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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1231)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of the Stock Exchange in respect of the high concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 29 August 2012.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded. Shareholders and prospective investors are therefore advised to exercise extreme caution when dealing in the Shares.

This announcement is made at the request of the Stock Exchange in respect of the high concentration of the shareholding of Newton Resources Ltd (the “**Company**”) in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 29 August 2012.

The Company noted that an announcement (the “**SFC Announcement**”) has been published by Securities and Futures Commission (the “**SFC**”) on 11 September 2012. As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. Its findings suggested that as at 29 August 2012, 18 Shareholders held an aggregate of 844,265,760 shares of HK\$0.10 each in the share capital of the Company (the “**Shares**”), representing 21.11% of the issued Shares. Such shareholding, together with 3,000,000,000 Shares (representing 75% of the issued Shares) which were held by 2 substantial shareholders, namely Faithful Boom Investments Limited and Fast Fortune Holdings Limited, amounted to 96.11% of the issued Shares. Thus, only 3.89% of the issued Shares were held by other investors.

As disclosed in the SFC Announcement, as at 29 August 2012, the shareholding structure of the Company was as follows:

	Number of Shares held (shares)	% of total number of issued Shares (%)
Faithful Boom Investments Limited (Note 1)	1,920,000,000	48.00
Fast Fortune Holdings Limited (Note 2)	1,080,000,000	27.00
A group of 18 shareholders	844,265,760	21.11
Other shareholders	155,734,240	3.89
Total	4,000,000,000	100.00

Note 1: Faithful Boom Investment Limited (“Faithful Boom”) is beneficially owned by NWS Holdings Limited (“NWS”, stock code: 659). Dr. Cheng Kar Shun Henry is both the chairman of NWS and the Company.

Note 2: Fast Fortune Holdings Limited (“Fast Fortune”) is beneficially owned by Ms. Mak Siu Hang, Viola.

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company wishes to clarify that the above information is extracted from the SFC Announcement and the Company has not verified such information and is also not in a position to comment on its accuracy. Further, as at the date of this announcement, the Company has not been informed of the identity of the group of 18 Shareholders as mentioned in the SFC Announcement. However, to the best knowledge of the Directors having made all reasonable enquiries, Faithful Boom and Fast Fortune hold 1,920,000,000 Shares and 1,080,000,000 Shares respectively, representing approximately 48% and 27% of the issued Shares respectively as at 29 August 2012 and the date of this announcement.

The SFC further disclosed in the SFC Announcement that the Company is principally engaged in the business of mining, ore processing, and sales of iron concentrates business in the PRC. For the two-month period from 1 June 2012 to 31 July 2012, Share price of the Company closed between HK\$0.370 and HK\$0.425. Since August 2012, Share price of the Company began to surge and gained a total of 92% from HK\$0.390 on 31 July 2012 to HK\$0.750 on 29 August 2012. On 10 September 2012, Share price of the Company closed at HK\$0.750.

PUBLIC FLOAT

Based on the information available and to the best knowledge of the Board after making all reasonable enquiries, as at 29 August 2012 and the date of this announcement, Faithful Boom and Fast Fortune (being the two substantial shareholders of the Company), held a total of 3,000,000,000 Shares, representing approximately 75% of the issued Shares.

Based on the above and to the best knowledge of the Board after making all reasonable enquiries, not less than 25% of the issued Shares are held in public hands as at the date of this announcement and the Company has maintained a sufficient public float as required under the Rules Governing the Listing of Securities on the Stock Exchange.

In view of the high concentration of shareholding in a small number of Shareholders, shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

On behalf of the Board
Newton Resources Ltd
Cheng Kar Shun
Chairman and Non-Executive Director

Hong Kong, 11 September 2012

As at the date of this announcement, the executive Directors of the Company are Ms. Yu Shuxian, Mr. Jiao Ying, Mr. Li Yuelin, Mr. Lin Zeshun and Mr. Liu Yongxin; the non-executive Directors of the Company are Dr. Cheng Kar Shun, Mr. Lam Wai Hon, Patrick and Mr. Cheng Chi Ming, Brian; and the independent non-executive Directors of the Company are Mr. Tsui King Fai, Mr. Lee Kwan Hung and Mr. Wu Wai Leung, Danny.