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## **CHINA METAL RESOURCES HOLDINGS LIMITED**

### **中國金屬資源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8071)

### **DISCLOSEABLE TRANSACTION: DISPOSAL OF PROPERTY**

#### **DISPOSAL OF PROPERTY**

On 16 December 2008, Richtop, a wholly-owned subsidiary of the Company, agreed to sell the Property to an Independent Third Party at a price of HK\$12,775,000. The principal terms of the Disposal are set out in this announcement.

#### **IMPLICATIONS UNDER THE GEM LISTING RULES**

The Disposal constitutes a discloseable transaction for the Company under the GEM Listing Rules. A circular containing, among other information, further details of the Disposal will be despatched to the Shareholders as soon as practicable.

#### **DISPOSAL OF PROPERTY**

The Board wishes to announce that on 16 December 2008, Richtop, a wholly-owned subsidiary of the Company, entered into the Provisional Sale and Purchase Agreement with the Purchaser for the Disposal by Richtop of the Property. The principal terms and conditions of the Disposal are set out below:

# THE PROVISIONAL SALE AND PURCHASE AGREEMENT

## 1. Parties

Vendor: Richtop, a wholly-owned subsidiary of the Company

Purchaser: The Purchaser is a company incorporated in Hong Kong

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, (i) the Purchaser is principally engaged in property investment and (ii) each of the Purchaser and its ultimate beneficial owner is an Independent Third Party. The Company does not have any transactions with the Purchaser prior to the Disposal.

## 2. Property to be disposed

The office unit 1006 (Unit 6), 10th Floor, Tower One Lippo Centre, No. 89 Queensway, Hong Kong. The Property is an office premises used by the Group.

## 3. Consideration

The Consideration is HK\$12,775,000, and its terms of payment are as follows:

- (1) a sum of HK\$600,000 was paid as deposit and part payment of the Consideration upon signing of the Provisional Sale and Purchase Agreement on 16 December 2008;
- (2) a further sum of HK\$677,500 shall be paid as a further deposit and part payment of the Consideration upon signing of the Formal Sale and Purchase Agreement on or before 8 January 2009; and
- (3) HK\$11,497,500, representing the balance of the Consideration, shall be paid on completion which shall take place on or before 27 February 2009.

The Consideration was determined after arm's length negotiations between Richtop and the Purchaser with reference to the prevailing market value of other office premises of comparable size and quality in the area where the Property is located provided by the estate agent.

#### **4. Signing of the Formal Sale and Purchase Agreement and completion**

The Formal Sale and Purchase Agreement embodying the principal terms of the Provisional Sale and Purchase Agreement and such other terms as shall be agreed between the parties is expected to be signed on or before 8 January 2009.

#### **LEASE BACK OF PROPERTY**

Upon completion of the Disposal, Richtop will lease back the Property which is currently occupied by the Group as its principal place of business in Hong Kong for a period of two years commencing from the date of completion for a monthly rental of HK\$54,250 exclusive of rates, management fees and other outgoings. The rental was determined after arm's length negotiations between the parties with reference to the rental of similar properties in the same vicinity.

#### **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Group is principally engaged in staff secondment and system integration, trading of hardware and software, exploration, mining and refining mineral resources businesses. The Property was acquired by the Group in 2007 at HK\$17,200,000. A loss of HK\$4,425,000 will be resulted from the Disposal, with reference to the purchase price paid by the Group when acquiring the Property in 2007. However, due to the recent global economic environment and the volatility of the property market, the Directors considered that it is appropriate to dispose the Property in order to provide additional working capital to the Group. The net proceeds from the Disposal will be used for general working capital of the Group.

As the Property will be leased back to the Group, any unnecessary interruption to the Group's business will be minimised.

The Directors are of the view that the Disposal is on normal commercial terms and are fair and reasonable to and in the interests of the Shareholders as a whole.

#### **IMPLICATIONS UNDER THE GEM LISTING RULES**

The Disposal constitutes a discloseable transaction for the Company under the GEM Listing Rules. A circular containing, among other information, further details of the Disposal will be despatched to the Shareholders as soon as practicable.

## DEFINITIONS

“associates”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	China Metal Resources Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on GEM
“Consideration”	HK\$12,775,000 that the Purchaser has to pay to Richtop for its purchase of the Property
“Directors”	the directors of the Company
“Disposal”	the Disposal of the Property by Richtop to the Purchaser on and subject to the terms and conditions of the Provisional Sale and Purchase Agreement or, when subsequently entered into, the Formal Sale and Purchase Agreement
“Formal Sale and Purchase Agreement”	the formal agreement for sale and purchase for the Disposal expected to be entered into between Richtop as vendor and the Purchaser as purchaser on or before 8 January 2009
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	a party who is (i) not a connected person of the Company and (ii) independent of and not connected with any of the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates
“Property”	the office unit 1006 (Unit 6), 10th Floor, Tower One Lippo Centre, No. 89 Queensway, Hong Kong

“Provisional Sale and Purchase Agreement”	the provisional agreement for sale and purchase for the Disposal entered into between Richtop as vendor and the Purchaser as purchaser on 16 December 2008
“Purchaser”	Hua Hong Trading Company Limited, the purchaser of the Property under the Disposal
“Richtop”	Richtop Holdings Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board  
**China Metal Resources Holdings Limited**  
**Ng Kwok Chu, Winfield**  
*Executive Director*

Hong Kong, 18 December 2008

*As at the date of this announcement, the executive Directors are Messrs. Leung Ngai Man and Ng Kwok Chu, Winfield and Ms. Wu Wei Hua; and the independent non-executive Directors are Dr. Leung Wai Cheung, Messrs. Chan Sing Fai and Liu Jia Qing.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of seven (7) days from the date of its publication and on the Company’s website at [www.cmr8071.com](http://www.cmr8071.com).*