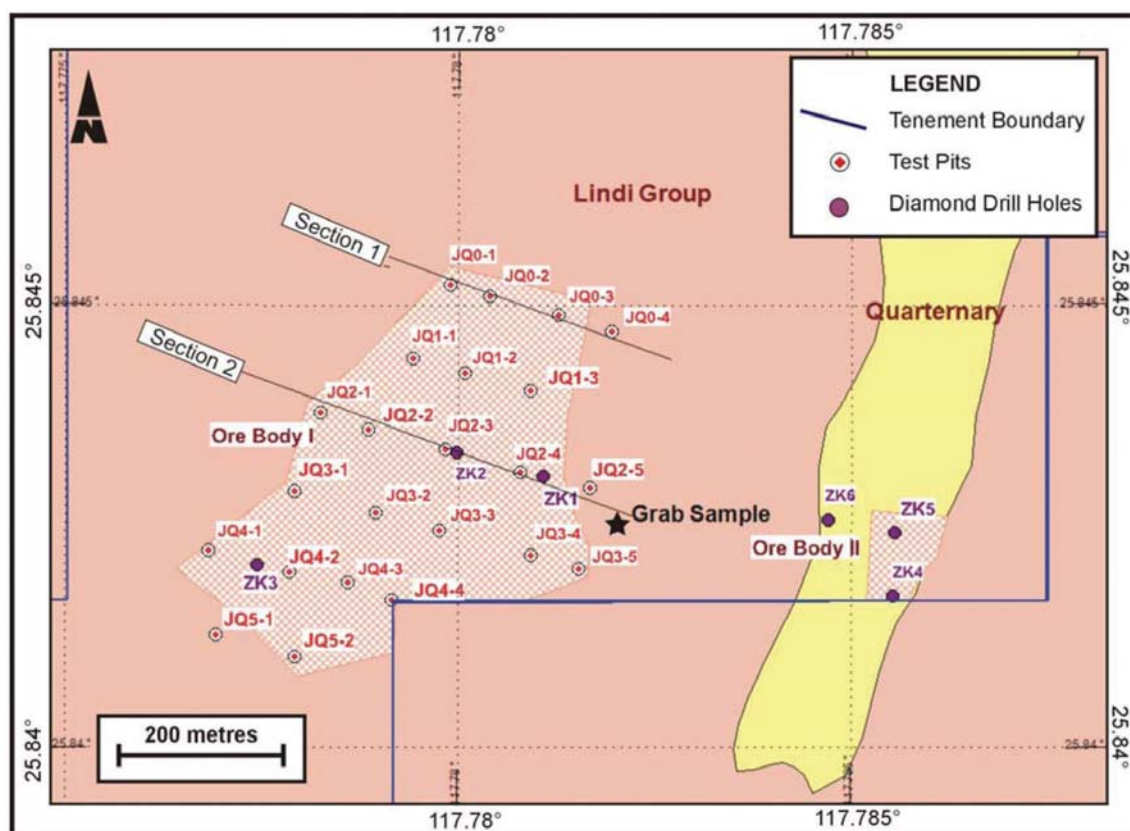


Figure 11 Location of test pits and diamond drill holes at Ore Bodies I and II

No. II Ore Body has a length of about 130m and a width of about 70m, with an area of about 8,600m². It occurs as a layer with an average vertical thickness of 5.5 metres. It lies beneath rice paddy fields and has been defined by 3 diamond drill holes. The location of two of the three drill holes is shown as Fig 12 while the third hole is located at the point from which the photo is taken.

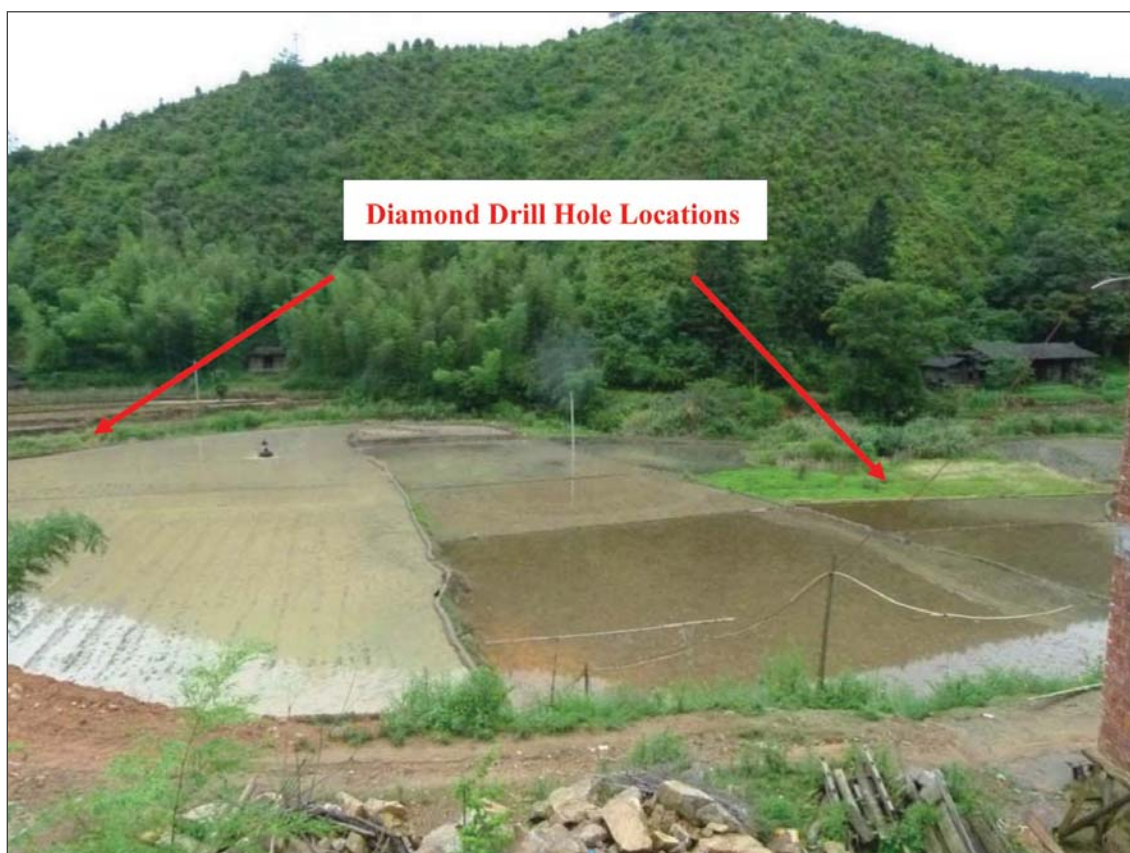


Figure 12 Location of diamond drill holes at Ore Body II

Tables 2 and 3 show the assay results, the weighted averages and obtained SG values from Ore Bodies I and II. Note that only some of the diamond holes were analysed for potential contaminants such as SiO₂ (silica), P (phosphorous) and S (sulphur). Figures 13 and 14 show cross sections in Ore Body I. See Figure 11 for the location of the cross section. Note that these sections are schematic and not necessarily to scale.

Table 2 Assay Results From Ore Body I (Test Pits and Diamond Drill Holes)

Pit or Diamond Hole	From	To	Interval	Fe	Weighted Average						
	(m)	(m)	(m)	%	From (m)	To (m)	Interval (m)	Fe %	SiO ₂ %	P %	S %
QJ0-1	0	0.7	0.7	44.92	0	0.7	0.7	44.92			
QJ0-1	0.7	2.5	1.8	7.01							
QJ0-2	0	1.6	1.6	50.39	0	3.5	3.5	50.88			
QJ0-2	1.6	3.5	1.9	51.3							
QJ0-2	3.5	5.0	1.5	19.47							

Independent Geologist's Report

Pit or Diamond Hole	From	To	Interval	Fe	Weighted Average						
	(m)	(m)	(m)	%	From (m)	To (m)	Interval (m)	Fe %	SiO ₂ %	P %	S %
QJ0-3	0	0.6	0.6	15.66							
QJ0-3	0.6	2.6	2.0	57.47	0.6	5.0		53.86			
QJ0-3	2.6	3.8	1.2	54.87			4.4				
QJ0-3	3.8	5	1.2	46.85							
QJ0-4	0	2.0	2.0	13.25							
QJ1-1	0	1.8	1.8	45.16	0	3.6	3.6	44.62			
QJ1-1	1.8	3.6	1.8	44.08							
QJ1-1	3.6	5.0	1.4	19.86							
QJ1-2	0	1	1.0	17.43							
QJ1-2	1	3.0	2.0	32.41	1	4.8	3.8	31.22			
QJ1-2	3	4.8	1.8	29.9							
QJ1-2	4.8	6.5	1.7	17.52							
QJ1-3	0	2.0	2.0	30.24	0	2	2.0	30.24			
QJ1-3	2	3.5	1.5	6.74							
QJ2-1	0	1	1.0	23.72							
QJ2-1	1	2.7	1.7	46.04	1	2.7	1.7	46.04			
QJ2-1	2.7	4.1	1.4	5.09							
QJ2-2	0	0.9	0.9	17.60							
QJ2-2	0.9	2.9	2.0	48.25	0.9	4.3	3.4	40.52			
QJ2-2	2.9	4.3	1.4	29.48							
QJ2-3	0	0.8	0.8	14.71							
QJ2-3	0.8	2.8	2.0	39.97	0.8	6.8		49.15			
QJ2-3	2.8	4.8	2.0	53.66			6.0				
QJ2-3	4.8	6.8	2.0	53.81							
QJ2-3	6.8	8.5	1.7	6.24							
QJ2-4	0	0.7	0.7	15.11							
QJ2-4	0.7	2.7	2.0	55.57	0.7	2.7	2.0	55.57			
QJ2-4	2.7	4.0	1.3	15.27							
QJ2-5	0	2.0	2.0	10.41							
QJ2-5	2	4.0	2.0	2.18							
QJ3-1	0	1.3	1.3	45.04	0	2.6	2.6	50.47			
QJ3-1	1.3	2.6	1.3	55.89							
QJ3-1	2.6	4.1	1.5	21.85							

Pit or Diamond Hole	From	To	Interval	Fe	Weighted Average						
	(m)	(m)	(m)	%	From (m)	To (m)	Interval (m)	Fe %	SiO ₂ %	P %	S %
QJ3-2	0	1.1	1.1	31.54	0	3.1	3.1	44.22			
QJ3-2	1.1	3.1	2.0	51.20							
QJ3-2	3.1	4.5	1.4	8.62							
QJ3-3	0	0.6	0.6	12.92							
QJ3-3	0.6	2.6	2.0	45.30	0.6	2.6	2.0	45.3			
QJ3-3	2.6	3.5	0.9	8.89							
QJ3-4	0	1.0	1.0	13.34							
QJ3-4	1.0	3.0	2.0	52.48	1	3.0	2.0	52.48			
QJ3-4	3.0	4.0	1.0	8.53							
QJ3-5	0	0.8	0.8	51.68	0	6.0	6.0	59.76			
QJ3-5	0.8	2.8	2.0	65.83							
QJ3-5	2.8	4.6	1.8	65.77							
QJ3-5	4.6	6.0	1.4	47.99							
QJ4-1	0	1.8	1.8	37.02	0	1.8	1.8	37.02			
QJ4-1	1.8	3.5	1.7	6.29							
QJ4-2	0	2.0	2.0	53.87	0	3.8	3.8	52.52			
QJ4-2	2.0	3.8	1.8	51.03							
QJ4-2	3.8	5.5	1.7	8.13							
QJ4-3	0	1.0	1.0	20.91							
QJ4-3	1.0	3.0	2.0	39.8	1.0	3.0	2.0	39.77			
QJ4-3	3.0	4.5	1.5	10.29							
QJ4-4	0	2.0	2.0	48.91	0	2.0	2.0	48.91			
QJ4-4	2	3.5	1.5	6.3							
QJ5-1	0	3.0	3.0	5.08							
QJ5-2	0	1.5	1.5	36.19	0	1.5	1.5	36.19			
ZK1	0.0	1.8	1.8	47.57	0	4.8	4.8	44.76			
ZK1	1.8	2.9	1.1	52.12					3.34	0.230	0.02
ZK1	2.9	4.8	1.9	37.86							
ZK1	4.8	5.6	0.8	9.08							

Pit or Diamond Hole	From	To	Interval	Fe	Weighted Average						
	(m)	(m)	(m)	%	From (m)	To (m)	Interval (m)	Fe %	SiO ₂ %	P %	S %
ZK2	0	1.3	1.3	30.92	0	9.7	9.7	34.6	4.11	0.22	0.06
ZK2	1.3	2.7	1.4	46.52							
ZK2	2.7	4.2	1.5	45.24							
ZK2	4.2	6.2	2	30.95							
ZK2	6.2	7.6	1.4	26.84							
ZK2	7.6	9.7	2.1	29.96							
ZK2	9.7	13.4	3.7	9.06							
ZK2	13.4	15.4	2.0	37.97							
ZK2	15.4	16.8	1.4	53.29	13.4	18.1	4.7	45.58	3.35	0.230	0.08
ZK2	16.8	18.1	1.3	49.00							
ZK3	0	1.8	1.8	52.54	0	6.3	6.3	46.4	3.37	0.26	0.06
ZK3	1.8	3.6	1.8	43.94							
ZK3	3.6	5.0	1.4	44.57							
ZK3	5.0	6.3	1.3	43.28							
ZK3	6.3	8.3	2.0	10.17							

