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China Asean Resources Limited

神州東盟資源有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8186)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all conditions under the Placing Agreement have been fulfilled and the Placing was completed on 7 January 2011. An aggregate of 106,680,000 Placing Shares, being the maximum number of Shares allowed to be allotted under the General Mandate and representing approximately 12.05% of the issued share capital of the Company as enlarged by the Placing Shares as at the date of this announcement, have been successfully placed by the Placing Agent to not less than six placees who are Independent Third Parties at the Placing Price of HK\$0.60 per Share.

Reference is made to the announcement of the Company dated 29 December 2010 (the “Announcement”) in relation to the Placing. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions of the Placing stated in the Placing Agreement have been fulfilled and the Placing was completed on 7 January 2011. An aggregate of 106,680,000 Placing Shares, being the maximum number of Shares allowed to be allotted under the General Mandate and representing approximately 12.05% of the issued share capital of the Company as enlarged by the Placing Shares as at the date of this announcement, have been successfully placed by the Placing Agent to not less than six placees who are Independent Third Parties at the Placing Price of HK\$0.60 per Share. The net proceeds from the Placing amounted to approximately HK\$62 million.

None of the Placee has become a substantial shareholder (as defined in the GEM Listing Rules) of the Company as a result of the Placing.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately before completion of the Placing; and (ii) upon completion of the Placing are set out as below:

| | Immediately before the Placing | | Upon completion of the Placing | |
|--------------------------------|-----------------------------------|----------------|-----------------------------------|----------------|
| | Number of Shares | % | Number of Shares | % |
| United Sky Investments Limited | 114,458,514 | 14.70% | 114,458,514 | 12.93% |
| Directors (<i>Note 1</i>) | 52,068,972 | 6.69% | 52,068,972 | 5.88% |
| | 166,527,486 | 21.39% | 166,527,486 | 18.81% |
| Public Shareholders | | | | |
| Placees | – | – | 106,680,000 | 12.05% |
| Other Shareholders | 612,012,846 | 78.61% | 612,012,846 | 69.14% |
| Total | 778,540,332 | 100.00% | 885,220,332 | 100.00% |

Note 1: comprising (i) 27,328,000 Shares and 10,950,918 Shares held by two existing Directors, namely, Mr Zhang Zhenzhong and Mr. Leung Sze Yuan, Alan, respectively, and (ii) 4,599,027 Shares and 9,191,027 Shares held by two former Directors, namely, Mr. Li Tai To, Titus and Li Nga Kuk, James, respectively.

By Order of the Board
China Asean Resources Limited
Leung Sze Yuan, Alan
Chairman of the Board

Hong Kong, 7 January 2011

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Chultemsuren Gankhuyag, Mr. Gong Ting, Mr. Leung Sze Yuan, Alan and Mr. Zhang Zhenzhong and Mr. Zeng Lingchen; and four independent non-executive Directors, namely Mr. Chan Kim Chung, Daniel, Mr. Tam Wai Leung, Joseph, Ms. Wen Huiying and Mr. Zhang Ying.

This announcement, for which the Director collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, have made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement 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 in this announcement misleading.

This announcement will remain on the “Latest Company Announcement” page of the GEM website at <http://www.hkgem.com> for seven days after the date of publication and on the website of the Company at <http://www.chinaaseanresources.com>.