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首長國際企業有限公司

SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 697)

DISCLOSEABLE TRANSACTION

The Board is pleased to announce that on 22 September 2009, the Company and its wholly-owned subsidiary, Sky Choice entered into the Agreement with Fushan International, pursuant to which Sky Choice has agreed to sell 154,166,874 Mount Gibson Shares to Fushan International, representing approximately 14.34% of the issued share capital of Mount Gibson as at the date of this announcement, at a consideration of HK\$1,188,531,169, which will be satisfied in full by the allotment and issue of the Consideration Shares to Sky Choice (or its nominees) at the Issue Price.

Since the applicable percentage ratios (as set out in the Listing Rules) are more than 5% but less than 25%, the transaction under the Agreement constitutes a discloseable transaction for the Company under the Listing Rules.

THE AGREEMENT

Date

22 September 2009

Parties

- (1) Sky Choice, as the vendor;
- (2) Fushan International, as the purchaser; and
- (3) the Company, as the guarantor of Sky Choice

The Company has unconditionally and irrevocably agreed to guarantee the due performance of Sky Choice's obligations under the Agreement.

Asset to be disposed

Sky Choice, a wholly-owned subsidiary of the Company, agreed to sell 154,166,874 Mount Gibson Shares to Fushan International, representing approximately 14.34% of the issued share capital of Mount Gibson as at the date of this announcement.

Consideration

The consideration for the Agreement shall be HK\$1,188,531,169, which will be satisfied in full by the allotment and issue of the Consideration Shares to Sky Choice (or its nominees) at the Issue Price.

The consideration for the Agreement being HK\$1,188,531,169 was determined after arm's length negotiation between Fushan International and Sky Choice with reference to the average closing price per Mount Gibson Share of A\$1.138 as quoted on the Australian Securities Exchange for the last five consecutive trading days up to and including the Last Trading Day.

Consideration Shares

The Consideration Shares will be issued at the Issue Price which was determined after arm's length negotiation between Fushan International and Sky Choice with reference to the average closing price per Fushan Share of HK\$5.556 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day. The Consideration Shares represent (i) approximately 4.28% of the issued share capital of Fushan International as at the date of this announcement; and (ii) approximately 4.11% of the issued share capital of Fushan International as enlarged by the issue of the Consideration Shares immediately upon completion of the Agreement (assuming that there is no change in its issued share capital from the date of this announcement to the Completion Date save for the issue of the Consideration Shares).

The Consideration Shares shall be issued as fully paid and shall rank *pari passu* in all respects with the Fushan Shares then in issue. An application will be made by Fushan International to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

The Issue Price represents:

- (i) a premium of approximately 1.2% over the closing price of HK\$5.49 per Fushan Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) the average closing price per Fushan Share of approximately HK\$5.556 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 2.17% over the average closing price per Fushan Share of approximately HK\$5.438 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day; and
- (iv) a premium of approximately 119.47% over the unaudited consolidated net asset value of Fushan International per Fushan Share of approximately HK\$2.5315 as at 30 June 2009.

Conditions precedent

Completion of the Agreement shall be conditional upon the fulfilment (or waiver, in the case of condition precedent (f)) of the following conditions:

- (a) the listing of, and permission to deal in, the Consideration Shares having been granted by the Stock Exchange;
- (b) if required by the Listing Rules, the passing by the Shareholders who are permitted to vote under the Listing Rules at a general meeting of the Company of resolutions to approve the Agreement and other transactions contemplated under the Agreement;
- (c) if required by the Listing Rules, the passing by the independent shareholders of Fushan International who are permitted to vote under the Listing Rules at a general meeting of Fushan International of resolutions to approve the Agreement, the issue of the Consideration Shares and other transactions contemplated under the Agreement;