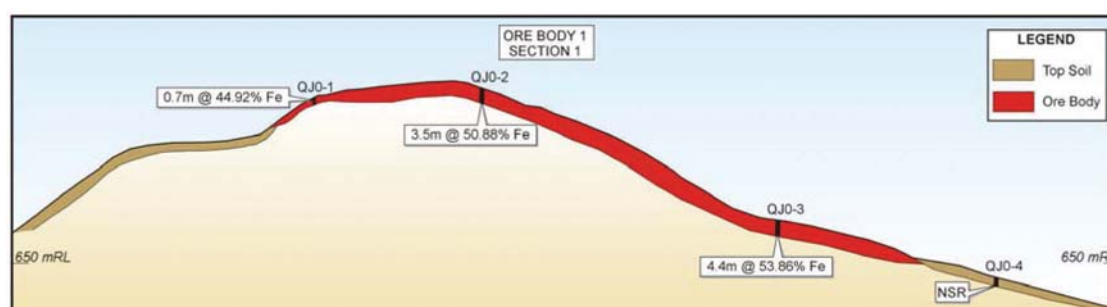


Figure 13 Schematic cross section 1 through part of Ore Body I

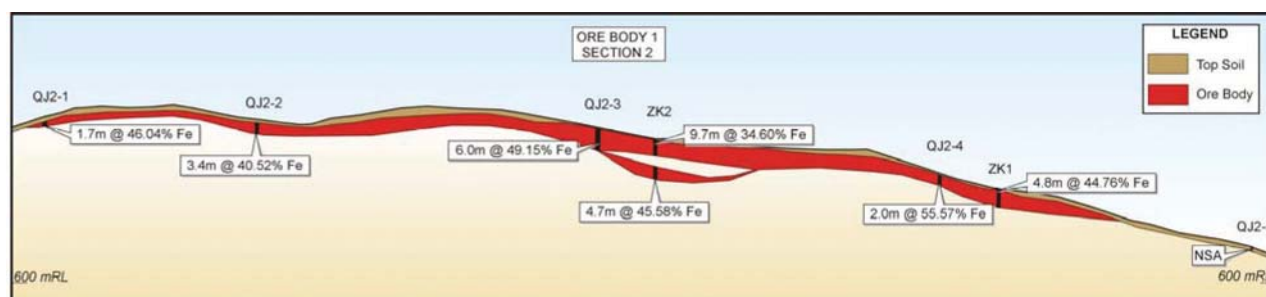


Figure 14 Schematic cross section 2 through part of Ore Body I

Table 3 Assay results From Ore Body II (Diamond Drill Holes)

Diamond Hole	From (m)	To (m)	Interval (m)	Fe %	Weighted Average						
					From (m)	To (m)	Interval (m)	Fe %	SiO ₂ %	P %	S %
ZK4	0	1.8	1.8	52.54	0	6.3	6.3	37.67	3.37	0.256	0.056
ZK4	1.8	3.6	1.8	43.94							
ZK4	3.6	5.0	1.4	44.57							
ZK4	5.0	6.3	1.3	43.28							
ZK4	6.3	8.3	2.0	10.17							
ZK5	0	1.5	1.5	Not Assayed							
ZK5	1.5	3.5	2.0	36.56	1.5	6.2	4.7	38.56			
ZK5	3.5	5.5	2.0	39.87							
ZK5	5.5	6.2	0.7	40.56							
ZK5	6.2	7.2	1.0	6.83							
ZK6				Not Assayed							

No III Ore Body has a maximum length of about 160m, maximum width of about 155m, and has an average vertical thickness of 3.45m and with a mapped surface area of 60,500 m².

Table 4 Assay Results From Ore Body III (Test Pits)

Pit	From (m)	To (m)	Interval (m)	Fe %	Weighted Average				SG
					From (m)	To (m)	Interval (m)	Fe %	
QJ8-1	0	1.2	1.2	18.15					1.6
QJ8-1	1.2	3.2	2.0	41.27	1.2	6.8	5.6	41.18	
QJ8-1	3.2	5.2	2.0	42.38					
QJ8-1	5.2	6.8	1.6	39.55					
QJ8-1	6.8	7.3	0.5	9.85					
QJ10-1	0	0.8	0.8	15.67					
QJ10-1	0.8	2.8	2	42.23	0.8	3.5	2.7	42.32	
QJ10-1	2.8	3.5	0.7	42.56					
QJ10-1	3.5	4.1	0.6	8.25					

Pit	From (m)	To (m)	Interval (m)	Fe %	Weighted Average				SG
					From (m)	To (m)	Interval (m)	Fe %	
QJ10-2	0	0.75	0.75	Not Assayed					1.6
QJ10-2	0.75	2.75	2	43.68	0.75	4.45	3.7	42.98	
QJ10-2	2.75	4.45	1.7	42.16					
QJ10-2	4.45	5.05	0.6	13.92					
QJ12-1	0	0.8	0.8	18.96					
QJ12-1	0.8	2.6	1.8	38.67	0.8	2.6	1.8	38.67	
QJ12-1	2.6	3.2	0.6	7.95					

No. IV Ore Body has a length of 250m, and a width of 75m, with an average vertical thickness of 3.0m and with a mapped surface area of 34,300 m². Figure 13 shows the location of the test pits in ore bodies III and IV.

Table 5 Assay Results From Ore Body IV (Test Pits)

Pit	From (m)	To (m)	Interval (m)	Fe %	Weighted Average				SG
					From (m)	To (m)	Interval (m)	Fe %	
QJ14-1	0.0	1.0	1.0	18.96					1.6
QJ14-1	1.0	3.0	2.0	36.6	1.0	4.3	3.3	38.08	
QJ14-1	3.0	4.3	1.3	40.36					
QJ14-1	4.3	4.8	0.5	8.21					
QJ16-1	0	0.5	0.5	21.45					1.6
QJ16-1	0.5	2.0	1.5	38.35	0.5	2.0	1.5	38.35	
QJ16-1	2	2.6	0.6	7.28					

1.5 Resources

Resources for the four defined ore bodies have been calculated with the resources for each Ore Body shown below as Table 6. All the resources are in the "Inferred" category. It should be noted that Area V, (see Figure 15), although having no defined resources, has potential to host economic iron mineralization as limonitic material has been mapped covering a surface area of approximately 7,500 sq metres.

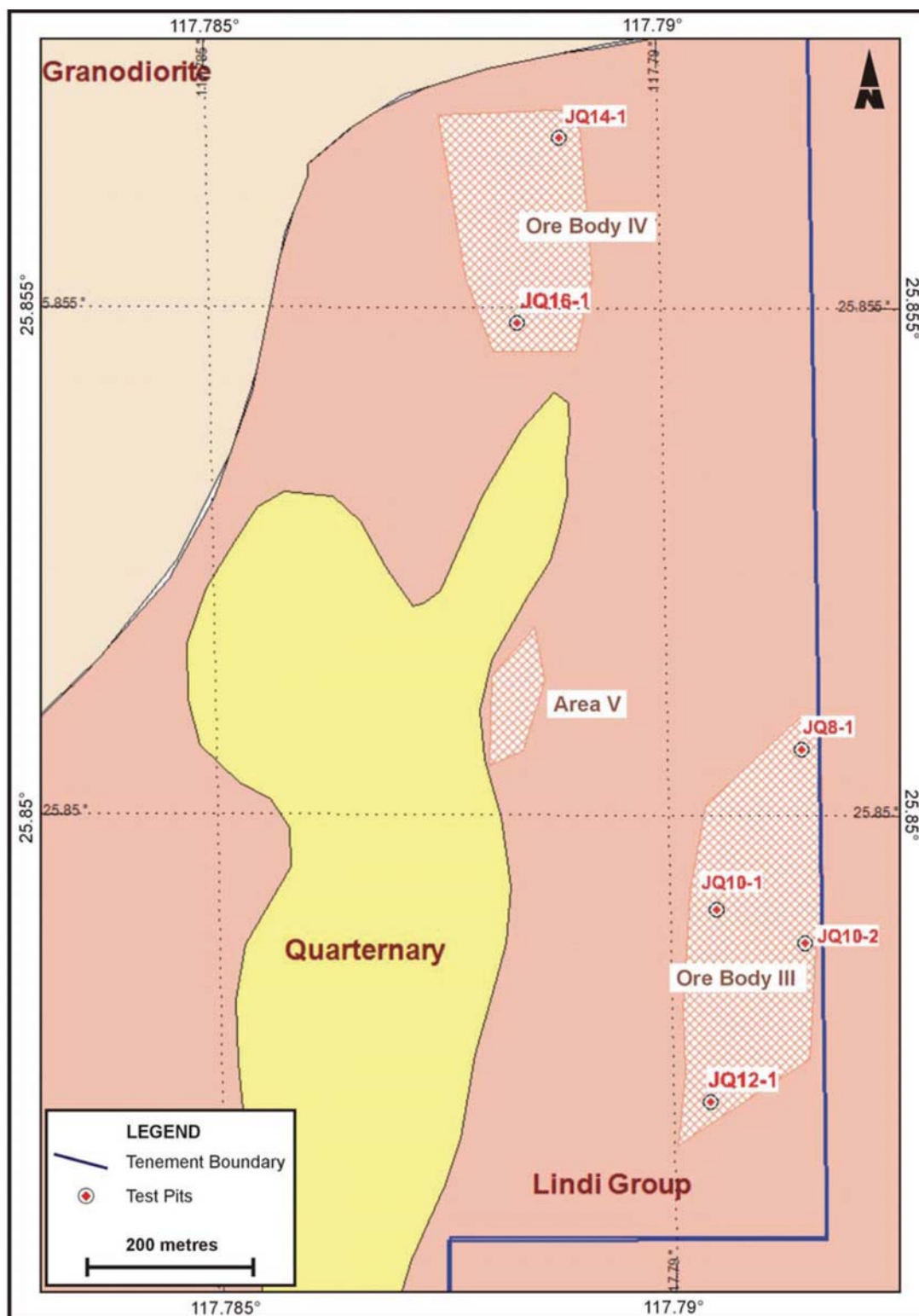


Figure 15 Location of test pits Ore Bodies III and IV

Table 6 Resource Summary

Ore Body	Tonnes	Grade (Fe%)	JORC Category
I	1,015,200	47.86	Inferred
II	90,000	40.25	Inferred
III	282,600	41.57	Inferred
IV	139,700	38.86	Inferred
TOTAL	1,527,500	45.42	Inferred

1.6 Exploration Target

For the Silverstone Project, there is an additional target mineralisation or exploration target of between 4.0 million to 6.0 million tonnes with quality perimeters anticipated to be in the range of 47% to 50% Fe. This additional ore will possibly come from deeper ore zones which are displayed in neighbouring deposits (e.g., the Xiaohe mine), but the trenching within the project area not being deep enough to intersect the possible lower ore zones. Readers should note and be mindful that such target mineralisation or exploration target is conceptual in nature. There has been insufficient exploration to define a mineral resource under JORC guidelines and that it is uncertain if further exploration will result in the determination of a mineral resource.

1.7 Conclusion

The project area has defined resources which are either at the surface or close to the surface. The resources are of a grade that nearby steel mills are prepared to accept, and the iron ore should be able to be beneficiated to a higher grade. Local infrastructure is in place with roads, power close by and a steel mill within 80km and a small "pig iron" facility nearby.

1.8 Proposed Exploration Programme

The area will initially be the subject of a ground geophysical survey consisting of a combined magnetic and gravity survey. Some of the ore consists of magnetite and a magnetic survey will assist in the definition of further exploration targets and assist to define the boundaries of the existing ore bodies. The gravity survey will again assist in the definition of future targets for exploration as the ore zones will generally have a density greater than barren material.

Further drilling and the excavation of test pits will occur, both within the ore bodies and to test additional targets defined by the geophysics. Roads and tracks into areas of interest will have to be improved to allow improved access for exploration machinery (excavators, drill rigs). Table 7 shows the proposed expenditure for a two year period.

Table 7 Exploration Expenditure Summary

Exploration Item	Year 1	Year 2	TOTAL
Geophysical Surveys	\$250,000	\$75,000	\$325,000
Infill Mapping	\$80,000	\$40,000	\$120,000
Drilling & Test Pits	\$850,000	\$450,000	\$1,300,000
Assays & Testwork	\$80,000	\$35,000	\$115,000
Data Compilation & Review	\$35,000	\$25,000	\$60,000
Reporting	\$60,000	\$40,000	\$100,000
Administration	\$40,000	\$40,000	\$80,000
Earth works (including access Improvement)	\$100,000	\$100,000	\$200,000
TOTALS	\$1,495,000	\$805,000	\$2,300,000

1.9 Competent Person's Statement

The information in this report which relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter A. Peebles, who is a Member of the Australian Institute of Geosciences ("AIG"), and a Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and an independent consultant to the Company. Mr Peebles is the Director and principal geologist of Darlington Geological Services Pty Ltd and has over 25 years of exploration and mining experience in a variety of mineral deposit styles. Mr Peebles 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, Exploration Targets, Mineral Resources and Ore Reserves" (the JORC Code). Mr Peebles consents to inclusion in the Prospectus of the matters based on this information in the form and context in which it appears.

