

Partner Jason Lambeth  
Contact Jade Droguett  
T +61 2 9263 4288  
jdroguett@gtlaw.com.au



LAWYERS

16 November 2009

By fax | 11 pages

To Company Announcements Office  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000  
Fax 1300 135 638

Gilbert + Tobin

2 Park Street  
Sydney NSW 2000  
Australia

GPO Box 3810  
Sydney NSW 2001

T +61 2 9263 4000  
F +61 2 9263 4111

DX 10348 SSE  
www.gtlaw.com.au

Dear Sir/Madam

**Notice of Initial Substantial Holder in Polaris Metals NL**

We act for Lion-Asia Resources Pte. Ltd. (Lion).

On behalf of Lion, we attach a Form 604 – Notice of Change of Interests of Substantial Holder in relation to Polaris Metals NL ACN 085 223 570.

Yours faithfully  
Gilbert + Tobin

Jade Droguett  
Lawyer  
T +61 2 9263 4288  
jdroguett@gtlaw.com.au

This facsimile is solely for the use of the addressee and may contain information which is confidential or privileged. If you receive this facsimile in error, please notify us immediately and we will arrange for its return at our expense. Liability limited by a scheme approved under Professional Standards Legislation.

International associate  
金杜律师事务所  
KING & WOOD  
INTERNATIONAL AND PRC LAWYERS

**Form 604**  
Corporations Act 2001  
Section 671B

**Notice of change of interests of substantial holder**

To Company Name/Scheme POLARIS METALS NL

ACN/ARSN ACN 085 223 570

**1. Details of substantial holder (1)**

Name Lion-Asia Resources Pte. Ltd. (Lion), Lion Diversified Holdings Berhad (LDHB) and its controlled entities listed in Annexure A, LAP Exploration Pte. Ltd. (LAPE), Vital Bond Limited (VBL), Tan Sri William Cheng (TSWC), Lion Asiapac Limited (LAP) and its controlled entities listed in Annexure A, Lion Industries Corporation Berhad (LICB)

ACN/ARSN (if applicable) \_\_\_\_\_

There was a change in the interests of the substantial holder on 15/10/2009

The previous notice was given to the company on 7/10/2009

The previous notice was dated 7/10/2009

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power
Fully paid ordinary shares (Polaris Shares)	44,737,912	25.4%	44,737,912	25.35%

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
15/10/2009	Each of Lion, LDHB (and its controlled entities), LAPE, VBL, TSWC, LAP (and its controlled entities) and LICB	A decrease in voting power as a result of the issue of 600,000 Polaris Shares by Polaris following exercise by a third party of 600,000 unlisted Polaris options.	N/A	N/A	N/A

**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes

Lion	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to Section 608(1)(c) of the Corporations Act, Lion has a relevant interest in the 44,737,912 Polaris Shares held by LDHB by virtue of the Co-operation Agreement between Lion and LDHB dated 5 October 2009, a copy of which is attached as Annexure B to this Form 604.	44,737,912 Polaris Shares	25.35%
LDHB	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Legal and beneficial holder	44,737,912 Polaris Shares	25.35%
LDHB's controlled entities	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to section 12(2) of the Corporations Act	44,737,912 Polaris Shares	25.35%
LAPE	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to Section 608(3)(a) of the Corporations Act, Lion is deemed to have a relevant interest in the Polaris Shares that Lion has a relevant interest in.	44,737,912 Polaris Shares	25.35%
VBL	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to Section 608(3)(a) of the Corporations Act, VBL is deemed to have a relevant interest in the Polaris Shares that Lion has a relevant interest in.	44,737,912 Polaris Shares	25.35%
TSWC	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to section 608(3)(b) of the Corporations Act, TSWC is deemed to have a relevant interest in the Polaris Shares that LDHB has a relevant interest in.	44,737,912 Polaris Shares	25.35%
LAP	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to Section 608(3)(b) of the Corporations Act, LAP is deemed to have a relevant interest in the Polaris Shares that Lion has a relevant interest in.	44,737,912 Polaris Shares	25.35%
LAP's controlled entities	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to section 12(2) of the Corporations Act	44,737,912 Polaris Shares	25.35%
LICB	LDHB (as to 25,150,515 Polaris Shares) and ANZ Nominees Ltd (as to 19,587,397 Polaris Shares)	LDHB	Pursuant to Section 608(3)(a) of the Corporations Act, LICB is deemed to have a relevant interest in the Polaris Shares that LDHB has a relevant interest in.	44,737,912 Polaris Shares	25.35%

