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If you have sold or transferred all your shares in **International Standard Resources Holdings Limited**, you should at once hand this circular and the enclosed form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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**International Standard Resources Holdings Limited****標準資源控股有限公司***(Incorporated in Hong Kong with limited liability)*

(Stock Code: 91)

(Warrant Code: 01407)

**PROPOSED BONUS ISSUE OF WARRANTS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM (as defined herein) of International Standard Resources Holdings Limited (the “**Company**”) to be held at Meeting Room 637, 6/F., Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong at 11:00 a.m. on Tuesday, 10 November 2015 is set out on pages 20 to 21 of this circular.

Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon to the share registrar of the Company, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible, but in any event, not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

26 October 2015

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Board”	the board of Directors
“Bonus Warrant Issue”	the proposed bonus issue of Warrants by the Company to the Shareholders (other than Excluded Shareholders) whose names appear on the register of members on the Record Date, on the basis of one (1) Warrant for every five (5) Shares held on the Record Date
“business day(s)”	any day (excluding a Saturday) on which banks generally are open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System operated by HKSCC
“Company”	International Standard Resources Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Convertible Notes”	the convertible note(s) due 31 December 2018 issued under convertible notes restructuring agreement dated 5 February 2015 entered into between the Company and the noteholder
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve, amongst other things, the Bonus Warrant Issue
“Excluded Shareholder(s)”	Shareholder(s) whose address(es) (as shown on the register of members of the Company on the Record Date) are not in Hong Kong and whom the Directors are of the view that it would be necessary or expedient to exclude from the Bonus Warrant Issue under the laws of the places of his/her/their registered address(es) or the requirements of the relevant regulatory body or stock exchange in that place
“Existing Warrant(s)”	the existing bonus warrant(s) issued by the Company which entitle the holder(s) thereof to subscribe for new Share(s) during subscription period from 27 November 2014 to 26 November 2015 (both days inclusive)
“Group”	the Company and its subsidiaries
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Instrument”	the deed poll to be executed by the Company creating and constituting the Warrants
“Latest Practicable Date”	20 October 2015, being the latest practicable date for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	ordinary share(s) in the share capital of the Company which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company at the close of business on the Record Date is/are outside Hong Kong
“PRC”	The People’s Republic of China, but for the purpose of this circular, excludes the Macau Special Administrative Region of the PRC and Hong Kong
“Record Date”	Wednesday, 18 November 2015, being the record date for ascertaining the entitlements of Shareholders to the Bonus Warrant Issue
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrant(s)”	warrant(s) proposed to be issued by the Company to subscribe for New Shares at an initial subscription price of HK\$0.091 per New Share, subject to adjustment
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for implementing the Bonus Warrant Issue is set forth below:

2015

Latest time for holder(s) of the Existing Warrant(s) to lodge the duly completed and signed subscription form(s) together with the relevant certificate(s) of the Existing Warrant(s) and remittances for the relevant exercise moneys in order to be qualified for the Bonus Warrant Issue	4:30 p.m. on Wednesday, 11 November
Last day of dealings in Shares cum-entitlements to the Bonus Warrant Issue	Wednesday, 11 November
First day of dealings in Shares ex-entitlements to the Bonus Warrant Issue	Thursday, 12 November
Latest time for lodging forms of transfer of Shares to ensure entitlement to the Bonus Warrant Issue	4:30 p.m. on Friday, 13 November
Closure of register of members of the Company	Monday, 16 November to Wednesday, 18 November (both days inclusive)
Record Date	Wednesday, 18 November
Despatch of the Warrant certificates on	Monday, 30 November
Commencement of dealings in the Warrants	9:00 a.m. on Tuesday, 1 December

All times and dates in this circular refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

LETTER FROM THE BOARD



INTERNATIONAL
STANDARD
RESOURCES
標準資源

International Standard Resources Holdings Limited

標準資源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 91)

(Warrant Code: 01407)

Executive Directors

Mr. Cheng Wai Keung

Mr. Tam Tak Wah

Ms. Tsang Ching Man

Registered Office

Unit E, 29/F., Tower B

Billion Centre

1 Wang Kwong Road

Kowloon

Independent Non-executive Directors

Mr. Albert Saychuan Cheok (*Chairman*)

Mr. Chan Tsz Kit

Mr. Chan Yim Por Bonnie

Mr. Wang Li

26 October 2015

To the Shareholders, Existing Warrant holders, and for information only, the holders of the Convertible Notes

Dear Sir or Madam,

PROPOSED BONUS ISSUE OF WARRANTS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with further information regarding, among other things, the proposed Bonus Warrant Issue and the notice convening the EGM.