2. GLOSSARY OF GEOLOGICAL TERMS

Batholith	A large intrusive igneous body
Beneficiation	A process by which the concentration of a certain material can be increased
Carbonaceous	A rock which is relatively rich in carbon
Carboniferous	A period of geological time extending from about 300 to 360 million years ago
Channel Sampling	A sampling method in which samples consist of cuttings collected from a groove cut into the rock
Diamond Drill Hole	A drill hole which has produced solid core
Fault	A feature in rocks in which observable displacement has taken place

Feldspar	A common rock forming silicate mineral
Fold	A flexure in rocks
Granodiorite	A granite with a lower silica content
Intrusive	A body of igneous rocks which invades older rocks
Limestone	A sedimentary rock consisting essentially of calcium carbonate
Limonite	A yellow brown iron oxide
Magnetite	A magnetic variety of iron ore
Mica Schist	A metamorphic rock showing sub-parallel orientation of mica related minerals
Mudstone	A sediment consisting of mud/clay sized particles
Pig Iron	An intermediate product of smelting iron ore. It has a high carbon content
Quaternary	A period of geological time extending from about 2.5 million years ago to the present.
Quartzite	A sandstone that has been metamorphosed - consists almost entirely of silica
Resource	A quantifiable (tonnes and grade) amount of ore
Sandstone	A sediment consisting of sand sized particles - usually high in silica
SG	Specific Gravity - a measure of the density of a substance
Siltstone	A sediment consisting of silt sized particles
Skarn	A rock formed by the interaction of fluids from an igneous intrusion and nearby sediments - usually limestones.
Surficial	Something which occurs at the earth's surface
Vuggy	Descriptive term to indicate the material contains small cavities

3. BIBLIOGRAPHY

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Joseph Loy, May 2012: Summary of Brigade 137 Report, Iron Ore and Feldspar Resource Yin Shiping Mine.



中国法律事务局(新加坡)
CHINA LEGAL BUREAU (SINGAPORE)

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18 August 2012

The Directors
ASAPLUS RESOURCES LIMITED
21 Bukit Batok Crescent #15-74
WCEGA Tower
Singapore

Dear Sirs

LEGAL COUNSEL'S REPORT ON TENEMENT

China Legal Bureau (Singapore) is a foreign law practice registered by the Attorney-General's Chambers to practice China law in Singapore under Section 130E of the Legal Profession Act, and the author of this report is duly qualified to practice law in the People's Republic of China (the "**PRC**"), which for the purposes of this report excludes the Hong Kong and Macau Special Administrative Regions of China and Taiwan.

We act as PRC legal counsel to Asaplus Resources Limited (the "**Company**") for the Company's offer of 10,000,000 new fully paid ordinary shares at an application price of A\$0.20 per Share (the "**Offer**") in connection with its proposed listing on the Australian Securities Exchange. This report is prepared for inclusion in the prospectus for the Offer to be dated on or about 21 August 2012 (the "**Prospectus**") and relates to the mining tenement located in Datian County, Sanming City in Fujian Province of the PRC (the "**Tenement**") which the Company's indirect¹ wholly-owned subsidiary, Datian Silverstone Mining Co., Limited, holds.

In preparing this report, we have examined originals or copies, certified or otherwise identified to our satisfaction, of all such documents, corporate records, certificates, governmental approvals, and other instruments as we have considered necessary or appropriate as a basis for this report.

For the purpose of providing this report, we have assumed: (i) the genuineness of all signatures and the authenticity of all documents submitted to us as originals; (ii) the conformity to originals of all documents submitted to us as certified or reproduced copies; (iii) that all factual statements made in all documents are correct in all material respects; (iv) that all parties to the documents have full power and authority to enter into, and have duly

¹ References to an indirect subsidiary or an indirectly-held subsidiary in this report means a subsidiary which is held by another subsidiary or by a subsidiary of a subsidiary as so forth.

LEGAL COUNSEL'S REPORT ON THE TENEMENT

18 August 2012

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executed and delivered such documents; and that these documents, contracts, and certificates are enforceable on its terms.

To our best knowledge after due inquiry, the Company has disclosed to us all material facts relevant to this report. Where important facts were not independently established to us, we have relied upon certificates issued by governmental authorities and appropriate representatives of the Company and/or other relevant entities and/or upon representations, made in or pursuant to the documents.

Proper names mentioned in this report refer to unofficial English language translations of their official names which are in the Chinese language.

On the basis of the investigations and examinations and our perusal of aforesaid documents, contracts, certificates we consider that this report provides an accurate statement as to the status of the Tenement as at 18 August 2012 and of the Company's interests therein.

1. THE SCOPE OF THIS REPORT

1.1. This report relates to:

- (a) a brief summary of the laws applying to the Tenement in PRC; and
- (b) details of the Tenement.

1.2. This report relates only to the primary laws and regulations in force in PRC at the date of this Report with respect to the Tenement.

2. RELATED PRC LAWS

China's iron ore industry is subject to extensive regulations by the PRC government. These regulations govern a wide range of areas, including, but not limited to, investments, exploration, production, mining rights and exports relating to iron, and investments, generation, pricing, dispatch and tariffs relating to iron resources. In addition, iron ore operations are subject to fees and taxes, as well as safety and environmental protection laws and regulations. Set out below is a summary of the basic structure of the PRC legal system relating to the Tenement. For more detailed information on the PRC legal system, including laws and regulations relating to foreign exchange controls and to repatriation of profits by way of payments of dividends, please refer to Section 12 of the Prospectus.

2.1. The laws and regulations regarding mineral resources and iron ore resources

The PRC State Council enacted *Provisions on Promoting Industrial Structure Adjustment* ("**PPISA**") on 2 December 2005 and the National Development and Reform Commission (the "**NDRC**") issued a new *Catalogue of Industrial Structure Adjustment* (the "**Catalogue**") on 27 March 2011. The Catalogue

lists industries which are either encouraged, restricted or eliminated. Industries not listed in the Catalogue (such as iron ore exploration and mining) are generally deemed or classified as being industries which are allowed.

The *Mineral Resources Law* of the PRC (the "**MRL**") was promulgated on 19 March 1986 and amended on 29 August 1996. According to the MRL and its detailed implementation rules promulgated on 26 March 1994:

- (i) mineral resources belong to the PRC State;
- (ii) the State practices a system wherein the exploration right and mining right should be obtained with compensation;
- (iii) the departments in charge of geology and mineral resources under the people's governments of provinces, autonomous regions and municipalities directly under the Central Government shall be in charge of supervision and administration of the exploration and mining of the mineral resources within their respective administrative areas; and
- (iv) the exploration licensees shall have the right to carry out specified explorations within the designated exploration areas and have the priority to obtain the right to mine the mineral resources in the exploration areas.

The purpose of the MRL is to regulate prospecting, reconnaissance, exploration and mining activities in relation to all types of mineral resources except water within the PRC. In light of the specific conditions and actual needs of respective administrative areas, local regulations, such as the *Fujian Province Mineral Resources Regulations* (the "**Fujian MRR**") may be formulated by the respective supervising and administrative authority, provided that such regulations do not contradict the Constitution, the laws of PRC (such as the MRL) and any administrative regulation.

The Fujian MRR became effective on 1 January 1998. Pursuant to the Fujian MRR, exploration licensees shall have the right to carry out specified explorations within the designated exploration areas and have the priority to obtain the right to mine the mineral resources in the exploration areas.

The *Mineral Resources Exploration Block Registration Regulations* (the "**MREBRR**") was promulgated on 12 February 1998 by the PRC State Council. The MREBRR shall be observed in the supervision and administration of exploring mineral resource within the territory of PRC. Relevant key terms of the MREBRR include:

LEGAL COUNSEL'S REPORT ON THE TENEMENT

18 August 2012

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- (i) maximum term of exploration licence (excluding petroleum, natural gas) is 3 years;
- (ii) the exploration licensee can apply to renew the exploration licence no later than 30 days prior to the expiration date of the exploration licence; and
- (iii) the exploration licence can be renewed for a further up to two years each time.

The *Exploration Right and Mining Right Transfer Regulations* was promulgated in 12 February 1998 by the PRC State Council. This Regulations provide that:

- (i) exploration licensees shall have the priority to obtain the right to mine the mineral resources in the exploration areas after the completion of stipulated minimum exploration expenditure;
- (ii) the exploration right usage fee should be calculated and paid on an annual basis; and
- (iii) exploration right is transferable subject to certain conditions.

Pursuant to the Measures for the Administration of Invitation to Bid, Auction, and Quotation concerning Mineral Prospecting Right and Mining Right (for Trial Implementation) issued on 11 June 2003, except otherwise approved, all exploration rights and mining rights should be obtained with compensation through public bid, auction or public quotation.

2.2. The laws and regulations regarding pricing of iron ore

Prices for the various types of iron ore in the PRC are primarily determined by market forces of supply and demand for the various types of iron ore. However, according to the Price Law issued by National People's Congress (the "NPC") and effective on 1 May 1998, temporary guidelines can be issued by the NPC, from time to time, to limit price increases if the price of iron ore increases significantly or is likely to decreases significantly.

No such temporary guidelines are in effect at the date of this Report.

2.3. The laws and regulations regarding safety

According to the *Work Safety Law* effected on 1 November 2002, the *Mine Safety Law* effected on 1 May 1993, the *Regulations for the Implementation of Mine Safety Law* effected on 30 October 1996 and relevant implementation regulations promulgated thereunder the following applies:

- (i) The State Administration of Work Safety (the "SAWS") is the PRC government authority exercising control over, and supervision of, the safety of mining production operations.
- (ii) The designs of mine construction projects must comply with the safety rules and technological standards for mining industry and shall, according to regulations of the State, be subject to the approval of the authorities in charge of mining enterprises.
- (iii) The mining enterprises shall be responsible for the investigation and disposition in the case of ordinary mine safety accidents; while the relevant local government, together with its competent department, the trade union and the mining enterprise shall be responsible for the investigation and disposition of cases of serious mine safety accident in accordance with the provisions of administrative rules and regulations.
- (iv) Mining enterprises are required to truthfully report to their supervising administrative authority within 24 hours of the occurrence of any safety accident that causes serious personal injury or fatality. Administrative authorities in charge of mine safety and mining enterprises shall report an accident to:
 - (a) the People's government at same level; and
 - (b) their own competent departments at the higher level,after receiving an accident report which involves the death of or serious injuries to more than three persons.
- (v) Penalties for infringements: If a mining enterprise fails to perform its duty of administering production safety according to the provisions of applicable laws, it shall be ordered to rectify any non-compliance within a prescribed time period. If a mining enterprise fails to rectify the non-compliance within the prescribed time period, it shall be ordered to suspend construction or suspend its production or business pending completion of rectifications, and they may be fined. If serious consequences have resulted from the non-compliance of the applicable mine safety laws and a crime has been committed, the offenders shall be subject to criminal liabilities according to the relevant provisions of the *Criminal Law*.

2.4. The laws and regulations regarding taxation

Pursuant to the *Provisional Regulation of Resources Tax and the Rules Administering Levy of Mine Resource Compensation Fees*, the iron ore mining industry will be levied resources taxes and resources compensation fees.

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Resources tax and resources compensation fees are sometimes collectively referred to as "royalties". All entities and individuals engaged in mining (including the mining of iron ore) within the territory of the PRC will have to pay resource taxes and resources compensation fees. Any adjustments to the taxable items and tax amount range shall be determined by the PRC State Council.

The resource tax amounts on iron ore shall be determined in accordance with the resource tax taxable items and tax amount range table, as well as the relevant stipulations of the Ministry of Finance, which range from RMB2 to RMB30 per tonne. The mine resource compensation fee is calculated according to the formula of "the income of mine for sale of iron ore product multiplied by the applicable mine resource compensation rate multiplied by mining recovery rate". Based on Fujian Province local resources tax regulations issued in 1994, the resource tax rate for iron ore mining is RMB9.80 per tonne and compensation fee is RMB20 per ton of iron produced respectively.

We note that China recently has raised the resource tax on iron ore and other 5 mineral resources aimed at conserving resources and curbing pollution. The tax rate on iron ore production has been raised to 80 percent of a base rate, from 60 percent. The changes were effective as of 1 February 2012. However, this increased rates have not been implemented by the Fujian Land and Resources Department.

2.5. The laws and regulations regarding environmental protection-

The *Environmental Protection Law* of PRC was adopted on 26 December 1989. This law requires all operations that produce pollutants or other hazards to take environmental protection measures, and to establish an environmental protection responsibility system.

