

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Merdeka Resources Holdings Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser(s) or the transferee(s).

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This circular, for which the directors of the Company (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (the "GEM") of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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**MERDEKA**  
**MERDEKA RESOURCES HOLDINGS LIMITED**  
**(萬德資源集團有限公司\*)**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 08163)**

**GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the AGM is set out in Appendix III of this circular. A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Such form of proxy for use at the AGM is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.merdeka.com.hk](http://www.merdeka.com.hk) and <http://www.irasia.com/listco/hk/merdeka>). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

*This circular will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the day of its publication and will be published and remains on the website of the Company at [www.merdeka.com.hk](http://www.merdeka.com.hk) and <http://www.irasia.com/listco/hk/merdeka>.*

## CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.



## DEFINITIONS

*In this circular, unless the context otherwise requires, the following words and expressions shall have the following meanings:*

“acting in concert”	has the same meaning as ascribed to it under the Takeovers Code;
“AGM”	the annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 24 June 2011 at 10:00 a.m. or any adjournment thereof (as the case may be), notice of which is set out in Appendix III of this circular;
“Articles”	means the articles of association of the Company as amended from time to time;
“associate(s)”	has the same meaning as ascribed to it under the GEM Listing Rules;
“Board”	the board of the Directors;
“CCT Telecom”	CCT Telecom Holdings Limited (中建電訊集團有限公司*), a company listed on the Main Board of the Stock Exchange and a substantial shareholder of the Company;
“Company”	Merdeka Resources Holdings Limited (萬德資源集團有限公司*), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM;
“connected person”	has the same meaning as ascribed to it under the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM;
“Group”	the Company and its subsidiaries;
“HK or Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;

\* For identification purpose only

## DEFINITIONS

“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“INED”	Independent non-executive director;
“Latest Practicable Date”	23 May 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Manistar”	Manistar Enterprises Limited, a substantial shareholder of the Company and an indirect wholly-owned subsidiary of CCT Telecom;
“MCL”	Merdeka Commodities Limited, a substantial shareholder of the Company;
“MCL Convertible Bonds”	the convertible bonds due 2011 issued by the Company to MCL on 12 August 2008 as part of consideration to acquire the forestry business. These bonds are interest-free and convertible into Shares at the initial conversion price of HK\$0.10 per Share (subject to adjustment in accordance with the terms of the convertible bonds);
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of the Share(s);
“Share Option Scheme”	the share option scheme adopted by the Company on 20 February 2002 which became effective on 7 March 2002;
“substantial shareholder(s)”	has the same meaning as ascribed to it under the GEM Listing Rules;
“Takeover Code”	the Code on Takeovers and Mergers; and
“%”	per cent.

# MERDEKA

## MERDEKA RESOURCES HOLDINGS LIMITED

(萬德資源集團有限公司\*)

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 08163)**

*Executive Directors*

Mr. Ma Hang Kon, Louis

Mr. Lai Wing Hung

Mr. Wong Shui Lung

*Non-executive Directors*

Mr. Yeh Shuen Ji

Mr. Bai Baohua

*Independent Non-executive Directors*

Mr. Lam Kin Kau, Mark

Mr. Fung Hoi Wing, Henry

Mr. Lau Ho Wai, Lucas

*Registered Office*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

British West Indies

*Head Office and Principal Place  
of Business in Hong Kong*

Room 1903A

The Sun's Group Centre

200 Gloucester Road,

Wanchai,

Hong Kong

23 May 2011

*To the Shareholders and, for information only,*

*the holders of the MCL Convertible Bonds and the share options of the Company*

Dear Sir or Madam,

### **GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

The Board wishes to seek the approval of the Shareholders at the AGM for (i) the granting of the general mandate to issue Shares (referred to the resolution no. 5(A) of the notice of the AGM); (ii) the granting of the general mandate to repurchase Shares (referred to the resolution no. 5(B) of the notice of the AGM); and (iii) the re-election of the Directors.