PROPOSED BONUS WARRANT ISSUE

It was announced on 4 September 2015 that the Board proposed, subject to the satisfaction of the conditions set out in the paragraph headed “Conditions to the Bonus Warrant Issue”, to make the Bonus Warrant Issue to its Shareholders whose names appear on the register of members of the Company on the Record Date on the basis of one (1) Warrant for every five (5) Shares held on the Record Date.

LETTER FROM THE BOARD

Subscription Price and Subscription Period

The Warrants will be issued in registered form and each Warrant will entitle the holder thereof to subscribe in cash for one New Share at an initial subscription price of HK\$0.091, subject to customary anti-dilutive adjustments in market transactions of this type in certain events, including, share consolidations, share subdivisions, capitalisation issues and capital distributions grant to Shareholders rights to acquire for cash assets of the Company or any of its subsidiaries, or offer to Shareholders new Shares for subscription by way of rights, or grant to Shareholders any options, warrants or other rights to subscribe for or purchase any Shares, or issue for cash any securities which are convertible into or exchangeable for or carry rights of subscription of new Shares, or issue for cash of any Shares below 90% of the market price as calculated pursuant to the Instrument, or the repurchase of any Shares or securities convertible into Shares or any rights to acquire Shares by the Company, at any time during the period which is expected to commence on the date of the issue of the Warrants and end on the date falling 12 months from the date of issue of the Warrants, which are expected to be from 1 December 2015 to 30 November 2016 (both days inclusive).

The initial subscription price of HK\$0.091 represents:

- (i) a discount of approximately 46.15% to the closing price of HK\$0.169 per Share as quoted on the Stock Exchange on 4 September 2015 (being the date of the announcement in relation to the Bonus Warrant Issue);
- (ii) a discount of approximately 44.17% to the average closing price of approximately HK\$0.163 per Share as quoted on the Stock Exchange for the past five trading days ended on 4 September 2015;
- (iii) a discount of approximately 44.51% to the average closing price of approximately HK\$0.164 per Share as quoted on the Stock Exchange for the past ten trading days ended on 4 September 2015; and
- (iv) a discount of approximately 45.83% to the closing price of approximately HK\$0.168 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

Shares to be issued upon Exercise of the Warrants

On the basis of 5,692,926,545 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased by the Company on or before the Record Date, 1,138,585,309 Warrants would be issued pursuant to the Bonus Warrant Issue. Full exercise of the subscription rights attaching to the 1,138,585,309 Warrants at the initial subscription price of HK\$0.091 per New Share would result in the issue of 1,138,585,309 New Shares, representing 20.00% of the aggregate number of issued ordinary shares of the Company as at the Latest Practicable Date and approximately 16.67% of the aggregate number of issued shares of the Company as enlarged by the issue of such New Shares, and the receipt by the Company of subscription monies totaling approximately HK\$103.61 million.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company had 414,289,261 Existing Warrants and the subscription rights attaching to the Existing Warrants will expire on 26 November 2015. The expected subscription period for the Warrants to be issued under the Bonus Warrant Issue will be a period from 1 December 2015 to 30 November 2016, a period after the expiration of the Existing Warrants. Therefore, if the Warrants are exercised, such exercise will not exceed 20% of the issued equity capital of the Company at the time such Warrants are issued.

Fractional entitlements

Fractional entitlements to the Warrants (if any) will not be issued to the Shareholders but will be aggregated and sold for the benefit of the Company. The net proceeds of sale will be retained for the benefit of the Company.

Overseas Shareholders

In determining whether it would be necessary or expedient to exclude an Overseas Shareholder who is registered as a member of the Company on the Record Date, the Directors will make enquiry pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange of the relevant place in which such Overseas Shareholder is residing. If the Directors are of the view that, after such enquiry, the exclusion of such Overseas Shareholder is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Warrants will not be granted to such Overseas Shareholder(s).

In view of the above, Warrants which would otherwise be issued to such Overseas Shareholder(s) under the Bonus Warrant Issue will be sold in the market as soon as possible if a premium, net of expenses, can be obtained. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to such Overseas Shareholder. Remittance thereof will be posted to it, at its own risk, unless the amount falling to be distributed to such person is less than HK\$100, in which case it will be retained for the benefit of the Company.

Based on the register of members of the Company as at the Latest Practicable Date, there were four Shareholders with registered address in PRC, Singapore, Spain and Hawaii, the United States of America. Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Directors have made enquiry regarding the legal restrictions with respect to the issue of the Warrants to the Overseas Shareholders. The Directors, after making enquiries pursuant to the Listing Rules, are of the view that (i) the issue of the Warrants will be extended to such Overseas Shareholders with registered addresses in the PRC, Singapore and Spain; and (ii) it would be necessary and expedient to exclude the Overseas Shareholders with registered addresses in Hawaii, the United States of America from the Bonus Warrant Issue due to the time and costs involved in complying with the relevant local legal or regulatory requirements or special formalities in this jurisdiction if the Bonus Warrant Issue is to be made to such Overseas Shareholder. As such, the Overseas Shareholder with registered address in Hawaii, the United States of America is Excluded Shareholder. The Company has therefore arranged for this circular to be sent to the Excluded Shareholder for information only.