The *Water Pollution Prevention Law* was promulgated on 11 May 1984 and revised on 15 May 1996 and again on 28 February 2008. Any enterprise or institution that discharges water pollutants is subject to a discharge fee in accordance with relevant regulations and an excess pollutant discharge fee in case of discharges in excess of the prescribed level, and they must take corrective measures. Any entity that causes water pollution is obliged to ensure the elimination of the pollution and must provide compensation for direct losses suffered by entities or individuals.

The *Atmospheric Pollution Prevention Law* which was promulgated on 5 September 1987 and revised on 29 April 2000, became effective on 1 September 2000. The purpose of the *Atmospheric Pollution Prevention Law* is for the prevention and control of atmospheric pollution from, among other things, the burning of coal, motor-driven vehicles and vessels, exhaust gases and dust. A system of collecting fees has been implemented by the

government from enterprises or entities for discharging pollutants on the basis of the categories and quantities of the atmospheric pollutants discharged. An enterprise or entity that has caused an atmospheric pollution hazard is obliged to eliminate the pollution and compensate relevant entities or individuals for their direct loss.

The *Law on the Prevention and Control of Environmental Pollution by Solid Wastes* became effective on 1 April 2005. A mining enterprise is required to adopt scientific mining methods and techniques for mineral separation so as to reduce the production and storage of gangues, waste rocks, and other mining solid wastes. After the facilities for storing gangues, waste rocks and other mining solid wastes are no longer used, a mining enterprise shall be required to close or dismantle such facilities according to the applicable provisions and regulations on environmental protection. Any mining enterprise that fail to do so shall be ordered to rectify such non-compliance within the time determined by the relevant competent supervising or administrative department of environmental protection, and may be imposed with a fine.

Penalties for infringements:

Any enterprise or entity which violates any of the aforesaid laws and regulations, thereby causing an environmental pollution accident:

- (a) is obliged to eliminate it and make compensation to any entity or individual that suffered direct losses; and
- (b) shall be fined (such fine being dependent upon the relevant damage) by the relevant competent supervising or administrative department of environmental protection or any other department with power to conduct environmental supervision and management. In serious cases, the responsible persons shall be subject to administrative sanctions by the enterprise or entity that employs them or by the competent department of the government. In the most serious cases, offenders shall be subject to criminal liabilities according to the relevant provisions of the *Criminal Law*.

Any enterprise or entity that fails to eliminate or control pollution by the applicable deadline set by the relevant competent supervising or administrative department of environmental protection shall, as provided for by the State, pay a fee for excessive discharge; in addition, a fine may be imposed on it on the basis of the damage incurred, of the company may be ordered to suspend its operations or close down.

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3. THE TENEMENT

3.1. Introduction

As set out in the MRL, all mineral resources belong to the State. State ownership of mineral resources, either near the earth's surface or underground, shall not change with the alteration of ownership of, or the right to use, the land on which the mineral resources are located. A person with a mining right shall have the right to apply for and be granted the right to use the land on which the mineral resources are located in accordance with applicable land use right laws. Anyone who wishes to conduct exploration and mining of mineral resources shall meet the specified conditions of qualification.

Exploration rights and mining rights are to be obtained with compensation upon the approval of competent government authorities. However, the State may also decide to reduce or grant exemption to the compensation for acquiring exploration and mining rights in consideration of specific situation.

An exploration licensee should start the exploration work within 6 months after obtaining the exploration licence and if the exploration licensee fails to do so, or suspend the exploration work up to 6 months during the exploration period, the competent supervising or administrative government authority is entitled to:

- (a) require the licensee to rectify such non-compliance within a limited time specified;
- (b) to pay a fine of no more than RMB50,000; or
- (c) revoke the exploration licence in case of serious infringement.

An exploration licensee have the right to carry out specified exploration activities within the designated exploration area, and have the privileged priority to obtain the mining rights to the mineral resources in that exploration area. The exploration licensee, after completion of stipulated minimum exploration expenditure and subject to approval in accordance with law, may transfer the exploration rights to others.

The department in charge of geology and mineral resources under the State Council shall be responsible for supervising and administering the exploration and mining of mineral resources throughout the country. The departments in charge of geology and mineral resources under the People's governments of the provinces, autonomous regions and municipalities directly under the central government shall be in charge of supervising and administering the

exploration and mining of mineral resources within their respective administrative areas.

Mining for the following mineral resources shall be approved by the department in charge of geology and mineral resources under the State Council, and mining permits for such mining shall also be issued by the same department:

- (i) those mineral resources within state planned mining area or within those mining areas which are of great value to the national economy;
- (ii) those mineral resources, not within the above-mentioned areas, but the mine-able reserves of which are evaluated as large in scale;
- (iii) specified minerals for which protective mining policy is prescribed by the State;
- (iv) those mineral resources in the neighbouring sea or other marine areas under China's jurisdiction; and
- (v) those mineral resources the State Council otherwise specifies.

Mining for specified minerals as petroleum, natural gas and radioactive materials are examined and approved by other relevant departments in charge authorized by the State Council. The mining permits for mining of such specified mineral resources may be issued by the same departments.

Mining for mineral resources that are beyond the prescription of above-mentioned scope and whose reserves are evaluated as medium in scale shall be examined and approved by the departments in charge of geology and mineral resources under the People's governments of the provinces, autonomous regions and municipalities directly under the central government. The relevant mining permit shall also be insured by the same departments.

A mining permit authorizes the holder of the permit to mine within a designated mining area for a specified term of up to 20 years. The holder shall pay resources taxes and resources compensation fees to the government as consideration for the right to mine.

If a person (legal entity or individual) mines without a mining permit, it shall be ordered to stop mining and compensate for the losses caused; the mineral products and unlawful proceeds shall be confiscated; and the person may also be fined. If the person refuses to stop mining and thus causes damage to the mineral resources, the person who is directly responsible shall be investigated for criminal responsibility in accordance with the provisions of the *Criminal Law*.

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3.2. The exploration rights owned by a subsidiary of the Company

As a PRC enterprise, an indirectly-held wholly owned subsidiary of the Company, namely Datian Silverstone Mining Co., Limited can engage in the exploration, mining and production of iron ore subject to obtaining the necessary exploration licence and Mining Permit. At present, Datian Silverstone Mining Co., Limited holds the exploration licence as below:

License No.	Content	Grant Date	Area Size	Inflection Points Co-ordinates	
		Expiry Date		Longitude	Latitude
Exploration Licence No. T35120110102043628	Types of Mineral Resource: Exploration	22 May 2012	5.60 km ²	117°46′00″	25°50′30″
		22 May 2013		117°46′30″	25°50′30″
				117°46′30″	25°52′00″
				117°47′30″	25°52′00″
				117°47′30″	25°50′45″
				117°47′15″	25°50′45″
				117°47′15″	25°50′30″
				117°46′45″	25°50′30″
				117°46′45″	25°50′00″
				117°46′00″	25°50′00″

The aforesaid Exploration Licence No. T35120110102043628 is currently registered under the name of Datian Silverstone Mining Co., Limited, an indirectly- held wholly owned subsidiary of the Company.

Initial Grant of the Exploration Licence

The exploration licence was first obtained by one Zheng Guangcan, a PRC individual, on 17 October 2005 from the Fujian Province Land and Resources Department under the original permit number No. 3500000510648. Since then, the exploration licence has been renewed three times as below:

Licence No. ²	Term	Reasons to change
3500000510648	17 October 2005 to 17 October 2007	Initial grant of exploration licence
3500000730506	17 October 2007 to 17 October 2009	First renewal

² The corresponding exploration area is exactly the same although the exploration licence number has been changed.

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T35120110102043628	17 October 2009 to 21 January 2011 [Licence issued in the name of Mr Zheng Guangcan]	Second renewal
	21 January 2011 to 21 January 2012 [Licence issued in the name of Datian Silverstone Mining Co., Limited]	
T35120110102043628	22 May 2012 to 22 May 2013	Third Renewal

Transfer for the Exploration Licence

Datian Silverstone Mining Co., Limited was established under the approval of Datian County Administration of Industry and Commerce on 10 December 2010. As of the date of this report, Datian Silverstone Mining Co., Limited is an indirectly held wholly-owned subsidiary of Asaplus Resources.

Mr. Zheng Guangcan and Datian Silverstone Mining Co., Limited entered into an Exploration License Transfer Agreement under which Mr. Zheng Guangcan transferred the exploration rights, assets and business of the the Datian Silverstone Project (*i.e.*, the mine to be developed under the Tenement) (the "Silverstone Project") to Datian Silverstone Mining Co., Limited on 20 December 2010. The consideration for the said transfer was RMB3,521,830 which has been paid in full by Datian Silverstone Mining Co., Limited.

Pursuant to the ERMTR, an exploration licensee such as Mr Zheng Guangcan may transfer the exploration rights to another party subject to certain conditions being met and the approval of competent government authorities being received. Based on the registration record filed with Fujian Land and Resources Department, the exploration licence of the Silverstone Project was transferred to Datian Silverstone Mining Co., Limited on 21 January 2011, and is registered under the name of Datian Silverstone Mining Co., Limited since that date. Accordingly, Datian Silverstone Mining Co., Limited now legally own the exploration licence and the exploration rights of the Silverstone Project.

Status of the Exploration Licence

The current term of the exploration licence is for the period from 22 May 2012 to 22 May 2013. The 4-month period between 22 January 2012 and 21 May 2012 not covered under the third renewal does not affect the current validity of the exploration licence, which remains valid and in good standing

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as is recorded in the public register of valid exploration licenses maintained by the Fujian Province Land and Resources Department.

Renewals of Exploration Licence

In accordance with the MREBRR, the Silverstone Project exploration project shall be examined, approved, registered, and licensed by the competent authority under the People's Government of Fujian Province directly, which is the Fujian Land and Resources Department.

Generally, the exploration licence is granted for periods of no more than 3 years. If there is a need to extend the time for exploration, within no later than 30 days prior to the expiration of the exploration licence, the permit holder, which is Datian Silverstone Mining Co., Limited, shall file an application for an extension of the exploration licence with the competent government authority, which in this case is the Fujian Land and Resources Department. Extended term of the exploration licence shall not exceed 2 years each time. If an exploration licence holder fails to apply for an extension within the designated time limit, the exploration licence shall be forfeited.

The exploration licensees are required to pay exploration right usage fee. The exploration right usage fees are calculated and paid on an annual basis. The standard for the exploration usage fees are as follows: RMB100 per square kilometre per year for the first three years; RMB100 per square kilometre shall be added per year starting from the fourth year. However, the highest amount shall not exceed RMB500 per square kilometre per year.

The exploration licensee shall invest a minimum expenditure for exploration from the date of issuance of the exploration licence according to the following schedule:

- (a) RMB2,000 per square kilometre for the first year of exploration;
- (b) RMB5,000 per square kilometre for the second year of exploration; and
- (c) RMB10,000 per square kilometre each year thereafter, starting from the third year of exploration.

If the exploration licensee's expenditure for any given year exceeds the minimum stipulated for that year, the surplus may be applied to the expenditure for the following year.

Datian Silverstone Mining Co., Limited has represented to us that they have paid the prescribed exploration right usage fee and have invested the prescribed minimum expenditure for exploration works (*i.e.*, RMB58,800 per

annum being 5.6 square kilometres multiply by [RMB500 + RMB10,000]). We note that this is consistent with the audited financial statements of Datian Silverstone Mining Co., Ltd for the period from 10 December 2010 (date of registration) to 31 March 2012 audited by MGI Singapore PAC which shows that during that 15-month period, Datian Silverstone Mining Co., Limited had expensed a sum of RMB152,507 for investment in exploration and evaluation assets.

When assessing an application for the renewal of an exploration licence, provided the exploration licensee fulfils and complies with all conditions of the exploration licence including: (a) payment of the prescribed exploration right usage fee; and (b) investing the prescribed minimum expenditure for exploration works, approval for the extension of the exploration licence should be granted as a matter of course and procedure.

3.3. Application for Mining Permit

Datian Silverstone Mining Co., Limited may apply for a Mining Permit in relation to the Silverstone Project with the Fujian Land and Resources Department in accordance with applicable PRC laws after Datian Silverstone Mining Co., Limited fulfils the specified related conditions during geological exploration process in accordance with applicable PRC laws.

According to the MRL, the Fujian MRR and other relevant laws and regulations, exploration licensees are entitled to carry out specified explorations within the designated exploration areas and will have the priority to obtain the right to mine the mineral resources in the exploration areas. Necessary requirements to apply for a Mining Permit stipulated by the Fujian MRR include:

- (a) relevant operational capital and mining technology appropriate to the mine variety and the scale of mining production;
- (b) the mineable reserve report is approved by the Fujian Land and Resources Department;
- (c) clear and specific mining scope with no controversy;
- (d) no conflict with any other provisions specified by laws and regulations.

