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APAC RESOURCES
APAC RESOURCES LIMITED
亞太資源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1104)

(Warrant Code: 2478)

DISCLOSEABLE TRANSACTION

ACQUISITION OF SHARES IN NOVAGOLD

The Board announces that on 8 May 2025 (New York time zone), the Subsidiary accepted the allotment of 2,500,000 shares in Novagold (representing approximately 0.63% of the total issued share capital of Novagold as at the date of this announcement) for an amount of approximately US\$9,375,000 (equivalent to approximately HK\$72,884,000) (exclusive of transaction costs) under the Public Offering, representing approximately US\$3.75 (equivalent to approximately HK\$29.15) per share.

On 8 May 2025 (New York time zone), the Subsidiary acquired 200,000 shares in Novagold (representing approximately 0.05% of the total issued share capital of Novagold as at the date of this announcement) through on-market transactions conducted on the NYSE American for an aggregate consideration of approximately US\$762,300 (equivalent to approximately HK\$5,926,000) (exclusive of transaction costs), representing approximately US\$3.81 (equivalent to approximately HK\$29.63) per share.

Prior to the Acquisition and the On-market Acquisition, the Subsidiary acquired an aggregate of 570,000 shares in Novagold within a 12-month period prior to the date of the Acquisition and the On-market Acquisition (representing approximately 0.14% of the total issued share capital of Novagold as at the date of this announcement) through on-market transactions conducted on the NYSE American for an aggregate consideration of approximately US\$2,280,000 (equivalent to approximately HK\$17,716,000) (exclusive of transaction costs), representing approximately US\$4.00 (equivalent to approximately HK\$31.08) per share.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio(s) for the Acquisition and the On-market Acquisition is more than 5% but all are less than 25% in aggregate, the Acquisition and the On-market Acquisition constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratio(s) for the Acquisition and the On-market Acquisition, when aggregated with the Previous Acquisition which were conducted within 12 months of the Acquisition and the On-market Acquisition, is more than 5% but all are less than 25%, the Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

ACQUISITION OF SHARES IN NOVAGOLD

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The settlement date of the 2,500,000 shares in Novagold was 9 May 2025 (New York time zone) and the shares are expected to be allotted to the Subsidiary on 9 May 2025 (New York time zone).

On 8 May 2025 (New York time zone), the Subsidiary acquired 200,000 shares in Novagold (representing approximately 0.05% of the total issued share capital of Novagold as at the date of this announcement) through on-market transactions conducted on the NYSE American for an aggregate consideration of approximately US\$762,300 (equivalent to approximately HK\$5,926,000) (exclusive of transaction costs), representing approximately US\$3.81 (equivalent to approximately HK\$29.63) per share.

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After the Acquisitions, the Group holds 3,270,000 shares in Novagold, representing approximately 0.82% of the total issued share capital of Novagold as at the date of this announcement.

Novagold, being the issuer of the Public Offering, is an Independent Third Party. In relation to the On-market Acquisition and the Previous Acquisition which were conducted through the open market, the identity(ies) of the counterparty(ies) of the On-market Acquisition and the Previous Acquisition cannot be ascertained by the Group. However, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Directors believe that the counterparty(ies) and its/their ultimate beneficial owner(s) in the Acquisitions is/are Independent Third Parties.

CONSIDERATION

The aggregate consideration for the Acquisitions is approximately US\$12,417,000 (equivalent to approximately HK\$96,527,000) (exclusive of transaction costs) and shall be/have been (as the case may be) fully settled in cash from the Company's internal resources.

The consideration of the Acquisitions were determined by reference to the offer price of US\$3.75 per share of Novagold in the Public Offering and the prevailing trading prices of the shares of Novagold on the NYSE American at the time of the relevant acquisitions.

INFORMATION ON THE COMPANY AND THE GROUP

The Company is a company incorporated in Bermuda with limited liability, the securities of which are listed on the main board of the Stock Exchange. The Group is an established investment fund and commodity trading house which owns strategic interests in natural resource companies with the main business lines comprising of primary strategic investment, resource investment, and commodity trading business, focused primarily on metals, mining and energy and investment in financial assets.

INFORMATION ON NOVAGOLD

Novagold is a company incorporated in British Columbia, Canada, whose shares are traded on the NYSE American and the Toronto Stock Exchange. Novagold and its subsidiaries operate in the gold mining industry, primarily focused on advancing the Donlin Gold project in Alaska. The Donlin Gold project is held by Donlin Gold LLC, a limited liability company owned equally by wholly-owned subsidiaries of Novagold and Barrick Mining Corporation.