LETTER FROM THE BOARD

Conditions to the Bonus Warrant Issue

The Bonus Warrant Issue will be conditional upon, among other things, the following conditions:

- (a) the passing by the Shareholders at the EGM of the necessary resolution(s) to approve the issue of the Warrants and any New Shares and any transactions contemplated thereunder; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and any New Shares.

Reasons for the Bonus Warrant Issue

The Group is principally engaged in coalbed methane gas exploration and exploitation in the PRC, sale of electronic components and treasury which include securities trading and money lending. The Directors believe that the Bonus Warrant Issue will provide the Shareholders with an opportunity to participate in the growth of the Company. The Bonus Warrant Issue will also strengthen the equity base of the Company and increase the Company's working capital if and when the subscription rights attaching to the Warrants are exercised.

The Company intends to apply 50% of any subscription monies received as and when subscription rights are exercised towards repayment of debts and the remaining as general working capital of the Group.

FUND RAISING ACTIVITIES OF THE GROUP IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company has not conducted any other equity fund raising activities in the twelve months immediately preceding the Latest Practicable Date.

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
6 October 2014	Issue of 542,543,940 bonus warrants to the shareholders on the basis of two (2) warrants for every fifteen (15) Shares held. Each warrant will entitle the holder thereof to subscribe for one new Share at an initial subscription price of HK\$0.35.	No issue price was received by the Company upon issue of the bonus warrants. Full exercise of the subscription rights attached to the warrants would result in the issue of 542,543,940 new Shares, and the total subscription monies would be approximately HK\$189.89 million.	General working capital of the Group, repayment of part of the outstanding convertible notes and potential investments to be identified.	As at the Latest Practicable Date, approximately HK\$53.17 million has been received and has not been used. The subscription monies received and to be received will be used as intended.

LETTER FROM THE BOARD

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
30 July 2015	Open offer of 1,138,585,309 shares at HK\$0.168 on the basis of one (1) offer share for every four (4) shares held.	HK\$181 million	Repayment of debts and general working capital of the Group.	As at the Latest Practicable Date, HK\$133 million has been used for the repayment of the outstanding convertible notes; and the remaining proceeds will be used as general working capital of the Group.

ADJUSTMENTS TO THE CONVERTIBLE NOTES AND THE EXISTING WARRANTS

As at the Latest Practicable Date, the Company has (i) outstanding Convertible Notes with an aggregate principal amount of HK\$502,000,000 entitling the holders thereof to convert up to an aggregate of 4,563,636,363 Shares; and (ii) 414,289,261 Existing Warrants entitling holders thereof to subscribe for 414,289,261 Shares.

The Bonus Warrant Issue may lead to adjustments to the conversion price and/or the number of Shares to be issued upon conversion of the Convertible Notes in accordance with the terms and conditions of the Convertible Notes; and subscription price of the Existing Warrants and/or the number of Shares to be issued upon exercise of the Existing Warrants in accordance with the respective terms and conditions of the Existing Warrants. Further announcement will be made by the Company in respect of such adjustments as and when appropriate.

Save as aforesaid, the Company has no other outstanding options, warrants or other securities convertible into or giving rights to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

Listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the New Shares. The New Shares will rank *pari passu* in all respects with the then existing issued Shares.

Application will also be made to HKSCC for the admission of the Warrants into CCASS.

LETTER FROM THE BOARD

All necessary arrangements have been made by the Company to enable the Warrants to be admitted into CCASS. Subject to the granting of listing of, and permission to deal in, the Warrants and the New Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Warrants and the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Warrants on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Certificates for the Warrants and Board Lot

Subject to the satisfaction of the conditions to the Bonus Warrant Issue, it is expected that certificates for the Warrants will be posted on or before 30 November 2015 at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company.

Dealings in the Warrants are expected to commence on the Stock Exchange on 1 December 2015.

The Warrants are expected to be traded on the Stock Exchange in board lots of 50,000 Warrants carrying rights to subscribe for 50,000 Shares at HK\$4,550.00 at the initial subscription price of HK\$0.091 per New Share (subject to adjustment).

Closure of Register of Members

The register of members of the Company will be closed from Monday, 16 November 2015 to Wednesday, 18 November 2015 (both days inclusive) in order to establish entitlements of the Shareholders to the Bonus Warrant Issue.