The *Notice Regarding Enhancement of Mineral Rights* promulgated by the Fujian Land and Resources Department on 23 May 2006 provides that:

- (a) newly established mining rights should be for medium size and above scale;

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- (b) the geological exploration process comes into the stage where the detailed geological survey show that class 332 (inferred reserve) is more than 30% of total reserve;
- (c) the applicant holds bank deposit certificate of more than RMB30,000,000;
- (d) the future production scale should be no less than the provincial minimum scale standard and the actual mine life should be no less than 5 years; and
- (e) the mining recovery rate of opencast mine should be more than 95%.

The *Standards of Minimum Production of Certain Mine Varieties* jointly issued by Fujian Land and Resource Department and other related government authorities on 23 May 2006 prescribes that the minimum production scale of opencast iron mine should be more than 300,000 tonne per year.

Pursuant to *Procedures for Administration of Registration of Mining of Mineral Resources* enacted by the PRC State Council on 2 December 1998, the maximum term of a Mining Permit for a medium size scale mine is 20 years and the Mining Permit is renewable.

We have carried out enquiries with the competent government authorities who advised us that Datian Silverstone Mining Co., Limited is expected to be granted the Mining Permit for the Silverstone Project provided that the exploration report proves that:

- (a) the mineral deposit of iron ore as defined by a qualified PRC geologist under the applicable PRC geological standards at the Silverstone Project is more than 5 million tonnes; and
- (b) the grade of the iron ore (average TFe level) is above 45%.

The above requirements are not expressly set put in any specific law or regulation, but is calculated based on above laws and regulations regarding the terms of exploration licences to be issued, the annual production of medium size iron mine, and based on their practical experience supervising and administering iron ore mines in Fujian Province. As to the grade requirement, the Fujian Land and Resources Department consider iron ore with a grade less than 45% to be non economically viable.

4. CONCLUSION AND QUALIFICATIONS

Subject to the comments, qualifications and assumptions set out in this Report, we are of the opinion that as at the date of this Report, there is nothing to indicate that the Tenement is not in good standing, or that it is encumbered in any manner.

Further, based on the above-mentioned laws and regulations and the results of our investigations, and considering the facts relevant to Datian Silverstone Mining Co., Limited and the Silverstone Project, we are of the view that there is no reason to believe that Datian Silverstone Mining Co., Limited will not be granted a Mining Permit from the Fujian Land and Resources Department under normal circumstance should it fulfil all the licensing requirements described above. If Datian Silverstone Mining Co., Limited fails to obtain the Mining Permit, it will be prohibited from mining iron ore in the Silverstone Project.

5. CONSENTS

This report has been prepared for the purpose of inclusion in the Prospectus. Accordingly, the contents of this report should be read in its entirety and within the context of the scope of this report and the Prospectus. China Legal Bureau (Singapore) has given its consent in writing, and has not withdrawn that consent before the lodgement of the Prospectus:

- (a) to being named as the authors of this Report; and
- (b) for the inclusion of this Report in the Prospectus in the form and context in which it is included.

Yours faithfully

CHINA LEGAL BUREAU (SINGAPORE)



Li Ming Jun

Registered Foreign Lawyer

A handwritten signature in black ink, appearing to be 'Li Ming Jun' in Chinese characters.



17 August 2012

The Board of Directors
Asaplus Resources Limited
21 Bukit Batok Crescent #15-74
WCEGA Tower
SINGAPORE 658065

Dear Sirs

INVESTIGATING ACCOUNTANT'S REPORT - ASAPLUS RESOURCES LIMITED

INTRODUCTION

This Investigating Accountant's Report ("Report") has been prepared for inclusion in a prospectus to be dated on or about 21 August 2012 ("Prospectus") by Asaplus Resources Limited ("Asaplus" or "the Company") in relation to the Company's proposed listing on the Australian Securities Exchange ("ASX") and the offer of 10,000,000 Chess Depository Interests ("Offer Shares") at an issue price of \$0.20 per Offer Share to raise \$2,000,000 before the expenses of the issue.

This Report has been included in the Prospectus to assist potential investors and their financial advisers to make an assessment of the financial position and performance of Asaplus Resources Limited. All amounts are expressed in Australian dollars unless otherwise stated.

STRUCTURE OF REPORT

This Report has been divided into the following sections:

1. Background information;
2. Scope of Report;
3. Financial information;
4. Subsequent events;
5. Statements; and
6. Declaration.

1. BACKGROUND INFORMATION

The Company was incorporated under the laws of Singapore as a public company limited by shares on 24 April 2012 and became registered as a foreign company in Australia on 22 June

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HLB Mann Judd (WA Partnership) is a member of HLB International, a world-wide organisation of accounting firms and business advisers

2012. The current directors of the Company are Ir. Che Mohamed Hussein Bin Mohamed Shariff, Mr Lau Eng Foo and Mr Dominic Lim Kian Gam.

The Company has not actively traded since it was registered on 24 April 2012 to the date of this Report. Consequently, no historical information in respect of the Company is presented in this Report.

On 19 July 2012, the Company entered into an agreement as detailed in section 5.6 of the Prospectus to acquire all of the issued capital of Yong Heng Investment Limited ("Yong Heng"). A supplemental agreement was entered into on 10 August 2012 which established the consideration as \$10,000,000 satisfied by the issue of 45,000,000 consideration shares. The consideration to purchase the Yong Heng group has been issued in full as of the date of this report.

Datian Silverstone Mining Co., Ltd ("Datian") is the principal operating subsidiary of the Yong Heng group and is a wholly owned subsidiary within the Yong Heng group. Datian holds the exploration licence to the Silverstone Iron Ore Project which is situated in Datian County, Fujian Province in the People's Republic of China. Datian has prepared financial statements from the date of registration being 10 December 2010 to 31 March 2012. Datian was acquired by Datian Huixiang Investments Consulting Co., Ltd, a wholly owned subsidiary of Yong Heng on 6 July 2012.

The acquisitions of Datian by Yong Heng and subsequently Yong Heng by the Company are accounted for as reverse acquisitions under Australian Accounting Standard AASB 3 "Business Combinations", notwithstanding Asaplus being the legal parent of the group. Consequently the historical financial information presented in this Report is the historical financial information of Datian as at 31 March 2012 which was audited by MGI Singapore PAC.

The proforma financial information presented in this report is the historical financial information of Asaplus and its controlled entities for the period ended 31 March 2012, assuming that the acquisitions of Datian by Yong Heng and Yong Heng by the Company and the other proposed transactions set out in Section 3(b) of this Report had been completed as at that date.

The proforma consolidated financial information has been prepared using a balance date of 31 March 2012 corresponding to the balance date of Datian. At this time, the registration of Asaplus Resources Limited and certain of the Yong Heng group companies, the acquisition of Datian by Yong Heng and the acquisition of the Yong Heng group by Asaplus had not yet being effected.

The proforma consolidated financial information has therefore been prepared on the basis that the Company and the Yong Heng group were in existence as at 31 March 2012 and both the Datian and the Yong Heng acquisitions had occurred as at that date.

Entities with functional currencies other than Australian dollars have been translated into Australian dollars under the principles of AASB 121 "The Effects of Changes in Foreign Exchange Rates".

As at the date of this Report, the issued share capital of the Company is 78,000,000 ordinary fully paid shares. The following table summarises share capital movements since registration.

Date		Number issued	Issue price	\$
Various	Seed Capital			
	Vendors	11,600,000		
	Parties not connected to Vendors	6,900,000		
		<u>18,500,000</u>	\$0.0054	<u>100,000</u>
July 2012	Issued to Vendors as consideration for the acquisition of the subsidiaries	45,000,000	\$0.222	10,000,000
July 2012	Issued to Parties not connected to Vendors or their associates	14,500,000	\$0.17	2,465,000
		<u>78,000,000</u>		<u>12,565,000</u>

The intended use of the funds raised by the issue of shares under the Prospectus is specified in Section 5.6 of the Prospectus.

2. SCOPE OF REPORT

You have requested HLB Mann Judd ("HLB") to prepare this Report presenting the following information:

- the historical financial information of Datian comprising the historical Statement of Financial Position as at 31 March 2012 and the historical Statement of Comprehensive Income, historical Statement of Cash Flows and historical Statement of Changes in Equity for the period from registration to 31 March 2012 as set out in Appendix 1 to this Report; and
- the proforma financial information of the Company comprising the proforma Consolidated Statement of Financial Position as at 31 March 2012 and the proforma Consolidated Statement of Comprehensive Income, proforma Consolidated Statement of Cash Flows and proforma Consolidated Statement of Changes in Equity for the period ended 31 March 2012.

The Directors have prepared and are responsible for the historical and proforma information. We disclaim any responsibility for any reliance on this Report or on the financial information to which it relates for any purposes other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus.

The historical financial information and the proforma financial information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports.

The historical financial information as set out in Appendix 1 has been extracted from the financial statements of Datian for the period from registration to 31 March 2012 which have been audited by MGI Singapore PAC ("MGI"). The audit opinion of MGI on those financial statements was unqualified.

We performed a review of the historical and proforma financial information of the Company and its controlled entities as at 31 March 2012 in order to ensure consistency in the application of applicable Accounting Standards and other mandatory professional reporting requirements. Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements.

Our review of the historical and proforma financial information of the Company and its controlled entities was conducted in accordance with Australian Auditing Standards applicable to review engagements. Our review was carried out in accordance with Auditing Standard on Review Engagements ASRE 2405 "*Review of Historical Financial Information Other than a Financial Report*" and included such enquiries and procedures which we considered necessary for the purposes of this Report.

The review procedures undertaken by HLB in our role as Investigating Accountant were substantially less in scope than that of an audit examination conducted in accordance with generally accepted auditing standards. Our review was limited primarily to an examination of the historical financial information and proforma financial information, analytical review procedures and discussions with senior management. A review of this nature provides less assurance than an audit and, accordingly, this Report does not express an audit opinion on the historical information or proforma information included in this Report or elsewhere in the Prospectus.

In relation to the information presented in this Report:

- a) support by another person, corporation or an unrelated entity has not been assumed;
- b) the amounts shown in respect of assets do not purport to be the amounts that would have been realised if the assets were sold at the date of this Report; and
- c) the going concern basis of accounting has been adopted.

3. FINANCIAL INFORMATION

Set out in Appendix 1 (attached) are:

- a) The historical Statement of Financial Position of Datian as at 31 March 2012, and the historical Statement of Comprehensive Income, historical Statement of Cash Flows and historical Statement of Changes in Equity of Datian for the period from registration to 31 March 2012; and
- b) The proforma Consolidated Statement of Financial Position of the Company as at 31 March 2012 and the proforma Consolidated Statement of Comprehensive Income, proforma Consolidated Statement of Cash Flows and proforma Consolidated Statement of Changes in Equity of the Company and its controlled entities for the period ended 31

March 2012 as they would appear after incorporating the following significant events and proposed transactions by the Company subsequent to 31 March 2012:

- i) the acquisition of Datian by the Yong Heng group for consideration of RMB 10,000;
 - ii) the acquisition of the Yong Heng group by the Company for consideration of \$10,000,000 satisfied by the issue of 45,000,000 consideration shares;
 - iii) the issue by the Company pursuant to this Prospectus of 10,000,000 Offer Shares issued at 20 cents each raising \$2,000,000 before the expenses of the offer;
 - iv) the write off against issued capital of the expenses of the issue of \$360,000; and
 - v) the receipt of \$2,465,000 in subscription monies for shares issued to sophisticated investors.
- c) Notes to the historical financial information and proforma information.

4. SUBSEQUENT EVENTS

In our opinion, there have been no material items, transactions or events subsequent to 31 March 2012 not otherwise disclosed in the Prospectus that have come to our attention during the course of our review that would require comment in, or adjustment to, the content of this Report or which would cause such information included in this Report to be misleading.

5. STATEMENTS

Based on our review, which was not an audit, we have not become aware of any matter that causes us to believe that:

- a) the historical financial information of Datian as at 31 March 2012 as set out in Appendix 1 of this Report, does not present fairly the financial position of Datian as at that date in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory reporting requirements in Australia, and its performance as represented by its results of its operations and its cash flows for the period then ended; and
- b) the proforma consolidated financial information of Asaplus Resources Limited as at 31 March 2012 as set out in Appendix 1 of this Report, does not present fairly the financial position of the Company and its controlled entities as at that date in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory reporting requirements in Australia, and its performance as represented by its results of its operations and its cash flows for the period then ended, as if the transaction referred to in Section 3(b) of this Report had occurred during that period.

6. DECLARATION

- a) HLB will be paid its usual professional fees based on time involvement, for the preparation of this Report and review of the financial information, at our normal professional rates.
- b) Apart from the aforementioned fee, neither HLB, nor any of its associates will receive any other benefits, either directly or indirectly, for or in connection with the preparation of this Report.
- c) Neither HLB, nor any of its employees or associated persons has any interest in Asaplus Resources Limited or the promotion of the Company.
- d) Unless specifically referred to in this Report, or elsewhere in the Prospectus, HLB was not involved in the preparation of any other part of the Prospectus and did not cause the issue of any other part of the Prospectus. Accordingly, HLB makes no representations or warranties as to the completeness or accuracy of the information contained in any other part of the Prospectus.
- e) HLB has consented to the inclusion of this Report in the Prospectus in the form and context in which it appears. The inclusion of this Report should not be taken as an endorsement of the Company or a recommendation by HLB of any participation in the Company by an intending subscriber.
- f) We have not carried out our review in accordance with auditing or other standards and practices accepted in jurisdictions outside Australia. Our review has not been performed in accordance with Singaporean auditing or other standards and practices. Accordingly, our review should not be relied upon as if it had been carried out in accordance with those standards and practices.