\* *For identification purpose only*

## LETTER FROM THE BOARD

The purpose of this circular is to (i) provide you with details of the general mandate to issue Shares; (ii) provide you with details of the general mandate to repurchase Shares; (iii) set out an explanatory statement regarding the general mandate to repurchase Shares as required under the GEM Listing Rules; and (iv) provide you with details of the Directors who are subject to re-election at the AGM.

### GENERAL MANDATE TO ISSUE SHARES

It will be proposed at the AGM two ordinary resolutions respectively granting to the Directors (i) a general mandate to allot, issue and deal with the Shares not exceeding 20% of the aggregate nominal amount of the share capital in issue on the date of the passing of the resolution and (ii) adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company subject to the granting of the general mandate to repurchase Shares up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing the resolution.

As at the Latest Practicable Date, the maximum number of Shares to be issued is 1,093,629,800 Shares.

### GENERAL MANDATE TO REPURCHASE SHARES

At the 2010 annual general meeting of the Company held on 30 April 2010, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming AGM. The Directors propose to seek the approval of the Shareholders by ordinary resolution at the forthcoming AGM for a general mandate to repurchase Shares.

An explanatory statement as required under the GEM Listing Rules concerning the general mandate to repurchase Shares is set out in Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

Messrs. Ma Hang Kon, Louis, Lai Wing Hung, Yeh Shuen Ji, Bai Baohua and Wong Shui Lung, being additional directors appointed by the board pursuant to Article 86(3) of the Articles will only hold office until the AGM and being eligible, they will each offer themselves for re-election at the AGM.

In accordance with Article 87 (2) of the Articles, Mr. Lam Kin Kau, Mark, being the longest in office will retire by rotation at the forthcoming AGM and being eligible, will offer himself for re-election at the AGM.

Biographical details of the above-named Directors, who are subject to re-election at the AGM, are set out in Appendix II to this circular in accordance with the relevant requirements of the GEM Listing Rules.

## LETTER FROM THE BOARD

### THE AGM AND PROXY ARRANGEMENT

A notice convening the AGM is set out in Appendix III to this circular.

In accordance with the requirement under Rule 17.47(4) of the GEM Listing Rules, the votes for all resolutions by the Shareholders at the AGM must be taken by poll. The chairman of the AGM will therefore demand a poll at the beginning of the AGM on all of the resolutions put forward at the AGM pursuant to Article 66 of the Articles of the Company. The poll results of the AGM will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.merdeka.com.hk](http://www.merdeka.com.hk) and <http://www.irasia.com/listco/hk/merdeka>) after the AGM.

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Such form of proxy for use at the AGM is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.merdeka.com.hk](http://www.merdeka.com.hk) and <http://www.irasia.com/listco/hk/merdeka>). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

### RECOMMENDATION

The Directors consider that the granting of the general mandates to issue Shares and to repurchase Shares; and the re-election of the Directors are in the best interests of the Company and the Shareholders as a whole and therefore recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM in respect thereof.

Yours faithfully,

For and on behalf of the Board of  
**MERDEKA RESOURCES HOLDINGS LIMITED**  
**Ma Hang Kon, Louis**  
*Chief Executive Officer*



*This is an explanatory statement given to all Shareholders relating to the resolution no. 5(B) to be proposed at the AGM regarding the general mandate to repurchase Shares.*

*The explanatory statement contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules.*

## **1. EXERCISE OF THE GENERAL MANDATE TO REPURCHASE SHARES**

As at the Latest Practicable Date, there were 5,468,149,000 Shares in issue representing an issued share capital of HK\$54,681,490.00. As at the Latest Practicable Date, the MCL Convertible Bonds with the principal amount of HK\$490,880,000.00 were outstanding, which may be convertible into 4,908,800,000 Shares, and there were 365,500,000 outstanding share options granted under the Share Option Scheme entitling the holders thereof to subscribe for an aggregate of 365,500,000 Shares.

