



**M2L HOLDINGS LIMITED**  
**(NOW KNOWN AS ML HOLDINGS LIMITED)**  
(Incorporated in the Republic of Singapore)  
(ARBN 154 095 897)

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**ANNOUNCEMENT IN RELATION TO:**

- (1) PROPOSED ACQUISITION OF A CONTROLLING 55% INTEREST IN INNER MONGOLIA JINSANYUAN MINING CO., LIMITED (THE “OPERATING COMPANY”) (THE “PROPOSED ACQUISITION”); AND**
  - (2) CHANGE OF NOMINATED ADVISOR (“CHANGE OF NOMAD”)**
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The Directors of M2L Holdings Limited (now known as ML Holdings Limited) (the “Company”) are pleased to make the following announcements:

**PROPOSED ACQUISITION**

*Introduction*

On 10 January 2015, the Company entered into an Investment Agreement (the “Agreement”), under which the Company was granted the option to acquire 100% of the issued and paid-up share capital of Three Crystals Hong Kong Limited (“HKCo”), a company to be incorporated in Hong Kong, on the terms and subject to the conditions set out in the Agreement.

The principal terms of the Agreement are summarised below.

*Information About the Target Company*

On or before completion of the Proposed Acquisition, HKCo will, through a wholly-owned subsidiary registered in China (“WFOE”), be the registered and beneficial owner of 55% of the registered and paid-up share capital of the Operating Company.

The Operating Company holds, or will on or before completion of the Proposed Acquisition hold, the licence [Exploration Licence Number: 15120080702011049] to explore for industrial (not gemstone) grade garnet on a 0.95km<sup>2</sup> tenement located in Inner Mongolia in China. This tenement is located within the administrative jurisdiction of Hohhot City, the provincial capital of Inner Mongolia. Exploration works for garnet on this tenement has been completed by qualified Chinese geologists under applicable geological standards in China. As these exploration results are not JORC Code-compliant, the Company will appoint a Competent Person (as defined under JORC Code) to prepare an independent geologist's report on the tenement.

The Operating Company will apply for all permits to commence commercial production (the “Operating Licences”), and upon receipt of the Operating Licences, commence commercial production of industrial grade garnet stones.

*Principal Terms*

The principal terms of the Agreement are summarised below:

- Counter-parties:** (1) HE Xu Guo (the “Proposed Vendor”)  
(2) Abric Technologies Pte Ltd (the “Introducer”)
- Purchase Price:** Singapore Dollars One Million Four Hundred Thousand Only (S\$1,400,000) (approximately A\$1,290,000), payable on completion by the issue or transfer of 15,000,000 CDIs (the “Consideration Shares”) as follows:
- (a) 9,000,000 Consideration Shares to the Proposed Vendor and/or persons nominated by him; and
  - (b) 5,000,000 Consideration Shares to the Introducer and/or persons nominated by them.
- In addition to the aforesaid purchase price, on completion of the Proposed Acquisition, the Company will also issue or transfer 1,600,000 CDIs (the “Remuneration Shares”) at S\$0.10 each to the Introducer as arranger's fee.
- Option Exercise Period:** The period from 1 April 2015 to 30 June 2015 (both dates inclusive).
- Conditions Precedent:** Completion of the sale and purchase of HKCo is conditional upon:
- (a) the Company receiving from shareholders approvals for:
    - (i) the purchase of HKCo.;
    - (ii) the issue or transfer of the Consideration Shares;
    - (iii) the issue or transfer of the Remuneration Shares;
  - (b) WFOE being the registered holder of a 55% equity interest in the registered capital of the Operating Company; and
  - (c) Exploration Licence Number: 15120080702011049 being transferred to and registered in the name of the Operating Company.
- Other Terms:** The Operating Company requires a RMB11,000,000 (approximately A\$2,170,000) investment to bring the tenement to commercial production, and the Company will raise funds to pay for this investment (the “Fund Raising”). Conditional upon:
- (a) completion of the Fund Raising;
  - (b) the Operating Company obtaining the Operating Licences;
  - (c) the Operating Company changing the legal representative of: (i) WFOE; and (ii) the Operating Company, to a person nominated by the Company; and
  - (d) approval being received from the State Administration of Foreign Exchange,

the Company will, through WFOE, extend a RMB11,000,000 shareholder's loan to the Operating Company. This shareholder's loan shall be for a tenure of seven years, and shall be interest-free and be unsecured.