The last day for dealing in Shares cum-entitlements to the Bonus Warrant Issue will be 11 November 2015. In order to qualify for the Bonus Warrant Issue, all outstanding transfer of Shares should be lodged with the share registrar of the Company, Tricor Standard Limited, situate at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on 13 November 2015.

Taxation

The Shareholders are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of accepting and dealing in the Warrants. It is emphasised that none of the Company, the Directors or any parties involved in the Bonus Warrant Issue accepts responsibility for any tax effects or liabilities or any other liabilities of the Warrant holders resulting from accepting and dealing in the Warrants.

LETTER FROM THE BOARD

EXTRAORDINARY GENERAL MEETING

A notice convening the EGM is set out on pages 20 to 21 of this circular. The EGM will be convened for the purpose of considering and, if thought fit, passing the resolutions to approve the proposed Bonus Warrant Issue.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the proposed resolution(s) at the EGM.

A form of proxy for use by the Shareholders at the EGM is enclosed. Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon to the share registrar of the Company, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event, not less than 24 hours before the time appointed for holding the EGM or the adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

RECOMMENDATIONS

The Board is of the opinion that the proposed Bonus Warrant Issue is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution(s) to be proposed at the EGM.

DIRECTORS' RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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, information and belief the information contained in this circular is accurate and complete in all material aspects and not misleading and deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

ADDITIONAL INFORMATION

Your attention is also drawn to the information set out in the appendix to this circular.

By order of the Board
International Standard Resources Holdings Limited
Tam Tak Wah
Executive Director

The Warrants will be issued subject to and with benefit of an instrument by way of deed poll (the “**Instrument**”) and they will be issued in registered form and will form one class and rank pari passu in all respects with each other.

The principal terms and conditions of the Warrants will be set out in the Warrant Certificates (as defined in the Instrument) and will include provisions to the effect set out below. Warrantholders (as defined in the Instrument) will be entitled to the benefit of, be bound by, and be deemed to have notice of all such terms and conditions of the Instrument, copies of which will be available at the principal place of business for the time being of the Company in Hong Kong.

1. EXERCISE OF SUBSCRIPTION RIGHTS

- (A) The registered holder for the time being of a Warrant will have the rights (the “**Subscription Rights**”) for each unit of the Warrants to subscribe in cash the whole or part (in integral multiples of HK\$0.091) of the amount in respect of which the Warrant is issued for fully paid new Shares at an initial subscription price of HK\$0.091 per Share (subject to the adjustments referred to below) (the “**Subscription Price**”). The Subscription Rights attaching to the Warrants may be exercised during the subscription period being the period of 12 months from the date of issue of the Warrants which is expected to be 1 December 2015 (the “**Subscription Period**”). The business day falling during the Subscription Period on which any of the Subscription Rights are duly exercised is referred to in this summary as a “**Subscription Date**”. Any Subscription Rights which have not been exercised during the Subscription Period will lapse and the relevant Warrant Certificates will cease to be valid for any purpose. Reference in this summary to “**Shares**” are to the existing Shares of the Company and all other (if any) Shares from time to time and for the time being ranking pari passu therewith.
- (B) Each Warrant Certificate will contain a subscription form. In order to exercise his Subscription Rights, a Warrantholder must complete and sign the subscription form (which shall, once signed and completed, be irrevocable) and deliver the Warrant Certificate (and, if the subscription form used is not the form endorsed on the Warrant Certificate, the separate subscription form) to the Registrar (as defined in the Instrument), together with a remittance for the relevant subscription monies (or in a case of a partial exercise, the relevant portion of the subscription monies), for the new Shares in respect of which the Subscription Rights are being exercised. In each case compliance must also be made with any exchange control, fiscal or other laws or regulations for the time being applicable.
- (C) No fraction of a Share will be allotted but any balance representing fractions of the subscription monies paid on the exercise of the Subscription Rights will be refunded to the person or persons whose name(s) stand(s) in the register of Warrantholders as the holder(s) of the relevant Warrant, provided always that if the Subscription Rights comprised in two or more Warrant Certificates are exercised at the same time by the same Warrantholder then, for the purpose of determining whether any (and if so, what) fraction of a Share arises, the Subscription Rights represented by such Warrant Certificate shall be aggregated.