If the resolution no. 5(B) authorising the Directors to repurchase Shares is passed at the forthcoming AGM, and assuming that none of the outstanding MCL Convertible Bonds is converted, no outstanding share options of the Company is exercised and no further Shares is issued, allotted or repurchased by the Company prior to the date of passing the said resolution, based on the 5,468,149,000 Shares in issue as at the Latest Practicable Date, up to 546,814,900 Shares, representing 10% of the existing issued share capital of the Company may be repurchased by the Company, during the period from the date of passing the resolution no. 5(B) and ending on either the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by the Articles of the Company or applicable laws of the Cayman Islands or the date upon which the resolution no. 5(B) is revoked or varied by the Shareholders at a general meeting of the Company (whichever is the earliest).

## **2. REASONS FOR REPURCHASE OF SHARES**

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market at any appropriate time. Such repurchase may, depending on market conditions and funding arrangements at that time, lead to enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

## **3. FUNDING OF REPURCHASE OF SHARES**

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles of the Company, the GEM Listing Rules and the laws of the Cayman Islands and Hong Kong. The Company may not repurchase the Shares on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

It is envisaged that the funds required for any repurchase of the Shares would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company.

#### 4. GENERAL

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the financial statements contained in the annual report of the Company for the year ended 31 December 2010) in the event that the proposed repurchase of Shares was to be carried out in full at any time during the proposed repurchase period. However, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

#### 5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

Month	Traded Prices Per Share	
	Highest HK\$	Lowest HK\$
<b>2010</b>		
May	0.218	0.140
June	0.172	0.137
July	0.170	0.120
August	0.126	0.080
September	0.104	0.078
October	0.107	0.078
November	0.092	0.077
December	0.084	0.071
<b>2011</b>		
January	0.090	0.073
February	0.082	0.073
March	0.157	0.074
April	0.148	0.111
May (up to and including the Latest Practicable Date)	0.143	0.126

#### 6. CODE ON TAKEOVERS AND MERGERS

If, as a result of the repurchase of the Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, could, depending on the level of increase of shareholding interest, obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the substantial shareholders of the Company were as follows:

Name of the Shareholders	No. of the Shares interested in	Approximate percentage of the existing shareholding (%)	Approximate percentage of the shareholding if exercised in full the power to repurchase (%)
MCL	1,277,680,000	23.37	25.96
Merdeka Finance Group Limited (Note 1)	1,277,680,000	23.37	25.96
Lai Wing Hung (Notes 1 and 2)	1,352,680,000	24.74	27.49
Manistar	1,331,764,070	24.35	27.06
CCT Capital International Holdings Limited (Note 3)	1,331,764,070	24.35	27.06
CCT Telecom (Note 3)	1,331,764,070	24.35	27.06
Mak Shiu Tong, Clement (Note 4)	1,351,108,070	24.71	27.45

Notes:

- The 1,277,680,000 Shares were held by MCL, a subsidiary of Merdeka Finance Group Limited which is deemed to be interested in such Shares under the SFO as it is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of MCL through its shareholdings of 70% of the total issued share capital in MCL as at the Latest Practicable Date.
- Of the shareholdings in which Mr. Lai Wing Hung was interested, 1,277,680,000 Shares were held by MCL. Mr. Lai Wing Hung is deemed to be interested in such Shares under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of MCL through his 30% personal shareholdings in MCL and through his 100% shareholdings in Merdeka Finance Group Limited, which in turn held 70% shareholdings in MCL as at the Latest Practicable Date. The remaining 75,000,000 Shares were beneficially owned by Mr. Lai Wing Hung personally.
- The Shares were held by Manistar, which is wholly-owned by CCT Capital International Holdings Limited which in turn is a wholly-owned subsidiary of CCT Telecom.
- Of the shareholding in which Mr. Mak Shiu Tong, Clement was interested, 1,331,764,070 Shares were beneficially held by Manistar. Mr. Mak Shiu Tong, Clement is deemed to be interested in such Shares under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of CCT Telecom through his controlling interest in the shareholding of CCT Telecom as at the Latest Practicable Date. The remaining 19,344,000 Shares were beneficially owned by Mr. Mak Shiu Tong, Clement personally.

