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**ASEAN RESOURCES HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*



**MEXAN GROUP LIMITED**

*(Incorporated in the British Virgin Islands with limited liability)*

**INSUFFICIENT PUBLIC FLOAT AND  
APPLICATION FOR AN EXTENSION OF THE WAIVER  
FOR RESTORATION OF PUBLIC FLOAT**

Following the close of the Asean Resources offer on 21st July, 2003, the first placing of Asean Resources shares on 22nd July, 2003 and taking into account the Remaining Shares acquired pursuant to section 102(2) of the Companies Act 1981 of Bermuda up to the date of this announcement, Mexan Group and parties acting in concert with it are interested in a total of 1,125,872,022 Asean Resources shares, representing approximately 87.52% of the entire issued share capital of Asean Resources, and the public float of Asean Resources shares is approximately 12.48% of the entire issued share capital of Asean Resources.

As announced on 22nd July, 2003, the Stock Exchange has granted to Asean Resources a waiver from strict compliance with the public float requirement pursuant to Rule 8.08(1) of the Listing Rules for a month up to 22nd August 2003. However, given the uncertainty of the number of the Remaining Shares to be tendered by the Remaining Shareholders to Mexan Group up to 3rd November, 2003 pursuant to section 102(2) of the Companies Act, it is difficult to ascertain the number of Asean Resources shares to be placed in the second placing in order to restore the minimum public float and accordingly affect the terms of second placing. As such, the second placing cannot be completed on or before 22nd August, 2003. Mexan Group is of the view that the number of Asean Resources shares required to be placed down for restoration of public float will become more certain as it is expected that most of the Remaining Shares will be tendered by the Remaining Shareholders to Mexan Group in the early period when the right of the Remaining Shareholders becomes available from 4th August, 2003. Therefore, it is expected that the second placing of Asean Resources shares shall be completed on or before 22nd September, 2003, upon which the public float will be resumed.

Asean Resources has applied to the Stock Exchange for an extension of the waiver from strict compliance with the public float requirement pursuant to Rule 8.08(1) of the Listing Rules for a further month up to 22nd September, 2003.

Reference is made to the announcements jointly made by Asean Resources and Mexan Group on 22nd, 24th and 31st July, 2003 (the "Announcements"). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as defined in the Announcements.

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**The Stock Exchange has indicated that it will closely monitor trading in the securities of Asean Resources given that less than 25% of the securities of Asean Resources are held by the public.**

**If the Stock Exchange believes that:**

- a false market exists or may exist in the securities of Asean Resources; or
- there are too few securities of Asean Resources in public hands to maintain an orderly market,

**then it will consider exercising its discretion to suspend trading in the securities of Asean Resources.**

**Shareholders of Asean Resources and potential investors are advised to take cautions when dealing in the Asean Resources shares.**

By order of the board of  
**Asean Resources Holdings Limited**  
Lau Kan Shan  
*Chairman*

By order of the board of  
**Mexan Group Limited**  
Lau Kan Shan  
*Director*

Hong Kong, 22nd August, 2003