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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: 8163)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

Based on the preliminary review on the information currently available, the Board would like to inform the Shareholders and potential investors that the loss attributable to the owners of the Company for the year ended 31 December 2012 may increase significantly as compared to 2011.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

Based on the preliminary review on the information currently available, the board of directors (the “Board”) of Merdeka Resources Holdings Limited (the “Company” together with its subsidiaries the “Group”) would like to inform the shareholders of the Company (the “Shareholders”) and potential investors that the loss attributable to the owners of the Company for the year ended 31 December 2012 may increase significantly as compared to 2011.

The expected increase in loss is mainly attributable to the potential impairment loss in relation to the forest concession that has a book value of approximately HK\$830 million as at 31 December 2011. The potential impairment loss may arise due to i) weakened general demand and lower market prices for timber products; and ii) likely delay of the project as a result of adverse local political situation in the province of Papua, Indonesia where the forest concession is situated. The impairment loss is non-cash in nature. The Company has engaged an independent qualified appraisal firm to perform a valuation of the forest concession based on two revised key assumptions above.

** for identification purposes only*

As the Company is still in the process of finalizing the consolidated results of the Group for the year ended 31 December 2012, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available, which has not been reviewed by the auditors of the Company. The actual results of the Group may be different from what is disclosed herein. Shareholders and potential investors should read carefully the annual results announcement of the Company for the year ended 31 December 2012, which is expected to be published by the end of March 2013.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board of
MERDEKA RESOURCES HOLDINGS LIMITED
Cheung Wai Yin, Wilson
Chairman and Chief Executive Officer

Hong Kong, 4 January 2013

As at the date of this announcement, the Directors are:

Executive Directors:

Mr. Cheung Wai Yin, Wilson (*Chairman and Chief Executive Officer*)

Mr. Lau Chi Yan, Pierre

Mr. Ma Hang Kon, Louis

Non-executive Director:

Mr. Wong Chi Man

Independent Non-executive Directors:

Mr. Lam Kin Kau, Mark

Ms. Yeung Mo Sheung, Ann

Mr. Lau Ho Wai, Lucas

This announcement, for which the Directors 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, having 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 herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the day of its publication and posting and will be published and remains on the website of the Company at <http://www.merdeka.com.hk>.