In the event that the Directors shall exercise in full the power to repurchase Shares in accordance with the terms of the resolution no. 5(B) to be proposed at the AGM and assuming none of the outstanding MCL Convertible Bonds is converted, no outstanding

share options of the Company is exercised and no further Shares is issued, allotted or repurchased by the Company prior to the AGM, the total interests of the above substantial shareholders of the Company would be increased to the respective approximate percentages shown in the last column above.

Based on information known to date, the Directors are not aware of any consequence which would arise under the Takeovers Code as a result of such repurchases. The Directors have no present intention to exercise the power to repurchase Shares to such extent as would, in the circumstances, trigger off any potential consequence under the Takeovers Code. However, the Company may not repurchase the Shares which would result in the amount of the Shares held by the public being reduced to less than 25%.

#### **7. CONNECTED PERSONS**

No connected person has notified the Company that it has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, if the general mandate to repurchase Shares is exercised.

#### **8. DIRECTORS**

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates have any present intention to sell any of the Shares to the Company or its subsidiaries if the general mandate to repurchase Shares is exercised.

The Directors have undertaken to the Stock Exchange that they will exercise the general mandate to repurchase Shares should it be granted at the forthcoming AGM, in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands, the jurisdiction in which the Company was incorporated.

#### **9. REPURCHASED SHARES**

The Company has made no repurchases of its own Shares (whether on the GEM or otherwise) in the six months preceding the Latest Practicable Date.

*The following are the biographical details of the Directors (as required by the GEM Listing Rules) proposed to be re-elected at the AGM.*

**Mr. Ma Hang Kon, Louis**, aged 48, is currently an executive director, chief executive officer, member of the remuneration committee, compliance officer, authorized representative and agent for service of process in Hong Kong of the Company and as a director of the relevant subsidiaries of the Company.

Mr. Ma is primarily responsible for the corporate planning, overall strategic direction of the Group and taking a leading role in managing and overseeing the day-to-day operations of the businesses of the Group. He is also responsible for managing the finance and accounting, compliance and company secretarial functions of the Group. Mr. Ma has over 25 years of working experience, mainly in the petrochemical and electronics industries in the United States and in the Asia Pacific region. He is experienced in starting up operations including building an infrastructure of manufacturing facilities in the Asia Pacific, in leading mergers and acquisitions, and in rapidly growing business in new geographic locations. Mr. Ma is a member of each of The American Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and The Institute of Chartered Secretaries and Administrators. He graduated from the Kellogg School of Business, Northwestern University in the United States and the Hong Kong Polytechnic (the predecessor of The Hong Kong Polytechnic University).

Save as disclosed above, Mr. Ma did not hold any directorship in any listed public company in the past three years and does not hold any other positions within the Group.

Mr. Ma has entered into a two-year service agreement with the Company with effect from 23 November 2010, pursuant to which Mr. Ma is entitled to a monthly basic salary of HK\$148,300 and a monthly rental reimbursement of HK\$35,000 by reference to his individual performance, prevailing economic situation and market practice, and discretionary bonus for each completed year of service with the Company which will be determined at the sole and absolute discretion of the Board. Mr. Ma's appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of the Company.

Mr. Ma does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Ma has interests in 9,800,000 Shares and 43,000,000 share options of the Company which are exercisable during the period from 24 October 2011 to 6 March 2012 at a price of HK\$0.078 per Share. Save as disclosed above, as at the Latest Practicable Date, Mr. Ma has no other interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

<b>APPENDIX II</b>	<b>BIOGRAPHICAL DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED</b>
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There is no information which should be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Ma involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 17.50(2) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

**Mr. Lai Wing Hung**, aged 48, is currently an executive director and a member of the remuneration committee of the Company as well as the director of certain subsidiaries of the Group. He is also a director and controlling shareholder of MCL and also a substantial shareholder of the Company. He is primarily responsible for the overall management of the Group and taking an executive role in managing the Group's forestry business, management of investment and corporate finance. Mr. Lai has 20 years of experience with CITIC (Hong Kong) Holdings Limited in the management of the investment and bond instruments. His last position in CITIC (Hong Kong) Holdings Limited was Deputy General Manager, Fixed Income. He has been involved in the affairs of the forestry business of the Group in Indonesia since its acquisition. Mr. Lai graduated from The Chinese University of Hong Kong with a Bachelor's degree in Business Administration.