- (D) The Company undertakes in the Instrument that Shares falling to be issued upon the exercise of the Subscription Rights will be issued and allotted, subject to any shorter period as prescribed or required by the Stock Exchange from time to time, not later than 28 days after the relevant Subscription Date and will rank pari passu with the fully-paid Shares in issue on the relevant Subscription Date and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made on or after the relevant Subscription Date and other than any dividend or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the relevant Subscription Date and notice of the amount and record date for which shall have been given to the Stock Exchange prior to the relevant Subscription Date.
- (E) As soon as practicable after the relevant allotment of Shares (and, subject to any shorter period as prescribed by the Stock Exchange from time to time, not later than 28 days after the relevant Subscription Date) there will be issued free of charge to the Warrantholder:
- (i) a certificate (or certificates) for the relevant Shares in the name of such Warrantholder;
 - (ii) (if applicable) a balance Warrant Certificate in registered form in the name of such Warrantholder in respect of any Subscription Rights remaining unexercised; and
 - (iii) (if applicable) a refund cheque representing the fractional entitlement to Shares not allotted as mentioned in sub-paragraph (C) above.

The certificate(s) for Shares arising on the exercise of Subscription Rights, the balance Warrant Certificate (if any) and the refund cheque in respect of the fractional entitlements (if any) will be sent by post at the risk of such Warrantholder to the address of such Warrantholder or (in the case of a joint holding) to that one of them whose name stands first in the Register (as defined in the Instrument). If the Company agrees, such certificates and cheques may by prior arrangement be retained by the Registrar to await collection by the relevant Warrantholder.

2. ADJUSTMENTS OF SUBSCRIPTION PRICE

The Instrument contains detailed provisions relating to the adjustment of the Subscription Price. The following is a summary of, and is subject to, the adjustment provisions of the Instrument:

- (A) The Subscription Price shall (except as mentioned in sub-paragraphs (B) and (C) below) be adjusted as provided in the Instrument in each of the following cases:
- (i) an alteration of the Share by reason of any consolidation or sub-division;
 - (ii) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves;

- (iii) a Capital Distribution (as defined in the Instrument) being made by the Company, whether on a reduction of capital or otherwise, to holders of its Shares in their capacity as such;
 - (iv) a grant by the Company to Shareholders (in their capacity as such) of rights to acquire for cash assets of the Company or any of its subsidiaries;
 - (v) an offer or grant being made by the Company to Shareholders of new Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 90% of the market price (calculation as provided in the Instrument);
 - (vi) an issue wholly for cash being made by the Company or any other company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total Effective Consideration (as defined in the Instrument) per Share is less than 90% of the market price (calculated as provided in the Instrument), or the terms of any such issue being altered so that the said total Effective Consideration is less than 90% of the market price;
 - (vii) an issue being made wholly for cash of Shares (other than pursuant to an Employee Share Option Scheme (as defined in the Instrument)) at a price less than 90% of the market price (calculated as provided in the Instrument); and
 - (viii) the purchase by the Company of Shares or securities convertible into Shares or any rights to acquire Shares (excluding any such purchases made on the Stock Exchange or any recognised stock exchange, being a stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange) in circumstances where the Directors consider that it may be appropriate to make an adjustment to the Subscription Price.
- (B) Except as mentioned in sub-paragraph (C) below, no such adjustment as is referred to in sub-paragraphs (ii) to (vii) of sub-paragraph (A) above shall be made in respect of:
- (i) an issue of fully paid Shares upon the exercise of any conversion rights attached to securities convertible into Shares or upon the exercise of any rights (including the Subscription Rights) to acquire Shares;
 - (ii) an issue of Shares or other securities of the Company or any of its subsidiaries wholly or partly convertible into, or rights to acquire, Shares to directors or employees of the Company or any of its subsidiaries pursuant to an Employee Share Option Scheme;
 - (iii) an issue by the Company of Shares or by the Company or any of its subsidiaries of securities wholly or partly convertible into or rights to acquire Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business;

- (iv) an issue of fully paid Shares by way of capitalisation of all or part of the Subscription Right Reserve (as defined in the Instrument) (or other profits or reserves) to be established in certain circumstances pursuant to the terms and conditions contained in the Instrument (or any similar reserve which has been or may be established pursuant to the terms of any other securities wholly or partly convertible into, or rights to acquire, Shares);
 - (v) an issue of Shares pursuant to a scrip dividend scheme where an amount of the Shares so issued is capitalised and the market value (calculation as provided in the Instrument) of such Shares is not more than 110% of the amount of dividend which Shareholders could elect to or would otherwise receive in cash; or
 - (vi) the issue of Shares pursuant to the Convertible Notes.
- (C) Notwithstanding the provisions referred to in sub-paragraphs (A) and (B) above, in any circumstances where the Directors shall consider that an adjustment to the Subscription Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Subscription Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or at a different time from that provided for under the said provisions, the Company may appoint either an approved merchant bank (as defined in the Instrument) or auditors of the Company to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if such approved merchant bank or the auditors of the Company (as the case may be) shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner (including, without limitation, making an adjustment calculated on a different basis) and/or the adjustment shall take effect from such other date and/or time as shall be certified by such approved merchant bank or the auditors of the Company (as the case may be) to be in their opinion appropriate.
- (D) Any adjustment to the Subscription Price shall be made to the nearest one cent so that any amount under half a cent shall be rounded down and any amount of half a cent or more shall be rounded up. No adjustment shall be made to the Subscription Price in any case in which the amount by which the same would be reduced would be less than one cent and any adjustment which would otherwise then be required shall not be carried forward. No adjustment may be made (except on a consolidation of Shares) which would increase the Subscription Price.