Yours faithfully
HLB MANN JUDD



M R W OHM
Partner

- APPENDIX 1 -

ASAPLUS RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2012

		<i>Reviewed Historical⁽¹⁾ \$</i>	<i>Reviewed Proforma \$2 million capital raising \$</i>
	<i>Notes</i>		
CURRENT ASSETS			
Cash and cash equivalents	3	4,247	4,232,569
TOTAL CURRENT ASSETS		4,247	4,232,569
NON-CURRENT ASSETS			
Deferred exploration and acquisition expenditure		552,651	552,651
TOTAL NON-CURRENT ASSETS		552,651	552,651
TOTAL ASSETS		556,898	4,785,220
CURRENT LIABILITIES			
Loans from directors		-	31,448
Loans from shareholders		527,904	527,904
TOTAL CURRENT LIABILITIES		527,904	559,352
TOTAL LIABILITIES		527,904	559,352
NET ASSETS		28,994	4,225,868
EQUITY			
Issued capital	5	45,450	4,250,450
Accumulated losses		(16,051)	(24,051)
Reserves		(405)	(531)
TOTAL EQUITY		28,994	4,225,868

The above should be read in conjunction with the accompanying notes.

- ⁽¹⁾ The historical balances represent the balances of Datian Silverstone Mining Co., Ltd which will be the accounting parent entity of the Asaplus Group in future financial reporting periods. Refer to note 2(n).

ASAPLUS RESOURCES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

	<i>Reviewed Historical⁽¹⁾</i> \$	<i>Reviewed Proforma \$2 million capital raising</i> \$
Other income	-	-
Other expenses	(16,051)	(24,051)
Loss from ordinary activities before income tax	(16,051)	(24,051)
Income tax expense	-	-
Loss from ordinary activities after income tax	(16,051)	(24,051)
Other comprehensive income net of tax	-	-
Total comprehensive loss for the period	(16,051)	(24,051)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

REVIEWED HISTORICAL ⁽¹⁾	<i>Issued capital</i> \$	<i>Accumulated losses</i> \$	<i>Reserves</i> \$	<i>Total Equity</i> \$
Issue of shares to seed capitalists	45,450	-	-	45,450
Loss for the period	-	(16,051)	-	(16,051)
Exchange translation differences	-	-	(405)	(405)
As at 31 March 2012	45,450	(16,051)	(405)	28,994

REVIEWED PROFORMA CONSOLIDATED	<i>Issued capital</i> \$	<i>Accumulated losses</i> \$	<i>Reserves</i> \$	<i>Total Equity</i> \$
Issue of shares to seed capitalists	45,450	-	-	45,450
Acquisition of Asaplus – note 2(n)	2,565,000	-	-	2,565,000
Issue of shares under Prospectus	2,000,000	-	-	2,000,000
Share issue expenses	(360,000)	-	-	(360,000)
Exchange translation differences	-	-	(531)	(531)
Loss for the period	-	(24,051)	-	(24,051)
Proforma total – 31 March 2012	4,250,450	(24,051)	(531)	4,225,868

The above should be read in conjunction with the accompanying notes.

⁽¹⁾ The historical balances represent the balances of Datian Silverstone Mining Co., Ltd which will be the accounting parent entity of the Asaplus Group in future financial reporting periods. Refer to note 2(n).

ASAPLUS RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

	<i>Notes</i>	<i>Reviewed Historical⁽¹⁾ \$</i>	<i>Reviewed Proforma \$2 million capital raising \$</i>
<i>Cash flows from operating activities</i>			
Payments to suppliers		(16,051)	(24,051)
<i>Net cash used in operating activities</i>		(16,051)	(24,051)
<i>Cash flows from investing activities</i>			
Payments for exploration and evaluation		(552,651)	(552,651)
<i>Net cash used in investing activities</i>		(552,651)	(552,651)
<i>Cash flows from financing activities</i>			
Loans from shareholders and directors		527,904	536,030
Proceeds on the issue of shares to seed capitalists		45,450	45,450
Proceeds on the issue of shares pursuant to Prospectus		-	2,000,000
Proceeds on the issue of shares to sophisticated investors		-	2,465,000
Issue costs paid		-	(360,000)
Cash balance of Asaplus and Yong Heng on reverse acquisitions		-	123,322
<i>Net cash provided by financing activities</i>		573,354	4,809,802
<i>Increase in cash held</i>			
Cash at the beginning of the financial period		-	-
Effect of foreign exchange variations		(405)	(531)
<i>Increase in cash during the period</i>		4,652	4,233,100
<i>Cash at the end of the financial period</i>		4,247	4,232,569

The above should be read in conjunction with the accompanying notes.

⁽¹⁾ The historical balances represent the balances of Datian Silverstone Mining Co., Ltd which will be the accounting parent entity of the Asaplus Group in future financial reporting periods. Refer to note 2(n).

**ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012**

1. REPORTING ENTITY

Asaplus Resources Limited is a company domiciled in Singapore.

Datian was acquired by the Yong Heng group on 6 July 2012. Yong Heng and its controlled entities were acquired by the Company as of August 2012. The historical financial information from registration to 31 March 2012 is that of Datian and the proforma consolidated balances comprise the Company and its controlled entities as if they were registered on 31 March 2012 and the above acquisitions had been effected as at that date.

In accordance with AASB 3 *Business Combinations*, the acquisitions of Datian by Yong Heng and of Yong Heng and its controlled entities by the Company are “reverse acquisitions” as described in Note 2(n). As a result of this accounting treatment, the financial statements presented in this report comprise the following:

- (i) Statement of Financial Position:
 - Historical financial information – Datian as at 31 March 2012;
 - Proforma consolidated financial information - Asaplus and its controlled entities as at 31 March 2012, after incorporating the significant events and proposed transactions by the Company as detailed in Note 2(o). In accordance with AASB 3 *Business Combinations*, whilst Asaplus is the “legal acquirer” of Yong Heng, Datian is treated as the parent for accounting purposes and therefore the balances as presented in the proforma Statement of Financial Position comprise:
 - (a) the historical balances of Datian; and
 - (b) the balances of Yong Heng and Asaplus at fair value.
- (ii) Statement of Comprehensive Income and Statement of Cash Flows:
 - Historical financial information – Datian for the period from registration to 31 March 2012;
 - Proforma consolidated financial information – the historical balances of Asaplus and its controlled entities for the period from registration until 31 March 2012, after including the proforma adjustments as detailed in Note 2(o).
- (iii) Consolidated Statements of Changes in Equity
 - Historical financial information – Datian for the period from registration to 31 March 2012;
 - Proforma consolidated financial information – the historical balances of Asaplus and its controlled entities for the period from registration until 31 March 2012, after including the proforma adjustments as detailed in Note 2(o).

ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of the historical and proforma financial information reported under Australian Equivalents to International Financial Reporting Standards ("AIFRS") are shown below:

(a) Basis of preparation

The financial statements have been prepared in accordance with the measurement requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia using the accrual basis of accounting, including the historical cost convention.

Compliance with IFRSs

The financial information complies with the measurement requirements of Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial information, comprising the financial statements and notes thereto, comply with International Financial Reporting Standards.

Historical cost convention

These financial statements have been prepared under the historical cost convention, and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair value of the consideration given in exchange for assets.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(m).

(b) Principles of consolidation

Subsidiaries

The proforma consolidated financial statements incorporate the assets and liabilities of all subsidiaries controlled by the parent entity as at balance date and the results of all subsidiaries for the period then ended. The parent entity and its subsidiaries together are referred to in this report as the "Group" or the "consolidated entity". Where control of an

**ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Principles of consolidation (cont'd)

entity is obtained during a financial period, its results are included in the consolidated Statement of Comprehensive Income from the date on which control commences.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Trade and other receivables

Receivables are recognised on an accruals basis as the services to which they relate are performed and are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is recognised in the Statement of Comprehensive Income.

ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

**ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment of assets

The Company assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

Exploration, evaluation and development expenditure incurred is accumulated in respect of each area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

(g) Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when

**ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Provisions (cont'd)

the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(i) Issued capital

Ordinary share capital is recognised as the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(j) Share-based payment transactions

The Company provides benefits to employees (including senior executives) of the Company in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Asaplus Resources Limited (market conditions) if applicable.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Company's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

The Statement of Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Share-based payment transactions (cont'd)

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(k) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(l) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Income tax (cont'd)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

(m) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Capitalisation and impairment of exploration and evaluation assets

Exploration and evaluation expenditures are capitalised in the statement of financial position, in respect of areas of interest for which the rights of tenure are current and where such costs are expected to be recouped or exploration and/or evaluation activities in the area have not yet reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves. The carrying value of assets within each area of interest are reviewed regularly taking into consideration the available facts and circumstances, and to the extent to which the capitalised value exceeds its recoverable value, the excess is provided for or written off in the year this is determined.

Income taxes

The Group is subject to income taxes in China. Management is required to estimate the amount of capital allowances and the deductibility of certain expenses ("uncertain tax positions"). Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax amounts in the year such determination is made.

**ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Reverse acquisition accounting

The proforma transaction involving Asaplus acquiring all the issued shares of Yong Heng has been accounted for under the principles of Reverse Acquisitions included in Australian Accounting Standard AASB 3 Business Combinations.

The legal structure of the Asaplus Group subsequent to the acquisition of Yong Heng will be that Asaplus will remain as the parent entity. However, the principles of reverse acquisition accounting apply where the owners of the acquired entity (in this case, Yong Heng) obtain control of the acquiring entity (in this case, Asaplus) as a result of the businesses' combination. Prior to the acquisition of Yong Heng by the Company, Yong Heng acquired Datian. The acquisition of Datian was also a reverse acquisition.

Under reverse acquisition accounting, the consolidated financial statements are issued under the name of the legal parent (Asaplus) but are a continuation of the financial statements of the legal subsidiary (Datian), with the assets and liabilities of the legal subsidiary being recognised and measured at their pre-combination carrying amounts rather than their fair values.

(o) Proforma transactions

The proforma Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows have been derived from the historical financial information as at 31 March 2012 adjusted to give effect to the following actual or proposed significant events and transactions by the Company subsequent to 31 March 2012:

- i) the acquisition of Datian by the Yong Heng group for consideration of RMB 10,000;
- ii) the acquisition of the Yong Heng group by the Company for consideration of \$10,000,000 satisfied by the issue of 45,000,000 consideration shares;
- iii) the issue by the Company pursuant to this Prospectus of 10,000,000 Offer Shares issued at 20 cents each raising \$2,000,000 before the expenses of the offer;
- iv) the write off against issued capital of the expenses of the issue of \$360,000; and
- v) the receipt of \$2,465,000 in subscription monies for shares issued to sophisticated investors.

ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

3. CASH AND CASH EQUIVALENTS

	<i>Reviewed Historical \$</i>	<i>Reviewed Proforma \$2 million capital raising \$</i>
Balance as at 31 March 2012	4,247	4,247
Cash balances of Yong Heng acquired	-	31,322
Cash balances of Asaplus acquired	-	92,000
Proceeds from share issue pursuant to Prospectus	-	2,000,000
Subscription monies received from share issue to sophisticated investors	-	2,465,000
Payment of share issue costs		(360,000)
	<u>4,247</u>	<u>4,232,569</u>

4. ACQUISITION OF ENTITY

As disclosed in Note 1 and Note 2(n), the transaction involving Asaplus acquiring all the issued capital of Yong Heng has been accounted for under the principles of reverse acquisitions included in AASB 3 *Business Combinations*.

Following are details of the pre-combination carrying amounts of the assets and liabilities of Asaplus:

	<i>\$</i>
Cash	92,000
Receivables	2,465,000
Total current assets	<u>2,557,000</u>
Total assets	<u>2,557,000</u>
Total liabilities	<u>-</u>
Net assets	<u>2,557,000</u>
Issued capital	2,565,000
Accumulated losses	(8,000)
	<u>2,557,000</u>

ASAPLUS RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MARCH 2012

5. ISSUED CAPITAL

	<i>Number of shares</i>	<i>\$</i>
a) Issued and paid up capital		
<i>Reviewed Historical</i>		
Balance as at 31 March 2012		45,450
<i>Reviewed Proforma Consolidated</i>		
Balance at 31 March 2012 prior to proforma adjustments	-	-
Shares issued to shareholders of Yong Heng group upon accounting acquisition of Yong Heng	45,000,000	45,450
Shares to be issued pursuant to this Prospectus	10,000,000	2,000,000
Acquisition of Asaplus – accounted for under the principles of reverse acquisition accounting – see Notes 1 and 2(n)	33,000,000	2,565,000
Share issue costs	-	(360,000)
Proforma total - \$2 million capital raising	88,000,000	4,250,450

6. CONTINGENCIES AND COMMITMENTS

Details of planned expenditure commitments are outlined in the Independent Geologist's Report in Section 9 of the Prospectus.