**5. Changes In association**

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in

relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

**6. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
Lion	10 Arumugam Road, #10-00 Lion Building A, Singapore, 409957
LAPE	10 Arumugam Road, #10-00 Lion Building A, Singapore, 409957
VBL	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands
LAP	10 Arumugam Road, #10-00 Lion Building A, Singapore, 409957
TSWC	Level 48, Menara Citibank, 165 Jalan Ampang, 50450 Kuala Lumpur
LICB	Level 48, Menara Citibank, 165 Jalan Ampang, 50450 Kuala Lumpur
Polaris Metals NL	Level 2, 1109 Hay Street, West Perth, WA 6005

**Signature**

print name Loh Kgai Mun

capacity Director

sign here

date 13 / 11 / 2009

**DIRECTIONS**

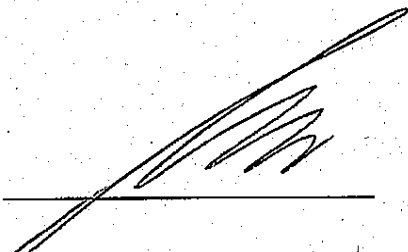
- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

**Annexure A**

This is Annexure A of 4 pages referred to in Form 604 – Notice of Change of Interests of Substantial Holder

Signed and dated this 13<sup>th</sup> day of: *November 2009*



<b>Associate of LAP</b>	<b>Relation to LAP</b>
Bright Steel Pte. Ltd.	Wholly-owned subsidiary
Ternair Jaya Sdn. Bhd.	Wholly-owned subsidiary
Arbon Investment Pte. Ltd.	Wholly-owned subsidiary
Aarau Investment Pte. Ltd.	Wholly-owned subsidiary
Grenchen Investment Pte. Ltd.	Wholly-owned subsidiary
Kloten Investment Pte. Ltd.	Wholly-owned subsidiary
LAP Trading & Marketing Pte. Ltd.	Wholly-owned subsidiary
Advent Electronics Pte. Ltd.	Subsidiary
Angkasa Transport Equipment Sdn. Bhd.	Wholly-owned subsidiary
Clarrington Investment Pte. Ltd.	Wholly-owned subsidiary
Halton Investment Pte. Ltd.	Wholly-owned subsidiary
LAP Investment Pte. Ltd.	Wholly-owned subsidiary
Lion Asiapac Management Consultancy (Shanghai) Co., Ltd	Wholly-owned subsidiary
Lion Containers Sdn. Bhd.	Wholly-owned subsidiary
Advent Electronics (M) Sdn. Bhd.	Wholly-owned subsidiary
Advent Infotech Private Limited	Subsidiary
Compact Energy Sdn. Bhd.	Wholly-owned subsidiary

Associate of LDHB	Relation to LDHB
LDH Manufacturing Sdn Bhd	Wholly-owned subsidiary
Graimpi Sdn Bhd	Wholly-owned subsidiary
LDH Trading Sdn Bhd	Wholly-owned subsidiary
Lion Subang Parade Sdn Bhd	Wholly-owned subsidiary
Urban Resources Sdn Bhd	Wholly-owned subsidiary
Megavest Sdn Bhd	Wholly-owned subsidiary
Lion Mahkota Parade Sdn Bhd	Wholly-owned subsidiary
Likom CMS Sdn Bhd	Wholly-owned subsidiary
Likom Caseworks Sdn Bhd	Wholly-owned subsidiary
Parkson Pacific Pte Ltd	Wholly-owned subsidiary
Parkson Glomart Pte Ltd	Wholly-owned subsidiary
Parkson Management Pte Ltd	Wholly-owned subsidiary
LDH (S) Pte Ltd	Wholly-owned subsidiary
LDH Investment Pte Ltd	Subsidiary
Lion DRI Sdn Bhd	Wholly-owned subsidiary
Well Morning Limited	Wholly-owned subsidiary
Excel Step Investments Limited	Wholly-owned subsidiary
Fusion Energy Sdn Bhd	Wholly-owned subsidiary
Lion Blast Furnace Sdn Bhd	Wholly-owned subsidiary
Lion Corporation Berhad	Subsidiary
CPB Enterprise Sdn Bhd	Wholly-owned subsidiary
CPB Investment AG	Wholly-owned subsidiary
Pavlova Investment Pte Ltd	Wholly-owned subsidiary
Gemmo Pte Ltd	Wholly-owned subsidiary
Gesto Pte Ltd	Wholly-owned subsidiary
Banting Resources Sdn Bhd	Wholly-owned subsidiary
LDH Management Sdn Bhd	Wholly-owned subsidiary
Viroy Management Services Sdn Bhd	Wholly-owned subsidiary
Shanghai DEBier Management Consulting Co Ltd	Wholly-owned subsidiary