Save as disclosed above, Mr. Lai did not hold any directorship in any listed public company in the past three years and does not hold any other positions within the Group.

Mr. Lai has entered into a two-year service agreement with the Company with effect from 23 November 2010, pursuant to which Mr. Lai is entitled to a monthly basic salary of HK\$100,000 by reference to his individual performance, prevailing economic situation and market practice, and discretionary bonus for each completed year of service with the Company which will be determined at the sole and absolute discretion of the Board. Mr. Lai's appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of the Company.

Mr. Lai does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Lai has personal interests in 75,000,000 Shares, and deemed interests in 1,277,680,000 Shares and 4,848,800,000 underlying Shares of the outstanding convertible bonds of the Company through MCL which is controlled by him through his 100% direct and indirect interests in MCL. Save as disclosed above, as at the Latest Practicable Date, Mr. Lai has no other interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

There is no information which should be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Lai involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 17.50(2) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

**Mr. Wong Shui Lung (王水龍)**, aged 69, is an executive director of the Company. He graduated from the Mechanical and Electrical Engineering Faculty of the Qinghua University of the People's Republic of China. Mr. Wong has more than 10 years of experience in international gold trading. He has served as the Managing Director of Beijing Jinyu Zhongjin Gold (H.K.) Company Limited (北京金域中金黃金(香港)有限公司), since 2005. Commencing from September 2010, he is the Deputy General Manager of Beijing Hua Min Chang Qing Technology Development Limited (北京華民常青科技發展有限公司).

Save as disclosed above, Mr. Wong did not hold any directorship in any listed public company in the past three years and does not hold any other positions within the Group.

Mr. Wong has entered into a director's service contract with the Company for a term of two years commencing from 27 January 2011 and would continue thereafter until terminated by either party. Mr. Wong's appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of the Company. Mr. Wong is entitled to a basic salary of approximately HK\$600,000 per annum which is determined after arm's length negotiation between the parties plus a discretionary bonus to be determined by the Board from time to time.

Mr. Wong does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Wong has interests in 20,000,000 share options of the Company which are exercisable during the period from 24 October 2011 to 6 March 2012 at a price of HK\$0.143 per Share. Save as disclosed above, as at the Latest Practicable Date, Mr. Wong has no other interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

There is no information which should be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Wong involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 17.50(2) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

**Mr. Yeh Shuen Ji (葉選基)**, aged 71, is the Chairman and a non-executive director of the Company. He graduated from Beijing Foreign Languages Institute (presently known as Beijing Foreign Studies University), and has more than 32 years of experience in finance and corporate development. He was the General Manager (Hong Kong Branch) of CITIC International Investment Company (中信國際投資公司), the chairman of Guo Ye Holdings Company Limited (國葉集團有限公司) and Guo Ye Enterprises Limited (國葉企業有限公司), the principal activities of which are investment consultancy in electronic communications and property in the PRC. During the period from 1997 to 2005, he was also an executive director of SEEC Media Group Limited, securities of which are listed on the Stock Exchange.

Commencing from 2006, Mr. Yeh is the Honorary Chairman of the Hong Kong Energy and Minerals United Associations.

Save as disclosed above, Mr. Yeh did not hold any directorship in any listed public company in the past three years and does not hold any other positions within the Group.