- (E) Every adjustment to the Subscription Price will be certified by the auditors of the Company or an approved merchant bank in accordance with sub-paragraph (C) above and notice of each adjustment (giving the relevant particulars) will be given to the Warrantholders. In giving any certificate or making any adjustment hereunder, the auditors of the Company or the approved merchant bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on the Company and Warrantholders and all persons claiming through or under them respectively. Any such certificate of the auditors of the Company and/or approved merchant bank will be available at the principal place of business for the time being of the Company in Hong Kong, where copies may be obtained without charge.

3. REGISTERED WARRANTS

The Warrants are issued in registered form. The Company shall be entitled to treat the registered holder of any Warrant as the absolute owner thereof and accordingly shall not except as ordered by a Court of competent jurisdiction or required by law be bound to recognise any equitable or other claim to or interest in such Warrant on the part of any other person, whether or not it shall have express or other notice thereof.

4. WINDING UP OF THE COMPANY

- (A) In the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purposes of considering, and if thought fit approving, a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to each Warrantholder and thereupon, every Warrantholder shall be entitled by irrevocable surrender of his Warrant Certificate(s) to the Company (such surrender to occur not later than two business days prior to the proposed shareholders' meeting referred to above) with the subscription form(s) duly completed, together with payment of the subscription moneys or the relative portion thereof, to exercise the Subscription Rights represented by such Warrants and the Company shall as soon as practicable and in any event not later than the day immediately prior to the date of the proposed shareholders' meeting allot such number of Shares to the Warrantholder which fall to be issued pursuant to the exercise of the Subscription Rights represented by such Warrants. The Company shall give notice to the Warrantholder of the passing of such resolution within 7 days after the passing thereof.
- (B) If an effective resolution is passed during the Subscription Period for the voluntary winding up of the Company for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantholders, or some persons designated by them for such purpose by special resolution, shall be a party or in conjunction with which a proposal is made to the Warrantholders and is approved by special resolution, the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on all the Warrantholders.

Subject to the foregoing, if the Company is wound up, all Subscription Rights which have not been exercised at the commencement of the winding-up shall lapse and the Warrant Certificates will cease to be valid for any purpose.

5. TRANSFER, TRANSMISSION AND REGISTER

The Subscription Rights represented by the Warrant Certificate are transferable, in whole amounts or integral multiples of the Subscription Price for the time being in force, by instrument of transfer in any usual or common form or such other form as may be approved by the Directors, by an instrument of transfer executed under the hands by the authorised person(s). Where the transferor or the transferee is HKSCC Nominees Limited or its successor thereto (or such other company as may be approved by the board of Directors for this purpose), the transfers may be executed under the hands of authorised person(s) or by machine imprinted signature(s) on its behalf or of such person(s), as the case may be. For this purpose, the Company shall maintain the Register and the provisions of the Company's articles of association for the time being in relation to the registration, transfer and transmission of Shares shall apply, mutatis mutandis, to the registration, transfer and transmission of the Warrants and shall have full effect as if the same had been incorporated herein.

Since the Warrants will be admitted to the Central Clearing and Settlement System ("CCASS"), so far as applicable laws or regulations of relevant regulatory authorities, terms of the instrument and circumstances permit, the Company may determine the last trading day of the Warrants to be a date at least three trading days before the last day of the Subscription Period.

Persons who hold the Warrants and have not registered the Warrants in their own names and wish to exercise the Warrants may incur additional costs and expenses in connection with any expedited re-registration of the Warrants prior to the transfer or exercise of the Warrants, particularly during the period commencing ten business days prior to and including the last day for subscription.

6. CLOSURE OF REGISTER OF WARRANTHOLDERS

The registration of transfers may be suspended and the Register may be closed for such period as the Directors may from time to time direct, provided that the same shall not be closed for a period of more than 60 days in any one year. Any transfer or exercise of the Subscription Rights attached to the Warrants made while the Register is so closed shall, as between the Company and the person claiming under the relevant transfer of Warrants or, as the case may be, as between the Company and Warrantholder who has so exercised the Subscription Rights attached to his Warrants (but not otherwise), be considered as made immediately after the reopening of the Register.