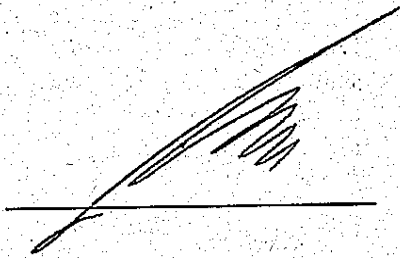
Atlantic Dimension Sdn Bhd	Wholly-owned subsidiary
Likom Caseworks USA Inc	Wholly-owned subsidiary
Likom de Mexico S.A. de C.V	Wholly-owned subsidiary
Sichuan Parkson Retail Development Co Ltd	Wholly-owned subsidiary
Limbangan Makmur Sdn Bhd	Wholly-owned subsidiary
Changshu Lion Enterprise Co Ltd	Wholly-owned subsidiary
Teraju Varia Sdn Bhd	Wholly-owned subsidiary
Pioneer Ambition Sdn Bhd	Wholly-owned subsidiary
Kinabalu Motor Assembly Sendirian Berhad	Subsidiary
LCB Harta (M) Sdn Bhd	Wholly-owned subsidiary
Limpahjaya Sdn Bhd	Wholly-owned subsidiary
Lion Construction & Engineering Sdn Bhd	Wholly-owned subsidiary
Lion General Trading & Marketing (S) Pte Ltd	Wholly-owned subsidiary
Lion Rubber Works Sdn Bhd	Wholly-owned subsidiary
Lion Steelworks Sdn Bhd	Wholly-owned subsidiary
Lion Trading & Marketing Sdn Bhd	Wholly-owned subsidiary
Total Triumph Investments Limited	Wholly-owned subsidiary
LCB Harta (L) Limited	Wholly-owned subsidiary
KMA Marketing Sdn Bhd	Wholly-owned subsidiary
Kinabalu Car Distributions Sdn Bhd	Wholly-owned subsidiary
Bersatu Investments Company Limited	Subsidiary
Lion Corn Sdn Bhd	Wholly-owned subsidiary
Lyn (Pte) Ltd	Subsidiary
Megasteel Sdn Bhd	Wholly-owned subsidiary

Umevest Sdn Bhd	Wholly-owned subsidiary
Glit Investments Company Limited	Wholly-owned subsidiary
Secretarial Communications Sdn Bhd	Wholly-owned subsidiary
Logic Furniture (S) Pte Ltd	Wholly-owned subsidiary
Megasteel Harta (L) Limited	Wholly-owned subsidiary
Secomex Manufacturing Sdn Bhd	Wholly-owned subsidiary
Logic Concepts (M) Sdn Bhd	Subsidiary
Logic Furniture (M) Sdn Bhd	Subsidiary
PMB Building System Sdn Bhd	Wholly-owned subsidiary
PMB Jaya Sdn Bhd	Wholly-owned subsidiary
Lion Plate Mills Sdn Bhd	Wholly-owned subsidiary
Lion Fichet Sdn Bhd	Wholly-owned subsidiary
Bright Steel Sdn Bhd	Wholly-owned subsidiary
B.A.P Industries Sdn Bhd	Wholly-owned subsidiary
Bright Steel Service Centre Sdn Bhd	Subsidiary
Bright Enterprise (Sdn) Bhd	Wholly-owned subsidiary
Century Container Industries Sdn Bhd	Wholly-owned subsidiary
Omali Corporation Sdn Bhd	Wholly-owned subsidiary
Pancar Tulin Sdn Bhd	Wholly-owned subsidiary

**Annexure B**

This is Annexure B of 3 pages referred to in Form 604 – Notice of Change of Interests of Substantial Holder

Signed and dated this 13<sup>th</sup> day of November 2009

A handwritten signature in black ink, consisting of several overlapping, sweeping strokes that form a stylized, somewhat abstract shape. The signature is positioned above a horizontal line.