### Effect on Capital Structure

On completion of the Proposed Acquisition, and as part of the Fund Raising referred to above, the Company proposes to make a private placement of up to 30,000,000 CDIs at a price to be determined (the "Proposed Private Placement"). These shares, or any part thereof, will not be placed to the Company's Directors or to any person associated to them.

The capital structure of the Company before and after completion of the Proposed Acquisition and the Proposed Private Placement (the "Proposed Transactions"), assuming the maximum shares are placed out, are as follows:

	<b>Before completion of the Proposed Transactions</b>		<b>After completion of the Proposed Transactions</b>	
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
<b><u>Shares held as CDIs</u></b>				
Directors of the Company	22,796,000	37.11	22,796,000	26.44
Other Existing shareholders	16,823,001	27.39	16,823,001	19.51
Forfeited shares pending re-issue <sup>(1)</sup>	21,797,999	35.49	-	-
Holders of shares issued for the Proposed Transactions	-	-	46,598,000	54.05
	<u>61,417,000</u>	<u>99.99<sup>(2)</sup></u>	<u>86,217,001</u>	<u>100.00</u>
<b><u>Shares held in script form</u></b>				
Directors of the Company	1,000	n/m	1,000	n/m
Forfeited shares pending re-issue	2,000	n/m	-	-
Holders of shares issued for the Proposed Transactions	-	-	2,000	n/m
	<u>3,000</u>	<u>n/m</u>	<u>3,000</u>	<u>n/m</u>
	<u>61,420,000</u>	<u>100.00</u>	<u>86,220,001</u>	<u>100.00</u>

<sup>(1)</sup> These refer to shares forfeited pursuant to a members' resolution passed at the extraordinary general meeting held on 5 December 2012.

<sup>(2)</sup> Rounding error.

Of the total 46,600,000 shares to be issued for the Proposed Transactions, 2,000 shares will be issued to the Introducer in script form. The balance 46,598,000 shares will be issued in CDIs, of which 21,797,999 CDIs will be from forfeited shares pending re-issue and the balance 24,800,001 will be new CDIs. The Company will apply to the Exchange for approval for the listing and quotation of these 24,800,001 new CDIs in due course.

### Directors' interests

Save for their interests in the Company, none of the Company's Directors or substantial shareholders have any interest in the Proposed Acquisition.

### Shareholders' approvals

The 46,600,000 shares to be issued for the Proposed Transactions (assuming the maximum number of shares are placed out during the Proposed Placement), including the 24,800,001 new CDIs to be issued, represents more than 15% of the Company's existing share capital. Therefore, as required by and in compliance with Listing Rule 6.25, the Company will seek shareholders' approvals for their issue.

Directors consider that the Proposed Acquisition, if completed, will represent a significant change to the nature and scale of the Company's activities. The Company will, if after completion of due diligence it decides to proceed with the Proposed Acquisition, comply with Listing Rule 6.41, that is to say, the Company will do any of the following if required by the Exchange:

- (i) provide additional information to the Exchange;
- (ii) obtain approval of shareholders' approval for the change; and
- (iii) meet the requirements of Chapter 4 as if applying for a listing.

### Next Steps

The Company will commence legal due diligence on the Operating Company and technical due diligence, including commissioning the independent geologist's report, on the tenement shortly. Conditional upon the outcome of the due diligence being satisfactory, the Company will convene an extraordinary general meeting to seek the requisite shareholders' approvals. Upon receipt of these shareholders' approvals, the Company will:

- (1) exercise the option to purchase, and complete the purchase of, HKCo; and
- (2) seek the Exchange's approval to lift the trading halt on the Company's CDIs.

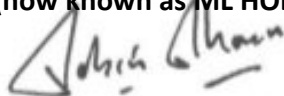
### **CHANGE OF NOMAD**

The Company proposes to appoint Kings Park Corporate Lawyers as nominated advisor in place of Crowe Horwarth Corporate Finance (Aust) Limited. A separate announcement will be made when the change of nominated advisor is effected.

For and on behalf of

**M2L HOLDINGS LIMITED**

**(now known as ML HOLDINGS LIMITED)**



CHONG HOCK TAT ROBIN

Director

15 January 2015

For media and other queries, please contact:

Chong Hock Tat, Robin

(E-mail: [ROBIN@M2LHOLDINGS.COM](mailto:ROBIN@M2LHOLDINGS.COM))

***An investment in securities issued by the Company (the “Securities”) is highly speculative. Investors should exercise caution when dealing in the Securities. If you have question about the Securities or about any dealing in the Securities, you should consult your professional adviser. The fact that the Securities is listed on the NSX should not be taken in any way as an indication of the merits of the Securities.***