- (d) (i) the Treasurer of the Commonwealth of Australia (or his delegate) having provided a written advice (without condition, or with conditions that are reasonably acceptable to Fushan International), that there are no objections under Australia's foreign investment policy to the acquisition of 154,166,874 Mount Gibson Shares by Fushan International under the Agreement; or (ii) following notice of the acquisition of 154,166,874 Mount Gibson Shares under the Agreement having been given by Fushan International to the Treasurer of the Commonwealth of Australia under the *Foreign Acquisitions and Takeovers Act 1975* (Cwlth), the Treasurer of the Commonwealth of Australia ceases to be empowered to make any order under Part II of the *Foreign Acquisitions and Takeovers Act 1975* (Cwlth) because of lapse of time;
- (e) within 5 business days of the satisfaction of the conditions set out in paragraph (d) above, the Australian Competition and Consumer Commission (i) not having given any indication that it intends to oppose the acquisition of 154,166,874 Mount Gibson Shares by Fushan International under the Agreement; or (ii) having given an indication that it does not intend to oppose the acquisition of 154,166,874 Mount Gibson Shares by Fushan International under the Agreement and any undertakings to which this is subject are acceptable to Fushan International, acting reasonably;
- (f) no material adverse change having occurred in relation to Mount Gibson between the date of the Agreement and the Completion Date; and
- (g) the passing by the shareholders of Fushan International who are permitted to vote under the Listing Rules at its general meeting of resolution(s) to approve the increase in authorised share capital of Fushan International.

If the conditions precedent have not been satisfied by the Cut-Off Date or, in the case of condition precedent (f) has not been waived by Fushan International by the Cut-Off Date, the Agreement will be terminated automatically, provided that the rights and liabilities of the parties to the Agreement which have been accrued prior to termination shall subsist.

Completion

Completion of the Agreement shall take place on the Completion Date.

CHANGES TO THE SHAREHOLDING IN FUSHAN INTERNATIONAL AS A RESULT OF COMPLETION OF THE AGREEMENT

The following table sets out the shareholding structure of Fushan International (based on the best knowledge of the Directors) immediately before and after the issue of the Consideration Shares:

Shareholder	As at the date of this announcement		Immediately after the issue of the Consideration Shares	
	Number of Fushan Shares	%	Number of Fushan Shares	%
The Company and its associates	1,000,000,000	20.02	1,213,918,497	23.30
Mr. Wong Lik Ping and his associates	673,171,900	13.47	673,171,900	12.92
Other shareholders	3,322,783,452	66.51	3,322,783,452	63.78
Total	4,995,955,352	100	5,209,873,849	100

FINANCIAL EFFECTS OF THE DISPOSAL

A gain on disposal in the amount of approximately HK\$693,800,000 in respect of the Disposal will arise upon completion of the Agreement. The gain is calculated with reference to the difference between the initial cost of investment and the sale consideration pursuant to the Agreement. The actual gain will depend on the fair valuation of the net assets acquired (i.e. Fushan International) as at the Completion Date and actual expenses to be incurred for the Disposal.

INFORMATION ON MOUNT GIBSON

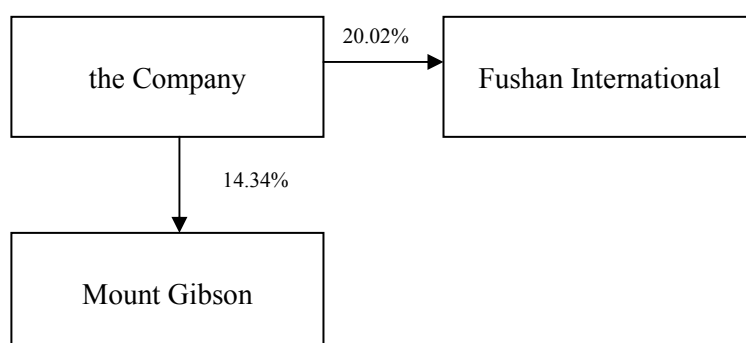
Mount Gibson is a company incorporated in Australia and the shares of which are listed on the Australian Securities Exchange. Mount Gibson owns 3 mines in the Midwest region of Western Australia.

Based on the annual financial report of Mount Gibson for the year ended 30 June 2009, the audited consolidated net asset value of Mount Gibson for the year ended 30 June 2009 was approximately A\$780,481,000 (equivalent to approximately HK\$5,287,369,000). The audited net profit before and after tax (from continuing operations) of Mount Gibson for the two financial years ended 30 June 2009 are as follows:

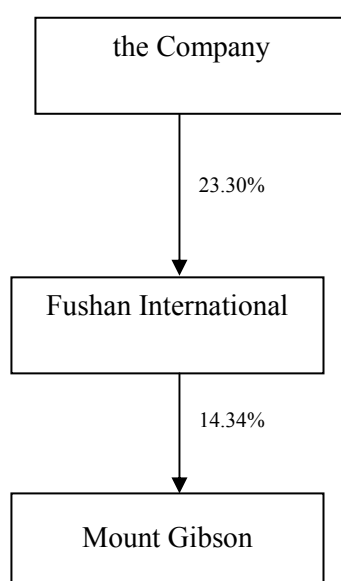
	For the year ended 30 June 2008		For the year ended 30 June 2009	
	(Audited)		(Audited)	
	<i>A\$'000</i>	<i>HK\$'000</i>	<i>A\$'000</i>	<i>HK\$'000</i>
Net profit before tax	163,857	1,110,049	61,709	418,048
Net profit after tax	113,344	767,849	42,618	288,716

The following diagrams illustrate the corporate and shareholding structure of the Company and Mount Gibson immediately before and after completion of the Agreement:

The shareholding structure of the Company before completion of the Agreement



The shareholding structure of the Company after completion of the Agreement



REASONS FOR THE TRANSACTION

The Board believes that the transactions under the Agreement are in the interest of the Shareholders as the Company is able to realise a considerable profit by disposal of a portion of its investment in Australia.

The Directors (including the independent non-executive Directors) consider that the Agreement has been made on normal commercial terms and that such terms are fair and reasonable so far as the Company and the Shareholders are concerned and that the Disposal is in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The transaction under the Agreement constitutes a discloseable transaction for the Company under the Listing Rules, since the applicable percentage ratios (as set out in the Listing Rules) are more than 5% but less than 25%.

GENERAL

The Group is principally engaged in the manufacture, sale and trading of steel products, shipping operations and mineral exploration.

Fushan International is an investment holding company. Fushan International and its subsidiaries are principally engaged in coking coal mining, production and sales of coking coal products (including raw coking coal, clean coking coal and coke) and side products.

DEFINITIONS

Unless otherwise stated, the terms in this announcement have the following meanings:

“Agreement”

the agreement dated 22 September 2009 between the Company, Fushan International and Sky Choice, a wholly-owned subsidiary of the Company, pursuant to which Sky Choice has conditionally agreed to sell to Fushan International 154,166,874 Mount Gibson Shares,

	representing approximately 14.34% of the issued share capital of Mount Gibson as at the date of this announcement
“associate”	has the meaning ascribed to in the Listing Rules
“Board”	the board of Directors
“Company”	Shougang Concord International Enterprises Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Completion Date”	the tenth business day after the date on which the last condition precedent to the Agreement is fulfilled (or, in the case of condition precedent (f), waived) or such other date as the parties thereto may agree
“Consideration Shares”	213,918,497 new Fushan Shares to be allotted and issued by Fushan International under the Agreement
“Cut-Off Date”	the date occurring 180 days after the date of the Agreement or any later date agreed by the parties to the Agreement
“Directors”	the directors of the Company
“Disposal”	the disposal of 154,166,874 Mount Gibson Shares by Sky Choice to Fushan International
“Fushan International”	Fushan International Energy Group Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange
“Fushan Shares”	existing ordinary shares of HK\$0.10 each in the share capital of Fushan International
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Price”	an issue price of HK\$5.556 per Consideration Share
“Last Trading Day”	22 September 2009, being the date of the Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mount Gibson”	Mount Gibson Iron Limited, a corporation incorporated under the laws of Australia, the shares of which are listed on the Australian Securities Exchange
“Mount Gibson Shares”	ordinary shares in the share capital of Mount Gibson
“Shareholder(s)”	shareholder(s) of the Company
“Sky Choice”	Sky Choice International Limited, a company incorporated in the British Virgin Islands with limited liability and a

	wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“A\$”	Australian dollar, the lawful currency of Australia
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent

For the purpose of this announcement, all amounts in A\$ are translated into HK\$ at an exchange rate of A\$1 : HK\$6.7745.

By Order of the Board
Shougang Concord International Enterprises Company Limited
Cao Zhong
Managing Director

Hong Kong, 22 September 2009

As at the date of this announcement, the Board comprises Mr. Wang Qinghai (Chairman), Mr. Cao Zhong (Managing Director), Mr. Chen Zhouping (Deputy Managing Director), Mr. Zhang Wenhui (Deputy Managing Director), Mr. Luo Zhenyu (Deputy Managing Director), Mr. Ip Tak Chuen, Edmond (Non-executive Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Ms. Kan Lai Kuen, Alice (Independent Non-executive Director), Mr. Wong Kun Kim (Independent Non-executive Director) and Mr. Leung Kai Cheung (Independent Non-executive Director).