Mr. Yeh has accepted a letter of appointment from the Company for a term of two years commencing from 27 January 2011 and would continue thereafter until terminated by either party. Mr. Yeh's appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of the Company. Mr. Yeh is entitled to a fixed emolument of approximately HK\$800,000 per annum which is determined after arm's length negotiation between the parties plus a discretionary bonus to be determined by the Board from time to time.

Mr. Yeh does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Yeh has interests in 20,000,000 share options of the Company which are exercisable during the period from 24 October 2011 to 6 March 2012 at a price of HK\$0.143 per Share. Save as disclosed above, as at the Latest Practicable Date, Mr. Yeh has no other interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

There is no information which should be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Yeh involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 17.50(2) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

**Mr. Bai Baohua (白葆華)**, aged 70, is the non-executive director of the Company. He has 44 years of experience in metallurgy. He worked as an engineer, a manager and then the general manager of China Metallurgical Products' Import & Export Company (中國冶金進出口公司), a company primarily involved in trading of metals. He was also appointed as the general manager of China International Steel Investment Company (中國國際鋼鐵投資公司), a company primarily involved in promotion of foreign investment in the steel industry in the PRC. In addition, he was the general manager, the vice chairman and the legal representative of China Iron and Steel Industry and Trade Group Corporation, a company primarily involved in production and trading of steel. He graduated from Metal Pressure Processing Department at University of Science & Technology Beijing (originally Beijing Iron and Steel College) in 1965.

Mr. Bai is an INED, member of remuneration and audit committees of China Nickel Resources Holdings Co., Ltd., securities of which are listed on the Stock Exchange.

He is also an independent director, chairman of the nominating and remuneration committees and a member of the audit committee of Delong Holdings Limited, securities of which are listed on the Singapore Exchange Securities Trading Limited.



<b>APPENDIX II                      BIOGRAPHICAL DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED</b>
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Save as disclosed above, Mr. Bai did not hold any directorship in any listed public company in the past three years and does not hold any other positions within the Group.

Mr. Bai has accepted a letter of appointment from the Company for a term of two years commencing from 27 January 2011 and would continue thereafter until terminated by either party. Mr. Bai's appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of the Company. Mr. Bai is entitled to a fixed emolument of approximately HK\$800,000 per annum which is determined after arm's length negotiation between the parties plus a discretionary bonus to be determined by the Board from time to time.

Mr. Bai does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Bai has interests in 20,000,000 share options of the Company which are exercisable during the period from 24 October 2011 to 6 March 2012 at a price of HK\$0.143 per Share. Save as disclosed above, as at the Latest Practicable Date, Mr. Bai has no other interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

There is no information which should be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Bai involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 17.50(2) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

**Mr. Lam Kin Kau, Mark**, aged 56, has served as an INED of the Company since April 2006 and is a member of both the Audit Committee and the Remuneration Committee. He is a member of the Hong Kong Institute of Certified Public Accountants, The Institute of Chartered Accountants in England and Wales and The Institute of Chartered Secretaries and Administrators. He has been a practising accountant for over 25 years and is a director of various private companies. He is also an INED of Neo Telemedia Limited (formerly known as BIG Media Group Limited), a company listed on the GEM. Mr. Lam was an INED of Haier Electronics Group Co., Ltd., a company listed on the Main Board of the Stock Exchange until his resignation on 21 June 2007.

Save as disclosed above, Mr. Lam did not hold any directorship in any listed public company in the past three years and does not hold any other positions within the Group.

Mr. Lam has not been appointed for a fixed term but is subject to retirement by rotation and re-election in accordance with the Articles of the Company. The emolument of Mr. Lam is a basic director's fee of HK\$5,000 per month, which is determined by the Board with reference to the prevailing market rate.