**CO-OPERATION AGREEMENT****Lion Diversified Holdings Berhad**

Level 46, Menara Citibank  
165 Jalan Ampang, 50450  
Kuala Lumpur, Malaysia

AND

**Lion-Asia Resources Pte. Ltd.**

10 Arumugam Road  
#10-00 Lion Building A  
Singapore 409957

**Co-operation Agreement – Lion-Asia Resources Pte. Ltd's bid for Polaris Metals NL****1 Background**

Lion Diversified Holdings Berhad (**LDHB**) currently owns 44,737,912 shares in Polaris Metals NL (**POL**) which represents approximately 25.45% of the issued share capital of POL (**POL Shares**).

Lion-Asia Resources Pte. Ltd. (**Bidco**) is a 50/50 joint venture company established by Lion Asiapac Limited (through a wholly owned subsidiary, Lion Exploration Pte. Ltd.) and Tan Sri William Cheng (through a wholly owned subsidiary, Vital Bond Limited).

Bidco is proposing to make an off-market takeover bid under Chapter 6 of the Corporations Act for all of the shares on issue in POL (**Bid**).

**2 POL Shares**

In consideration of Bidco entering into this agreement and making the Bid, LDHB agrees that:

- (a) it will not accept the offer under the Bid in respect of its POL Shares; and
- (b) subject to the remaining provisions of this clause 2, it will not during the term of this agreement dispose, sell or otherwise transfer (or agree to do any of those things) any of its POL Shares to any other person.

Paragraph (b) above does not prevent LDHB disposing of its POL Shares to a third party pursuant to a Competing Transaction (as defined below) if:

- (a) the third party has publicly announced a transaction pursuant to which the third party offers to acquire all of the shares in POL (whether by takeover bid or scheme of arrangement) for a consideration per POL share which is superior to the consideration per POL share offered under the Bid (**Competing Transaction**); and
- (b) Bidco has not increased the consideration per POL share offered under the LAP Bid to match or exceed the consideration per POL share offered under the Competing Transaction within a reasonable period of time (having regard to the nature and expected timing of the Competing Transaction) after the date of the announcement of the Competing Transaction.



**3 Termination**

This agreement will automatically terminate on the first to occur of the following:

- (a) the expiration of 6 months from the date of this agreement; or
- (b) the Bid does not proceed or fails because of a defeating condition that has neither been satisfied nor waived; or
- (c) the offer period under the Bid has expired; or
- (d) if LDHB disposes of its POL Shares pursuant to a Competing Transaction in accordance with clause 2 above.

On termination, this agreement will become void and have no effect, without any obligation or liability on the part of any party.

**4 General**

This agreement constitutes the entire agreement between the parties about its subject matter.

A party must not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied in each case, without the prior written consent of the other party.

A provision of this agreement or a right created under it, may not be varied or waived except in writing, signed by the parties.

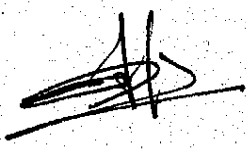
This agreement may be executed in any number of counterparts and all those counterparts taken together will constitute one instrument.

This agreement shall not be construed as creating a partnership, joint venture or fiduciary relationship between the parties.

This agreement is governed by the laws of the state of New South Wales, Australia.

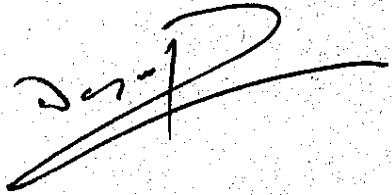
**executed as a deed**

SIGNED by )  
**TAN SRI CHENG HENG JEM** )  
 for and on behalf of )  
**LION DIVERSIFIED HOLDINGS BERHAD** )  
 in the presence of: **LIN HON KUEN** )



**Dated:** 5 OCTOBER 2009

SIGNED by )  
**WANG WING YING** )  
 for and on behalf of )  
**LION-ASIA RESOURCES PTE. LTD.** )  
 in the presence of: **LIN HON KUEN** )



**Dated:** 5 OCTOBER 2009