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NORTH ASIA RESOURCES HOLDINGS LIMITED

北亞資源控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 61)

PROFIT WARNING AND UPDATE ON DEVELOPMENT OF SHANXI MINES OF THE GROUP

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “Board”) of North Asia Resources Holdings Limited (the “Company”, together with its subsidiaries as the “Group”) wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group is expected to record a significant loss for the year ended 31 December 2014.

The loss during the year under review was mainly attributable to (i) the impairment loss recognised in respect of mining rights as a result of the delay in commercial operations of the relevant mines as mentioned herein and the drop in coal price; and (ii) the increase in finance costs. As at the date hereof, since no valuation on the current fair value of the mining rights has been available yet, the Group is not able at this stage to quantify the loss for the year ended 31 December 2014. Further announcement on the possible quantification of the loss of the Group will be made before the publication of the final results announcement of the Company for the year ended 31 December 2014 and once the draft valuation report is available to the Board.

The information contained in this announcement is only based on a preliminary assessment of the information currently available to the management of the Company and such information has not been audited or reviewed by the Company’s auditor. As at the date of this announcement, the Group’s consolidated results for the year ended 31 December 2014 have not yet been finalised and the valuation report on the current fair value of the mining rights have not yet been available, and shall be subject to necessary adjustments. Shareholders and potential investors are advised to refer to the details in the final results announcement of the Company for the year ended 31 December 2014 which will be released before the end of March 2015 in compliance with the Listing Rules.

Reference is also made to the supplementary announcement of the Company dated 1 December 2014 in relation to, among others, the suspension of construction and development works of mining sites under construction in Shanxi Province, the PRC.

Recently, 古交市煤炭工業局(Gujiao Municipality Coal Industry Bureau*) has issued another notification to the Group in connection with the suspension of construction and development works and rectification scheme. The Group's coal mines have been identified as soakaway pit as mentioned in the notification, further exploration works on hydrological and geological condition and installment of additional facilities and equipment are required for guarantee the safety of works. Hence the correlated staff training, construction team management and emergency team management of the Group's five mining sites in located in Shanxi Province should be further improved.

The Group has immediately (i) established specific project teams which are responsible for the rectification planning and the implementation of the rectification measures; and (ii) procured more equipment for tackling the soakaway pit. After implementation of the rectification measures and inspection of the implementation of the rectification measures by the relevant authorities, the Group shall be entitled to apply for the resumption of construction and development works of the Group's mining sites located in Shanxi Province from the relevant authorities.

In light of these circumstances, under the best estimation of the management, the schedule of the improvement works and operation of the respective mines are set out below:

	Expected completion date of the reconstruction and improvement works	Expected date of commencement of commercial operation
Liaoyuan Mine	30 September 2015	28 February 2016
Jinxin Mine	Completed	31 August 2015
Xinfeng Mine	30 September 2015	31 January 2016
Bolong Mine	31 August 2015	31 December 2015
Fuchang Mine	Completed	31 July 2015

The Board would continue to use its best endeavours to satisfy the conditions set forth by the relevant authorities with an aim to resume the construction and development work of the Group's mining sites located in Shanxi Province as soon as possible. Further announcements will be made to keep shareholders of the Company updated for the development as and when appropriate.

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

By the order of the Board of
North Asia Resources Holdings Limited
Mr. Zhang Sanhuo
Chairman

Hong Kong, 27 January 2015

As at the date of this announcement, Mr. Zhang Sanhuo, Mr. Huang Boqi and Mr. Tse Michael Nam are the executive Directors, Mr. Zou Chengjian is the non-executive Director and Ms. Leung Yin Fai, Mr. Leung Po Wing, Bowen Joseph (GBS, JP) and Mr. Zhou Chunsheng are the independent non-executive Directors.

* *For identification purpose only*