Mr. Lam does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Lam has interests in 3,500,000 share options of the Company which are exercisable during the period from 11 August 2009 to 6 March 2012 at a price of HK\$0.160 per Share. Save as disclosed above, as at the Latest Practicable Date, Mr. Lam has no other interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

There is no information which should be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Lam involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 17.50(2) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

# MERDEKA

## MERDEKA RESOURCES HOLDINGS LIMITED

(萬德資源集團有限公司\*)

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 08163)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the shareholders of Merdeka Resources Holdings Limited (the “Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 24 June 2011 at 10:00 a.m. for the following purposes:

### AS ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements, the report of the directors and the auditors of the Company for the year ended 31 December 2010.
2. To re-elect the following persons as directors of the Company:
  - (i) Mr. Ma Hang Kon, Louis;
  - (ii) Mr. Lai Wing Hung;
  - (iii) Mr. Wong Shui Lung;
  - (iv) Mr. Yeh Shuen Ji;
  - (v) Mr. Bai Baohua; and
  - (vi) Mr. Lam Kin Kau, Mark,each of whom is to retire as directors at the AGM as required or by rotation, as applicable, and each of whom being eligible will offer themselves for re-election.
3. To authorise the board of directors to fix the remuneration of the directors for the year ending 31 December 2011.
4. To re-appoint Messrs Crowe Horwath (HK) CPA Limited as auditors and to authorise the board of directors to fix the remuneration of the auditors.

\* For identification purpose only

5. To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

(A) “THAT:

- (i) subject to paragraph (iii) of this resolution and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the share capital of the Company or options, warrants, or similar rights to subscribe for any shares and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company), which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined), or (b) the grant or exercise of rights of conversion under any securities which are convertible into shares of the Company, or (c) any scrip dividend scheme or similar arrangements providing for the allotment of shares in lieu of the whole or a part of a dividend on shares of the Company pursuant to the articles of association of the Company from time to time, or (d) the grant or exercise of any options granted under any option scheme or similar arrangement for the time being adopted by the Company for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries of options to subscribe for, or rights to acquire, shares of the Company, shall not in aggregate exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and

(iv) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means the allotment or issue of shares in the share capital of the Company pursuant to an offer of shares open for a period fixed by the Directors made to holders of shares of the Company or any class thereof whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

(B) “THAT:

- (i) subject to paragraph (iii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own issued shares in the share capital of the Company on GEM of the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange in accordance with all the applicable laws and the requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (as amended from time to time) or of any other stock exchange, be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the Directors;
- (iii) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution shall not exceed 10 per cent. of the aggregate nominal amount of share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
  - (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
  - (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**THAT** conditional upon the resolutions numbered 5(A) and 5(B) in the notice convening this meeting being passed, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to resolution numbered 5(A) in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to the said resolution numbered 5(B).”

By Order of the Board  
**MERDEKA RESOURCES HOLDINGS LIMITED**  
**Ma Hang Kon, Louis**  
*Chief Executive Officer*

Hong Kong, 23 May 2011

*Notes:*

1. Any shareholder entitled to attend and vote at the annual general meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the annual general meeting (or any adjournment thereof).
3. Completion and delivery of a form of proxy shall not preclude a shareholder from attending and voting in person at the annual general meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Where there are joint holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the annual general meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
5. With respect to the resolution set out in resolution numbered 2 of this notice, Mr. Ma Hang Kon, Louis, Mr. Lai Wing Hung, and Mr. Wong Shui Lung are executive directors, Mr. Yeh Shuen Ji, and Mr. Bai Baohua are non-executive directors and Mr. Lam Kin Kau, Mark is an independent non-executive director of the Company, and each of them being eligible, will offer themselves for re-election at the AGM. Biographical details of the above Directors are set out in the circular of the Company which will be sent to the shareholders of the Company.
6. With respect to the resolutions set out in resolutions numbered 5(A) and 5(C) of this notice, approval is being sought from the shareholders for the general mandates to be given to the Directors to allot, issue and deal with new shares of the Company.
7. With respect to the resolution set out in resolution numbered 5(B) of this notice, approval is being sought from the shareholders for a general mandate to be given to the Directors to repurchase the shares of the Company. An explanatory statement containing further information with respect to such resolution will be sent to the shareholders of the Company.