



ANNOUNCEMENT

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BOARD OF DIRECTORS

DING Poi Bor
LAU Eng Foo (Andy)
Dominic LIM Kian Gam
ONG Yih Ching

LOAN REPAYMENT DEFERMENT AGREEMENT AND CONDITIONAL GRANT OF OPTION TO SUBSCRIBE FOR NEW SHARES

Directors Asaplus Resources Limited (the **Company**) wish to announce that the Company and TEE Chee Seng (the **Investor**) has entered into a Loan Repayment Deferment Agreement (the **Deferment Agreement**) on 6 September 2021.

Background

The Company and the Investor had entered into a Share Subscription Agreement dated 25 January 2018 (the **Share Subscription Agreement**) which was amended by a supplemental agreement dated 6 February 2018, under which, amongst other things:

- (A) the Investor extended an unsecured loan amounting to RMB6,000,000 (Chinese Yuan Six Million Only) (the **Convertible Loan**) to the Company on the terms and subject to the conditions set out in the Share Subscription Agreement; and
- (B) the Company granted the Investor the option to subscribe for up to 12,000,000 new Shares at a price of \$0.09795 per Share exercisable by the Investor at any time during the period from 1 August 2018 to 5:00PM (Western Australian time) on 1 August 2021 (the **Option**).

The Share Subscription Agreement further provides that, unless the Investor exercises the Option, the Convertible Loan becomes due and payable on 1 August 2021. The Investor had informed the Company that he does not intend to exercise the Option and, as of the date of this announcement, the Option had lapsed. Directors are of the view that any repayment of the Convertible Loan to the Investor at this time will adversely affect the Company's operations. Therefore, the Company immediately commenced discussions with the Investor to address this issue. As a gesture of good faith, the Investor had agreed to a moratorium until a resolution is achieved, up to a period of six weeks from the initial due date. After protracted and extensive discussions, the Investor had finally agreed to defer the due date for repayment of the Convertible Loan on the terms and subject to the conditions set out the Deferment Agreement.

Key terms of the Deferment Agreement

The key terms are:

1. The Investor agrees not to demand for repayment of the Convertible Loan before the Extended Due Date (defined below);
2. Subject to shareholders' approval, the Company will grant the Investor the option to subscribe for up to 31,800,000 new shares in the

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Company's share capital at a price of \$0.04 (or RMB0.189 based on the agreed exchange rate) per Share, exercisable by the Investor at anytime from the date shareholders' approval is obtained to 5:00PM (Western Australia time) on Extended Due Date (the **2021 Option**).

3. The 2021 Option may be exercised by the Investor or a person nominated by him at any time during its validity either in whole or in parts. However, if an exercise of the 2021 Option is in part, it must be for a minimum of 5,000,000 Shares.
4. The extended due date for the repayment of the Convertible Loan (the **Extended Due Date**) is:
 - (a) on the first anniversary of the date shareholder's approvals for the grant of the 2021 Option and for the issue of the Shares to be issued in the event the 2021 Option is exercised (the **Specific Mandate**) are received; or
 - (2) 31 December 2021, if the Specific Mandate is not received by 31 December 2021.

Next steps

The Company will convene an extraordinary general meeting to be held immediately after the upcoming ninth annual general meeting of the Company to seek shareholders' approval for the Specific Mandate. A notice of this extraordinary annual general meeting will be despatched to shareholders in due course.

For and on behalf of
ASAPLUS RESOURCES LIMITED



DING Poi Bor
Managing Director
6 September 2021