7. PURCHASE AND CANCELLATION

The Company or any of its subsidiaries may at any time purchase Warrants:

- (i) in the open market or by tender (available to all Warrantholders alike) at any price; or
- (ii) by private treaty upon terms to be agreed between the parties, but the price of which shall in any event not exceeding 110% of the Exercise Moneys (as defined in the Instrument),

but not otherwise.

All Warrants purchased as aforesaid shall be cancelled forthwith and may not be reissued or resold.

8. MEETINGS OF WARRANTHOLDERS AND MODIFICATION OF RIGHTS

- (A) The Instrument contains provisions for convening meetings of Warrantholders to consider any matter affecting the interests of Warrantholders, including the modification by special resolution of the provisions of the Instrument and/or the terms and conditions endorsed in the Warrant Certificate. A special resolution duly passed at any such meeting shall be binding on the Warrantholders, whether present or not.
- (B) All or any of the rights for the time being attached to the Warrants (including any of the provisions of the Instrument) may from time to time (whether or not the Company is being wound up), be altered or abrogated (including but without prejudice to that generality by waiving compliance with, or by waiving or authorising any past or proposed breach of, any of the provisions of the conditions endorsed on the Warrant Certificate and/or the Instrument) and the sanction of a special resolution shall be necessary and sufficient to effect such alteration or abrogation.
- (C) Where the Warrantholder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative (or representatives) or proxy (or proxies) at any Warrantholders' meeting provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of warrants in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise as if such person were an individual Warrantholder of the Company.

9. OVERSEAS WARRANTHOLDERS

If a Warrantholder has a registered address in any territory other than Hong Kong where, in the opinion of the Directors, the allotment of Shares to such Warrantholder upon exercise of any Subscription Rights would or might, in the absence of compliance with registration or any other special formalities in such territory, be unlawful or impracticable under the laws of such territory, then the Company shall as soon as practicable after exercise by such Warrantholder of any Subscription Rights either:

- (a) allot the Shares which would otherwise have been allotted to such Warrantholder to one or more third parties selected by the Company; or
- (b) allot such Shares to such Warrantholder and then, on his behalf, sell them to one or more third parties selected by the Company;

in each case for the best consideration then reasonably obtainable by the Company. As soon as reasonably practicable following any such allotment or (as the case may be) allotment and sale, the Company shall pay to the relevant Warrantholder an amount equal to the consideration received by the Company therefor (but having deducted therefrom all brokerages, commissions, stamp duty, withholding tax and all other payments, charges or taxes incurred by the Company in respect thereof) by posting the relevant remittance to him at his risk.

10. REPLACEMENT OF WARRANT CERTIFICATES

If a Warrant Certificate is mutilated, defaced, lost or destroyed, it may, at the discretion of the Company, be replaced at the principal office of the Registrar on payment of such costs as may be incurred in connection therewith and on such terms as to evidence, indemnity and/or security as the Company may require and on payment of such scrip fee not exceeding HK\$2.50 (or such higher fee as may from time to time be permitted under the rules prescribed by the Stock Exchange) as the Company may determine. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued.

In the case of lost Warrant Certificates, Division 5 of Part 4 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) shall apply as if “shares” referred to therein included Warrants.

11. PROTECTION OF SUBSCRIPTION RIGHTS

The Instrument contains undertakings by and restrictions on the Company designed to protect the Subscription Rights.

12. CALL

If, at any time Warrants which have not been exercised carry rights to subscribe less than 10% in value of all Subscription Rights, being HK\$10,361,126.31, the Company may, on giving not less than 1 month notice, require the Warrantheolders either to exercise their Subscription Rights represented or to allow them to lapse. On expiry of such notice, all unexercised Warrants will be automatically cancelled without any compensation to the holders of such Warrants.

13. FURTHER ISSUE

The Company shall be at liberty to issue further subscription warrants, including warrants ranking *pari passu* with the Warrants.

14. UNDERTAKINGS BY THE COMPANY

In addition to the undertakings given by it in relation to the grant and exercise of the Subscription Rights and the protection thereof, the Company undertakes in the Instrument that:

- (i) it will send to each Warrantheolder, at the same time as the same are sent to the holders of Shares, its audited accounts and all other notices, reports and communications despatched by it to the holders of Shares generally;
- (ii) it will pay (if applicable) all Hong Kong stamp duties, registration fees or similar charges in respect of the execution of the Instrument, the creation and initial issue of the Warrants in registered form, the exercise of the Subscription Rights and the issue of Shares upon the exercise of the Subscription Rights;

- (iii) it will keep available for issue sufficient ordinary capital to satisfy in full all rights for the time being outstanding of subscription for and conversion into Shares; and
- (iv) it will use all reasonable efforts to procure that all Shares allotted upon exercise of the Warrants may, upon allotment or as soon as reasonably practicable thereafter, be dealt in on the Stock Exchange (save that this obligation shall lapse in the event that the listing of the Shares on the Stock Exchange is withdrawn following an offer for all or any of the Shares (whether by way of scheme of arrangement or otherwise) where a like offer is extended to holders of the Warrants or to holders of any Shares issued on exercise of the Warrants during the period of the offer (whether by way of proposal to the Warrantheholders or otherwise)).