The Directors are not aware of any contingencies other than as set out in the Prospectus.

7. RELATED PARTY TRANSACTIONS

Details of Directors' interests in the Company's issued capital and transactions with the Company are included in the section of the Prospectus titled 'Investment Overview'.

12 Overview of PRC Legal Framework

This section contains a brief outline of the legal framework and key laws and regulations of the PRC which potentially have an effect on the operations of the Group. This summary is not exhaustive and persons should seek their own advice if necessary.

12.1 PRC legal system

The PRC legal system is based on the PRC Constitution and is made up of written laws, regulations and directives. Decided court cases do not constitute binding precedents in the PRC.

The National People's Congress of China ("NPC") and the Standing Committee of the NPC ("Standing Committee") are empowered by the PRC Constitution to exercise the legislative powers of the State, including the power to amend the PRC Constitution and to enact and amend primary laws.

The State Council of China ("State Council") is the highest organ of state administration and has the power to enact administrative rules and regulations. Ministries and commissions under the State Council are also vested with the power to issue orders, directives and regulations.

The power to interpret laws is vested by the PRC Constitution in the Standing Committee. In cases where the limits of articles of laws need to be further defined or additional stipulations need to be made, the Standing Committee shall provide interpretations or make stipulations by means of decrees.

At the regional level, the People's Congresses of Provinces and Municipalities and their standing committees may enact local rules and regulations and the local People's Government may promulgate administrative rules and directives applicable to their own administrative area. However, these local laws and regulations may not be in conflict with the PRC Constitution, any national laws or any administrative rules and regulations promulgated by the State Council.

12.2 Judicial system

The People's Courts are the judicial organs of the PRC. The People's Courts comprise the Supreme People's Court, the local level of the People's Courts, military courts and other special People's Courts. The local People's Courts are divided into three levels, namely, the basic People's Courts, intermediate People's Courts and higher People's Courts. The basic People's Courts are divided into civil, criminal and administrative divisions. The intermediate People's Courts have divisions similar to those of the basic People's Courts and, where the circumstances so warrant, may have other special divisions (such as intellectual property divisions). The higher People's Court deal with significant impact cases, in civil, criminal and administrative divisions. The judicial functions of the People's Courts at lower levels are subject to supervision of the People's Courts at higher levels. The Supreme People's Court is the highest judicial organ of the PRC. It supervises the administration of justice by the People's Courts of all levels.

The People's Courts adopt a two-tier final appeal system. A party may, before the taking effect of a judgement or order, appeal against the judgement or order of the first instance of a local People's Court to the People's Court at the next higher level. Judgements or orders of the second instance of the same level and at the next higher level are final and binding.

A foreign individual or foreign enterprise is accorded the same litigation rights and obligations as a citizen or legal person of the PRC. But if the courts of a foreign country impose restrictions on the civil litigation rights

of the citizens, legal persons and other organisations of the PRC, the People's Courts of the PRC shall follow the principle of reciprocity regarding the civil litigation rights of the citizens, enterprises and organisations of that foreign country. If any party to a civil action refuses to comply with a judgement or order made by a People's Court or an award made by an arbitration body in the PRC, the aggrieved party may apply to the People's Court to enforce the judgement, order or award.

A party seeking to enforce a judgement or order of a People's Court against a party who or whose property is not within the PRC may apply to a foreign court with jurisdiction over the case for recognition and enforcement of such judgement or order. A foreign judgement or ruling may also be recognised and enforced according to PRC enforcement procedures by the People's Courts in accordance with the principle of reciprocity or if there exists an international or bilateral treaty with or acceded to by the foreign country that provides for such recognition and enforcement, unless the People's Court considers that the recognition or enforcement of the judgement or ruling will violate fundamental legal principles of the PRC or its sovereignty, security or social or public interest.

12.3 Arbitration and enforcement of arbitral awards

Under the Arbitration Law of the PRC, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the People's Court for enforcement. A People's Court may refuse to enforce an arbitral award made by an arbitration committee if there were mistakes, an absence of material evidence or irregularities over the arbitration proceedings, or the jurisdiction or constitution of the arbitration committee.

The PRC has acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "New York Convention") adopted on 10 June 1958 pursuant to a resolution of the Standing Committee of the NPC passed on 2 December 1986. The New York Convention provides that all arbitral awards made by a state which is a party to the New York Convention shall be recognized and enforced by other parties to the New York Convention subject to their right to refuse enforcement under certain specific circumstances. Under the terms of the PRC's accession to the New York Convention, the PRC would recognize and enforce foreign arbitral awards only if the foreign arbitral award is made: (1) by an arbitration committee from a state which recognises arbitral awards from the PRC; and (2) in relation to disputes considered under PRC laws to be arising from contractual and non-contractual mercantile legal relations.

12.4 Foreign exchange control

The Regulations on Administration of Foreign Exchange of the PRC of January 1996 and the subsequent amendments in 1997 and in 2008 by the State Council of China set out the regulatory framework on foreign exchange of the PRC ("Foreign Exchange Regulations"). In accordance with the Foreign Exchange Regulations, the Renminbi shall be freely exchanged for settling current accounts transactions, including trading-related and service-related foreign exchange transactions and dividend distributions. However, foreign exchange involving direct investments, loans or securities investments outside the territory is restricted and requires the prior approval of the State Administration of Foreign Exchange.

12.5 Taxation

The applicable income tax laws, regulations, notices and decisions relating to foreign invested enterprises ("FIE") and their investors within the PRC (collectively the "Applicable Foreign Enterprises Tax Law") include the following:

(a) Income tax on FIEs and domestically invested enterprises (“DIEs”)

The PRC enterprise income tax is calculated based on the taxable income determined under the PRC accounting standards and regulations.

In March 2007, the National People’s Congress enacted a new Enterprise Income Tax Law (“EIT Law”), which became effective on 1 January 2008. The new tax law imposes a unified income tax rate of 25% on all DIEs and FIEs unless they qualify under certain limited exceptions.

The EIT Law provides that a withholding tax of 10% is normally applicable to dividends payable to a “non-resident enterprise” to the extent such dividends are derived from sources within the PRC, or a lower tax rate on the condition that the PRC has a tax treaty with the judicial district which the “non-resident enterprise” is subject to.

(b) Value added tax

The current Provisional Regulations of the People’s Republic of China Concerning Value Added Tax, promulgated on 13 December 1993 and amended on 5 November 2008, provide that value added tax is imposed on goods sold in or imported into the PRC and on processing, repair and replacement services provided within the PRC.

Value added tax payable in the PRC is charged on an aggregated basis at a rate of 13% or 17% (depending on the type of goods involved) on the full price collected for the goods sold or, in the case of taxable services provided, at a rate of 17% on the charges for the taxable services provided but excluding, in respect of both goods and services, any amount paid in respect of value added tax included in the price or charges, and less any deductible value added tax already paid by the taxpayer on purchases of goods and services in the same financial year.

(c) Business tax

The current Provisional Regulations of the People’s Republic of China on Business Tax, promulgated on 13 December 1993 and amended on 5 November 2008, provide that any business that provides services, or assigns intangible assets or sells immovable property is liable to pay a business tax at a rate ranging from 3% to 5% of the charges of the services provided, intangible assets assigned or immovable property sold, as the case may be.

12.6 Wholly foreign-owned enterprises

A wholly foreign-owned enterprise (“WFOE”) is one type of FIE. The establishment of a WFOE has to be approved by the Ministry of Commerce (or its delegated local counterparts). A WFOE may be established as a limited liability company which can independently assume civil obligations and enjoy civil rights (including being able to sue and be sued in its own name) and has the right to own, use and dispose of property. It is required to have a registered capital contributed by a foreign investor(s). The liability of a foreign investor(s) is limited to the amount of registered capital contributed. A WFOE must also obtain a business licence from the State Administration of Industry and Commerce (or its delegated authorities) before it can commence business.

A WFOE in the PRC can distribute dividends (if any) only from the after-tax profits in compliance with the Chinese Accounting Standards and Rules and Regulations. A WFOE is required to preserve a minimum 10% of its after-tax profit as a reserve fund, until the cumulative reserve fund amounts to 50% of the registered capital of the WFOE. This reserve cannot be distributed as cash dividends, but may be used for re-investment in the WFOE.

The board of directors of a WFOE may determine a percentage of after-tax profits to be preserved for an employees' bonus and welfare fund. The reserve cannot be distributed as cash dividends and can be used to pay only employee bonuses and/or for payment expenses for employee welfare.

12.7 Labour

The Employment Contract Law of the PRC, effective as of 1 January 2008, provides that an employer shall sign an employment contract with any employee upon or, in no event beyond one month from, the commencement of service by the employee for such employer. There are three types:

- (i) an employment contract with a fixed term, under which employment terminates on the fixed date agreed;
- (ii) an employment contract with an indefinite term, under which the date of termination of employment is not explicitly provided and thus remains indefinite; and
- (iii) an employment contract termination subject to consummation of certain work, under which employment is terminated upon consummation of certain work.

An employment contract with an indefinite term shall be duly established where:

- (i) an employer has signed the employment contract with a fixed term twice consecutively; or
- (ii) an employer fails to sign any written employment contract with any employee after one year from commencement of service by such employee for such employer.

An employer, who fails to sign any written employment contract with any employee beyond one month after commencement of service by such employee and remains so until expiration of one year, shall pay double salary to such employee.

12.8 Mergers and acquisitions by overseas investor listings

In August 2006, six PRC regulatory agencies, namely the Ministry of Commerce ("MOFCOM"), the State Assets Supervision and Administration Commission, the State Administration for Taxation, the State Administration for Industry and Commerce, China Securities Regulatory Commission and the State Administration of Foreign Exchange, jointly adopted the Regulation on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (the "M&A Rules").

According to the M&A Rules, the merger and acquisition of a domestic enterprise by foreign investors means:

- (i) foreign investors, by agreement, purchase equity interest from shareholders of a domestic enterprise with no foreign investment (a "domestic company") or subscribe to the increase in the registered capital of a domestic company, which results in that domestic company being changed into a foreign invested enterprise (i.e., an Equity Merger and Acquisition); or
- (ii) foreign investors establishing a foreign invested enterprise and then, through such an enterprise, purchase the assets of a domestic enterprise by agreement and operate such assets, or the foreign investors purchase the assets of a domestic enterprise by agreement and use such assets as investment to establish a foreign invested enterprise to operate such assets (i.e., an Asset Merger and Acquisition).

If any domestic company, enterprise or natural person merges his affiliated domestic company established or controlled by the aforesaid domestic company, enterprise or natural person with investors from foreign countries or regions, it shall be subject to the approval of MOFCOM.

12.9 Real property

(a) Ownership of Land and Land Use Rights

The Law of Land Administration of the PRC (the “LLA”) was promulgated on 28 August 2004. Under the LLA, ownership of all land, other than rural land which may be owned by collectives of farmers, belongs to the State. Land ownership is established under the PRC Constitution.

(b) The State is to place a strict control on the use of land

The land administrative department of the State Council shall be the sole authority responsible for the administration and supervision of land in the whole country. Land owned by farmer collectives, if it is to be lawfully used for non-agricultural purposes, shall be registered and recorded by the people’s governments at the county level, which shall, upon verification, issue certificates to confirm the right to the use of the land for such non-agricultural purposes.

Any revision of an approved overall plan for land utilisation shall be subject to approval by the organ that originally approved the plan. Without such approval, no change may be made in the purposes of land use as prescribed in the overall plan for land utilisation. The State protects cultivated land and strictly controls conversion of cultivated land to non-cultivated land. The State applies the system of compensation for the use of cultivated land for other purposes. The principle of “reclaiming the same amount of land as is used” shall be applied to any party that, with approval, uses cultivated land for construction of non-agricultural projects, that is, that party shall be responsible for reclaiming and compensating the same amount and quality of the cultivated land it proposes to use. If conditions for such reclamation do not exist or if the reclaimed land fails to meet the requirements, that party shall pay expenses for reclamation in accordance with the regulations set by the people’s governments of provinces, autonomous regions and municipalities directly under the central government and the money shall be exclusively used for such reclamation.

A construction unit that obtains a right to the use of State-owned land by such means of compensation as assignment shall, in keeping with the standards and measures prescribed by the State Council, pay compensation for the use of that land such as charges for the assignment of land-use right and other prescribed charges before they can use the land.

The local government may either “grant” or “lease” to industrial land users land use rights (“LURs”) to land planned for industrial purposes for a fixed period through signing land grant contracts or land leases and issuing State-owned Land Use Certificates. The industrial land users must pay land grant fees for the granted LURs or rent for the leased LURs. Land collectively-owned by local villages (i.e., farmer collectives) or land not planned for industrial use may not be granted or leased to industrial land users, but may be converted into State-owned industrial land by the State through an often time-consuming process which requires approvals of the State Council or the relevant provincial level people’s governments, before it is then granted or leased to industrial land users.