Based on the audited consolidated financial statements of Novagold, the consolidated net loss before and after taxation for the financial years ended 30 November 2024 and 2023 and the consolidated net liabilities of Novagold as at 30 November 2024 and 2023 are as follows:

	For the year ended 30 November			
	2024		2023	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Consolidated net loss before taxation	44,897	349,461	46,764	365,205
Consolidated net loss after taxation	45,621	355,097	46,803	365,509

	As at 30 November			
	2024		2023	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Consolidated net liabilities	47,416	369,068	8,223	64,218

Note: The translation of US\$ into HK\$ is based on the exchange rate of US\$1 to HK\$7.78362 and US\$1 to HK\$7.80953 as at 30 November 2024 and 30 November 2023 respectively.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Company is focused on strategic investments in the natural resources sector, particularly in the mining industry. Novagold is a leading gold development company that has historically owned 50% of the Donlin Gold Project (“**Donlin**”) in Alaska. It is a world class resource with an estimated 39Moz measured and indicated gold resource at an average grade of 2.24gpt. Over the past several years, development progress has been very slow given its partner, Barrick Mining Corporation (“**Barrick**”), has a strategic focus on other large-scale projects, including copper. Novagold recently announced a US\$1 billion transaction to acquire Barrick’s 50% stake with Novagold moving to a 60% interest for US\$200 million and Paulson Advisors (“**Paulson**”) acquiring 40% interest for US\$800 million. Donlin now has a new ownership structure where both shareholders want to advance the project. The joint venture of Novagold and Paulson aims to achieve final environmental approvals plus update the 2021 bankable feasibility study by 2027 and the updated economic studies should benefit from significantly higher gold prices. The Company maintains a positive outlook on gold given on-going central bank buying, geopolitical tensions, economic uncertainty and, more recently, a new trend towards de-dollarisation and diversification from US dollar-denominated assets. This could provide a tailwind for the ultimate development of Donlin in coming years and progress towards construction and production should help rerate the value of Novagold shares. The Directors believe this investment represents a compelling opportunity to generate superior returns and aligns with the Company’s strategic focus on value creation.

As the consideration of the Acquisition was equal to the offer price of US\$3.75 per share of Novagold under the Public Offering, and the On-market Acquisition and the Previous Acquisition were traded at market price, the Directors (including the independent non-executive Directors) are of the view that the Acquisitions were fair and reasonable, on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio(s) for the Acquisition and the On-market Acquisition is more than 5% but all are less than 25% in aggregate, the Acquisition and the On-market Acquisition constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratio(s) for the Acquisition and the On-market Acquisition, when aggregated with the Previous Acquisition which were conducted within 12 months of the Acquisition and the On-market Acquisition, is more than 5% but all are less than 25%, the Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acceptance of the allotment of 2,500,000 shares of Novagold by the Subsidiary under the Public Offering on 8 May 2025 (New York time zone) for an amount of approximately US\$9,375,000 (equivalent to approximately HK\$72,884,000) (exclusive of transaction costs);
“Acquisitions”	the Acquisition, the On-market Acquisition and the Previous Acquisition;
“Board”	the board of Directors;
“Company”	APAC Resources Limited, a company incorporated in Bermuda with limited liability, the securities of which are listed on the main board of the Stock Exchange (Stock Code: 1104 and Warrant Code: 2478);
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Novagold”	Novagold Resources Inc., a company listed on the NYSE American and on the Toronto Stock Exchange (Stock Code: NG);
“On-market Acquisition”	the acquisition of 200,000 shares in Novagold by the Subsidiary through on-market transactions conducted on the NYSE American on 8 May 2025 (New York time zone) for an aggregate consideration of approximately US\$762,300 (equivalent to approximately HK\$5,926,000) (exclusive of transaction costs);
“Previous Acquisition”	the acquisition of 570,000 shares in Novagold by the Subsidiary through on-market transactions conducted on the NYSE American within a 12-month period prior to the date of the Acquisition and the On-market Acquisition for an aggregate consideration of approximately US\$2,280,000 (equivalent to approximately HK\$17,716,000) (exclusive of transaction costs);
“Public Offering”	the public offering of 47,850,000 common shares of Novagold;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	APAC Resources Commodity Trading Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Company;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

Unless otherwise stated, amounts in US\$ have been translated into HK\$ at the exchange rate on the relevant dates of the Acquisition, the On-market Acquisition and the Previous Acquisition at HK\$7.7743, HK\$7.7743 and HK\$7.76988 respectively to US\$1 for illustration purpose only. No representation has been made that any amount in US\$ or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

On behalf of the Board
APAC Resources Limited
Andrew Ferguson
Executive Director

Hong Kong, 9 May 2025

As at the date of this announcement, the directors of the Company are:

Executive Director

Mr. Andrew Ferguson (*Chief Executive Officer*)

Non-Executive Directors

Mr. Arthur George Dew (*Chairman*) (*Mr. Wong Tai Chun, Mark as his alternate*),
Mr. Lee Seng Hui and Ms. Lam Lin Chu

Independent Non-Executive Directors

Dr. Wong Wing Kuen, Albert, Mr. Wang Hongqian and Mr. Kelvin Chau Kwok Wing

* *For identification purpose only*