15. NOTICES

- (A) The Instrument contains provisions relating to notices to be given to the Warrantheholders.
- (B) Every Warrantheholder shall register with the Company an address in Hong Kong or elsewhere to which notices can be sent and if any Warrantheholder shall fail so to do notice may be given to such Warrantheholder in any of the manners hereinafter mentioned to his last known place of business or residence or, if there be none, by posting the same for 3 days at the principal place of business for the time being of the Company in Hong Kong.
- (C) All notices with respect to Warrants standing in the names of joint holders shall be given to whichever of such persons is named first in the Register and notice so given shall be sufficient notice to all the holders of such Warrants.

16. GOVERNING LAW

The Instrument and the Warrants are governed by and will be construed in accordance with the laws of Hong Kong.

NOTICE OF EXTRAORDINARY GENERAL MEETING



International Standard Resources Holdings Limited 標準資源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 91)

(Warrant Code: 01407)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of International Standard Resources Holdings Limited (the “**Company**”) will be held at Meeting Room 637, 6/F., Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong at 11:00 a.m. on Tuesday, 10 November 2015 for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

“**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Warrants (as defined below) and any new shares of the Company (the “**Shares**”) which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants, the directors of the Company be and are hereby authorised:

- (a) to create warrants (“**Warrants**”), which shall be in registered form, carrying rights to subscribe for new Shares at the initial exercise price of HK\$0.091 per Share (subject to adjustment) and shall be exercisable at any time from the date of the issue of the Warrants and end on the date falling 12 months from the date of the issue of the Warrants (both dates inclusive) on the terms and conditions set out in the warrant instrument (the “**Warrant Instrument**”) (a copy of a draft of which marked “A” is produced to this meeting and signed for the purpose of identification by the Chairman of this meeting) and to issue the same by way of bonus to and among the persons who are registered as shareholders of the Company as at the close of business on the date to be determined by the directors as the record date for the determination of entitlements to the bonus issue of the Warrants (the “**Record Date**”) in the proportion of one (1) Warrant for every five (5) Shares then held on the Record Date, provided that:
 - (i) in the case of persons having registered addresses outside Hong Kong and the directors of the Company are of the view that their exclusion from the issue of Warrants is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the relevant Warrants shall not be issued to such persons but shall be aggregated and sold in the market and the net proceeds of sale, after deduction of expenses, distributed pro rata to such persons unless such amount falling to be distributed to any such person is less than HK\$100 in which case such amount will be retained for the benefit of the Company; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (ii) fractional entitlements to the Warrants will not be issued, but will be aggregated and sold for the benefit of the Company. The net proceeds of the sale will be retained for the benefit of the Company. The directors of the Company shall do all such acts and things as they consider necessary or expedient to give effect to the foregoing arrangements;
- (b) as a specific mandate to the directors of the Company, to allot and issue new Shares upon exercise of the subscription rights attaching to the Warrants or any of them, such new Shares shall rank *pari passu* in all respects with the then existing issued Shares;
- (c) to execute the said Warrant Instrument, certificates for the Warrants and all other documents, deeds and instruments under hand or, where necessary, under seal of the Company in accordance with the articles of association of the Company as the directors of the Company consider necessary or expedient to give effect to the Warrant Instrument and other transactions contemplated in this resolution; and
- (d) to do all such acts and things as the directors of the Company consider necessary or expedient to give effect to the transactions contemplated under this resolution or the Warrant Instrument.”

By order of the Board
International Standard Resources Holdings Limited
Tam Tak Wah
Executive Director

Hong Kong, 26 October 2015

Notes:

- (1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her/it. A proxy need not be a member.
- (2) In order to be valid, the form of proxy, together with any power of attorney or authority under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited with the share registrar of the Company, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude a Shareholder of the Company from attending and voting in person at the meeting to be convened or any adjournment thereof and in such event, the authority of the proxy shall be deemed to be revoked.
- (4) In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it was solely entitled thereto. If more than one of such joint holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (5) As at the date hereof, the executive directors of the Company are Mr. Cheng Wai Keung, Mr. Tam Tak Wah, and Ms. Tsang Ching Man and the independent non-executive directors of the Company are Mr. Chan Tsz Kit, Mr. Chan Yim Por Bonnie, Mr. Albert Saychuan Cheok (Chairman) and Mr. Wang Li.