(c) Construction and ownership of buildings

A permit for the planning of construction of a building and a permit for the commencement of construction must be obtained from the local construction bureau for land users to commence the construction of a building. Upon completion of construction, an inspection and acceptance approval for the building must be obtained from the local authorities including those in charge of construction quality, fire safety and workplace health and safety before the building can be occupied.

The relevant government authority of the PRC grants a Certificate of Building Ownership to certify ownership of any building or any part thereof, and the owner of a building or any part thereof who holds such a Certificate of Building Ownership should have the corresponding or similar rights in relation to the building or any part thereof with the owners of LURs in relation to the land.

For disclosure on relevant PRC laws specifically relating to exploration tenements and mineral mining generally, refer to the Legal Counsel's Report on Tenement set out in Section 10 of the Prospectus.

13.1 Key differences between Singapore and Australian law

The Company is incorporated in Singapore. The material differences between the rights of shares and holders of shares in an Australian company and the rights of shares and holders of shares in a Singaporean company result from the differences in their governing documents and governing laws.

This summary is a general description of the principal differences between the laws and regulations concerning shares in a company incorporated in Singapore as opposed to Australia. It is provided as a general guide only and does not purport to be a comprehensive analysis of all the consequences resulting from acquiring, holding or disposing of such shares or interest in such shares. The laws, regulations, policies and procedures described are subject to change from time to time and Applicants should seek their own independent legal advice if they have any doubt as to their own legal position.

(a) Corporate procedures

The general company law structures of Singapore and Australia are reasonably similar, being based in legislation with a common law background of directors' duties. As with Australian company law, certain corporate procedures require approval by a special resolution of shareholders under Singapore law, including a change of company name, alteration of the Memorandum or Articles of Association, and approval of capital reductions.

(b) Takeovers

Acquisitions of shares in a Singaporean public company are regulated under the Securities and Futures Act (Chapter 289) of Singapore and the Singapore Code on Takeovers and Mergers. The threshold above which acquisitions by a person, together with parties acting in concert with him, are regulated is 30%. This is higher than the 20% threshold which applies to Australian public companies.

Subject to the exceptions noted below, a person will be required to make a general offer for all of the shares in a listed public company if he acquires shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the company. Where a person and his concerted parties hold between 30% and 50% of the voting rights in a listed public company and the person (or his concerted party) acquires in any period of 6 months additional shares carrying more than 1% of the voting rights, the person will also be required to make a general offer for all the shares in the company not already owned by him. The Securities Industry Council of Singapore may waive compliance with the obligation to make a general offer in certain circumstances, including where a majority of the shareholders of the company approve by way of a poll at a general meeting a waiver of their rights to receive a general offer. A person who (together with his concerted parties) already holds more than 50% of the voting rights in a Singapore public company is not restricted from making further acquisitions above that level, and is not obliged to make a general offer as a result of making any such further acquisitions.

(c) Substantial shareholder reporting

Substantial shareholder reporting applies at the 5% level, and at every change after that. Details of acquisitions and disposals by substantial shareholders must generally be given to the company within two business days after the transaction occurs.

(d) Related-party transactions

Related-party transactions (that is, transactions between a public company and a director, an entity controlled by a director, or a parent company of the public company) are regulated in Australia under the Corporations Act by a requirement for disinterested shareholder approval, unless the transactions are on “arm’s length terms”, represent no more than reasonable remuneration, or complies with other limited exemptions.

Under Singaporean law, loan transactions (including granting security or guarantees for loans) in favour of directors of public companies are regulated but otherwise the rules regarding related-party transactions are not as restrictive as under Australian law.

Issues of shares or other equity securities to the Directors of the Company will be regulated under the Listing Rules to exactly the same extent as a listed Australian company.

13.2 No prospective financial forecasts

The Directors have considered the matters outlined in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings because the proposed future operations of the Company do not have an operating history from which reliable forecasts can be made. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Notwithstanding the above, this Prospectus includes, or may include, forward-looking statements including, without limitation, forward-looking statements regarding the Company’s financial position, business strategy, and plans and objectives for its business and future operations (including development plans and objectives), which have been based on the Company’s current expectations. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and environment in which the Company will operate in the future.

Matters not yet known to the Company or not currently considered material to the Company may impact on these forward-looking statements. These statements reflect views held only as at the date of this Prospectus. In light of these risks, uncertainties and assumptions, the forward-looking statements in this Prospectus might not occur. Investors are therefore cautioned not to place undue reliance on these statements.

13.3 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, administering the Applicant’s security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by that Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company’s related body corporates, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its securities holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

13.4 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to take independent financial advice about the taxation and any other consequences of investing in the Company.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to taxation and any other consequences of investing in the Company.

13.5 Interests of experts and advisers

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2-year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Kings Park Corporate Lawyers has acted as Australian legal adviser to the Company in connection with its application to list on ASX. The Company will pay approximately \$30,000 to Kings Park Corporate Lawyers for these services. Kings Park Corporate Lawyers has not provided other professional services to the Company during the last 2 years.

China Legal Bureau (Singapore) has acted as legal counsel as to PRC law to the Company in connection with its application to list on ASX, while Pathfinder Consulting Group Co., Ltd., one of its correspondent firms in the PRC, has provided legal consultancy to the Company on the restructuring exercise in the PRC in connection with its application to list on ASX. The Company will pay an aggregate of approximately \$30,000 to China Legal Bureau (Singapore) and Pathfinder Consulting Group Co., Ltd. for these services. China Legal Bureau (Singapore) and Pathfinder Consulting Group Co., Ltd. have not provided other professional services to the Company during the last 2 years.

Biztrack Public Accounting Corporation has acted as corporate adviser to the Company in connection with its application to list on ASX. The Company will pay approximately \$60,000 to Biztrack Public Accounting Corporation for these services. Biztrack Public Accounting Corporation has not provided other professional services to the Company during the last 2 years.

HLB Mann Judd has prepared the Investigating Accountant's Report in this Prospectus. In respect of this work, the Company will pay approximately \$10,000. HLB Mann Judd has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

MGI Consulting Services Private Limited and MGI Singapore PAC have provided accountancy and auditing services respectively to the Company's principal subsidiary in the PRC, namely DSM. In respect of this work, the Company will pay approximately \$20,000. MGI Singapore PAC will continue as auditor of the Company and its subsidiaries for which it will be paid its usual commercial rates.

Darlington Geological Services Pty Ltd. has prepared the Independent Geologist's Report in this Prospectus. In respect of this work, the Company will pay approximately \$20,000. Darlington Geological Services Pty Ltd. has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

13.6 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC, withdrawn its written consent:
 - (i) to be named in the Prospectus in the form and context in which he is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person, in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below; and
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to his name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Additional Information

Name	Role	Statement/Report
Darlington Geological Services Pty Ltd.	Independent Geologist	Independent Geologist's Report, Section 9
The 197 Geological Team of Fujian Province	Local geologist appointed by DSM	Statements referred to by Darlington Geological Services Pty Ltd. in the Independent Geologist's Report
China Legal Bureau (Singapore)	Legal Counsel on PRC law	Legal Counsel's Report on the Tenement, Section 10 Overview of PRC legal framework, Section 12
HLB Mann Judd	Investigating Accountant	Investigating Accountant's Report, Section 11
Biztrack Public Accounting Corporation	Corporate Adviser	Nil
Kings Park Corporate Lawyers	Solicitor to the Offer	Nil
Link Market Services Limited	Share Registry	Nil
Loy Wei Choo, Joseph	Geological Manager	Statements made by him or statements based on statements made by him in the Independent Geologist's Report

Directors' Responsibility and Consent

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The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statement or statements, those persons have given their consent to the statement or statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC or, to the Directors' knowledge, before any issue of the Shares pursuant to this Prospectus.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Dated: 21 August 2012

Signed for and on behalf of
Asaplus Resources Limited by



Ir Che Mohamed Hussein Bin Mohamed Shariff
Chairman

15 Definitions

Where the following terms are used in this Prospectus they have the following meanings:

Name	Statement/Report
Applicant	a person who submits a valid Application Form pursuant to this Prospectus
Application	a valid application made on an Application Form to subscribe for Shares pursuant to this Prospectus
Application Form	the application form attached to this Prospectus
Asaplus International Limited	Asaplus International Limited, a limited liability company incorporated in and under the laws of the British Virgin Islands with a company registration number 1656711
ASIC	the Australian Securities & Investments Commission
ASX	ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited
ASX Settlement	ASX Settlement Pty Ltd. (ACN 008 504 532)
ASX Settlement Operation Rules	the operating rules of ASX Settlement
Auditors	auditors of the Company to be appointed in accordance with provisions of the Companies Act
Board	the board of Directors of the Company
CDI	CHESS Depositary Interests, each CDI being a unit of beneficial ownership of one Share
CDN	CHESS Depositary Nominees Pty Ltd
CHESS	Clearing House Electronic Subregister System
China or PRC	the People's Republic of China
Closing Date	the closing date for receipt of Application Forms under this Prospectus, estimated to be 5.00pm AEST on 5 October 2012, or an amended time as set by the Directors
Companies Act	Companies Act (Cap 50) of Singapore
Company or Asaplus	Asaplus Resources Limited (ARBN 158 717 492)
Constitution	the constitution of the Company, namely its Memorandum and Articles of Association
Corporations Act	the Corporations Act 2001 (Cth)
DHIC	Datian Huixiang Investments Consulting Co., Ltd., an entity registered in the PRC
DSM	Datian Silverstone Mining Co. Ltd., an entity registered in the PRC
Director	a director of the Company and, where the context requires, the proposed Directors
Employment Agreement	has the meaning given in Section 7.5
Group	the Company and the Subsidiaries
Issue	the issue of Shares under this Prospectus

Name	Statement/Report
JORC	the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves (2004 Edition)
Listing Rules	the listing rules of ASX
Offer	the offer for Shares made under this Prospectus
Official List	the official list of ASX
Opening Date	29 August 2012, subject to an exposure period as required by the Corporations Act
Other Vendors	collectively, the 19 individuals who formerly have minority interests in the equity of DSM, and save for Madam Lin Liqin, Mr Kee Boon Thuan, Mr Qiu Jiansheng and Madam Liu Qin, each holding not more than 1% of the Company's share capital following the Offer
Performance Milestone	has the meaning given to that term in Section 7.5
Performance Shares	has the meaning given to that term in Section 7.6
Prospectus	this prospectus and includes the electronic prospectus
Quotation Date	the date on which quotation of the Shares on ASX occurs
Registered Office	the Company's registered office from time to time
RMB or Chinese Yuan	Renminbi or Chinese Yuan, the official currency of the PRC
Share	a fully paid ordinary share in the Company and, where the context so requires, a CDI
Shareholder	the registered holder of Shares in the Company
Share Registry	Link Market Services Limited of Ground Floor, 178 St Georges Terrace, Perth WA 6000
Silverstone Project	a 5.60 km ² iron ore exploration tenement located in Datian County, Fujian Province in the PRC, described in greater detail in Section 5.2
State	the People's Government of the People's Republic of China
Subsidiaries	The wholly-owned subsidiaries of the Company
Yong Heng	Yong Heng Investment Limited, an entity incorporated in Hong Kong
\$	Australian Dollars unless otherwise stated

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Adviser Code



Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The CDIs to which this Application Form relates are Asaplus Resources Limited ("Asaplus Resources") CDIs. Further details about the CDIs are contained in the Prospectus dated 21 August 2012 issued by Asaplus Resources Limited. The Prospectus will expire on 21 September 2013. While the Prospectus is current, Asaplus Resources Limited will send paper copies of the Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investment Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus.

The Prospectus contains important information about investing in the CDIs. You should read the Prospectus before applying for CDIs.

- A** Insert the number of CDIs you wish to apply for. The Application must be for a minimum of 10,000 CDIs and multiples of 1,000 CDIs thereafter. You may be issued all of the CDIs applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of CDIs applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of CDIs. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Asaplus Resources Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from Asaplus Resources Limited and the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHES participant or sponsored by a CHES participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHES for this HIN is different to the details given on this form, your CDIs will be issued to Asaplus Resources Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.
Make your cheque or bank draft payable to "Asaplus Resources Limited - Share Offer Account" in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
If you receive a firm allocation of CDIs from your Broker make your cheque payable to your Broker in accordance with their instructions.

LODGEMENT INSTRUCTIONS

This Application Form and your cheque or bank draft must be mailed or delivered so that it is received before 5:00pm (AEST) 5 October 2012 at:

Mailing Address

Asaplus Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Hand Delivery

Asaplus Resources Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
(do not use this address for mailing purposes)

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a shareholder (including your name, address and details of the CDIs you hold) to be included in the public register of the entity in which you hold CDIs. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold CDIs. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold CDIs. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
Company Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
Joint Holdings Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
Trusts Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
Minor (a person under the age of 18 years) Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
Partnerships Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
Long Names	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
Superannuation Funds Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.

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ASAPLUS RESOURCES LIMITED
(ARBN 158 717 492)
(Proposed ASX Code: AJY)