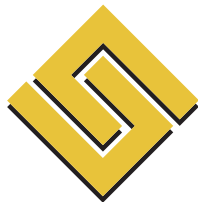


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## **CHINA METAL RESOURCES HOLDINGS LIMITED**

### **中國金屬資源控股有限公司**

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

(Stock Code: 8071)

### **VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING FOR IPTV PROJECT**

The Board is pleased to announce that the Subsidiary, a wholly-owned subsidiary of the Company, has entered into the Memorandum of Understanding dated 23 December 2010 with China Digital Library, pursuant to which both parties agree to establish the JV Company in the PRC to engage in an IPTV project.

This announcement is made by the Company on a voluntary basis.

#### **MEMORANDUM OF UNDERSTANDING**

The Board is pleased to announce that a Subsidiary, a wholly-owned subsidiary of the Company, has entered into a Memorandum of Understanding dated 23 December 2010 with China Digital Library, pursuant to which both parties agree to establish a joint venture company (the “**JV Company**”) in the PRC to engage in an IPTV project. China Digital Library intends to contribute RMB39 million intangible assets (IPTV project investment right, brand, content and technology) and RMB1 million cash in the JV Company and to procure an independent third party investor (the “**Independent Investor**”) to invest RMB20 million in the JV Company while the Subsidiary intends to invest RMB20 million in the JV Company. It is expected that the JV Company will be owned as to 51% by China Digital Library, 24.5% by the Independent Investor and 24.5% by the Subsidiary respectively. In the event that China Digital Library is unable to identify the Independent Investor, the Subsidiary or its related parties has the priority right to invest in the JV Company. China Digital Library has entered into a memorandum of understanding with a national IPTV license holder pursuant to which the JV Company will be one of the major investors in the relevant IPTV project.

Both parties agree that they will enter into a Formal Agreement within 15 business days after the confirmation of the investment right of the IPTV project. The Memorandum of Understanding, if materialised, will be expected to cost about RMB20 million of the Company and will be funded by the net proceeds from the subscription as disclosed in the announcement of the Company dated 26 August 2010. The Directors are of the view that the Memorandum of Understanding, if materialised, will be conducive to the Company to enter into triple network convergence business in the PRC, which is in line with the long term strategy of the Company.

The Memorandum of Understanding is not legally binding. If the Memorandum of Understanding is materialised, the formation of the JV Company will not be expected to constitute a notifiable transaction on the part of the Company. Further announcement regarding the progress of the Memorandum of Understanding will be made by the Company as and when appropriate.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Board”	the board of Directors
“China Digital Library”	China Digital Library Limited Company (中國數字圖書館有限責任公司), an Independent Third Party and a company authorised by the State Council (國務院) and established by the Ministry of Culture (文化部) and National Library of China (中國國家圖書館)
“Company”	China Metal Resources Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Directors”	directors of the Company
“Formal Agreement”	the formal investment agreement which may be entered into by the Subsidiary and China Digital Library
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party”	a person who is not a connected person of the Company and is independent of and not connected with the Company and its connected persons
“IPTV”	internet protocol television
“Memorandum of Understanding”	the memorandum of understanding dated 23 December 2010 entered into between the Subsidiary and China Digital Library with respect to the formation of a joint venture company to engaged in an IPTV project
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary shares of HK\$0.001 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	Multi Joy Corporation Limited (彩歡有限公司), a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company and a party named under the Memorandum of Understanding

For the purpose of this announcement, unless otherwise specified, conversions of RMB into Hong Kong dollars are based on the approximate exchange rate of RMB0.85 to HK\$1.

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

Hong Kong, 29 December 2010

*As at the date of this announcement, the executive Directors are Mr. Leung Ngai Man, Mr. Ng Kwok Chu, Winfield and Ms. Wu Wei Hua; and the independent non-executive Directors are Dr. Leung Wai Cheung and Mr. Cai Wei Lun.*

*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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*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 7 days from the date of its publication and on the Company’s website at [www.cmr8071.com](http://www.cmr8071.com).*