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Easyknit International Holdings Limited

永義國際集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1218)



Easyknit Enterprises Holdings Limited

永義實業集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 616)

FURTHER DEVELOPMENT IN RESPECT OF THE POSSIBLE MERGER

The Boards of Easyknit International and Easyknit Enterprises jointly announce that on 30 March 2007 Easyknit Enterprises entered into a non-binding heads of agreement with Wits Basin relating to the Possible Merger for an extension of time to enter into the Definitive Agreements from 31 March 2007 to 7 June 2007. Further announcements will be made when the Definitive Agreements are entered into.

Shareholders should note that as the discussions on the Possible Merger are still ongoing, the transaction may or may not proceed. Shareholders and the public are advised to exercise caution when dealing in the shares of Easyknit International and Easyknit Enterprises.

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

Further development in respect of the Possible Merger

Reference is made to the announcements issued by Easyknit International Holdings Limited (“Easyknit International”) dated 1 February 2007 and 6 February 2007 and the announcements issued by Easyknit Enterprises Holdings Limited (“Easyknit Enterprises”) dated 30 November 2006, 1 February 2007 and 6 February 2007 (the “Announcements”). Unless otherwise defined, terms used herein have the meanings as those defined in the Announcements.

On 30 March 2007, Easyknit Enterprises entered into a non-binding heads of agreement with Wits Basin Precious Minerals, Inc. (the “Second Heads of Agreement”) to amend a non-binding heads of agreement dated 2 February 2007 between Easyknit Enterprises and Wits Basin (the “First Heads of Agreement”), in which the parties set forth their desire to enter into a definitive merger agreement and related documents for the Possible Merger (the “Definitive Agreements”) by 31 March 2007, for an extension of time to enter into the Definitive Agreements from 31 March 2007 to 7 June 2007.

The First Heads of Agreement and the Second Heads of Agreement are non-binding and the Possible Merger (including the consideration involved) is subject to contract and further due diligence. The parties may or may not enter into the Definitive Agreements.

Shareholders should note that as the discussions on the Possible Merger are still ongoing, it may or may not proceed. Shareholders and the public are advised to exercise caution when dealing in the shares of Easyknit International and Easyknit Enterprises.

As at the date of this announcement, the Board of Easyknit International comprises Mr. Tse Wing Chiu, Ricky and Ms. Lui Yuk Chu as executive directors and Mr. Wong Sui Wah, Michael, Mr. Tsui Chun Kong and Mr. Jong Koon Sang as independent non-executive directors.

As at the date of this announcement, the Board of Easyknit Enterprises comprises Mr. Tse Wing Chiu, Ricky and Ms. Lui Yuk Chu as executive directors and Mr. Kan Ka Hon, Mr. Kwong Jimmy Cheung Tim and Mr. Lau Sin Ming as independent non-executive directors.

By order of the Board of
Easyknit International Holdings Limited
Tse Wing Chiu, Ricky
President and Chief Executive Officer

By order of the Board of
Easyknit Enterprises Holdings Limited
Tse Wing Chiu, Ricky
Chairman and Chief Executive Officer

Hong Kong, 30 March 2007

** for identification only*

All directors of Easyknit International jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (to the extent that it relates to Easyknit International) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in the document misleading.

All directors of Easyknit Enterprises jointly and severally accept full responsibility for the accuracy of information contained in this announcement (to the extent that it relates to Easyknit Enterprises) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in the document misleading.