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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)

COMPLETION OF PLACING OF EXISTING SHARES AND SUBSCRIPTION OF NEW SHARES

Placing Agent

Daiwa
Capital Markets

DAIWA CAPITAL MARKETS HONG KONG LIMITED

The Board is pleased to announce that completion of the Placing and the Subscription took place on 9 December 2010 and 14 December 2010 respectively in accordance with the terms and conditions of the Placing and Subscription Agreement.

Reference is made to the announcement (the “**Announcement**”) of China Metal Resources Holdings Limited (the “**Company**”) dated 8 December 2010 in relation to, among other matters, the Placing and the Subscription. Unless otherwise stated, terms used herein shall have the same meanings as defined in the Announcement.

THE PLACING

The Board is pleased to announce that all the conditions of the Placing stated in the Placing and Subscription Agreement have been fulfilled. Completion of the Placing took place on 9 December 2010, pursuant to which the Company allotted and issued 1,416,105,000 existing Shares to not less than six Placees at the Placing Price of HK\$0.20 per Placing Share. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placees are independent investors who, and whose beneficial owners are: (i) not connected persons of the Company or the Vendor; (ii) independent of the Vendor, the Company and their respective connected persons; and (iii) independent of and not acting in concert (as defined in the Takeovers Code) with the Vendor or the Company with respect to the Placing Shares.

THE SUBSCRIPTION

On 14 December 2010, with all conditions of the Subscription as set out in the Placing and Subscription Agreement having been fulfilled, completion of the Subscription took place and an aggregate of 1,416,105,000 Subscription Shares (equivalent to the number of the Placing Shares placed) were allotted and issued to the Vendor at the Subscription Price of HK\$0.20 per Subscription Share (equivalent to the Placing Price).

CHANGES IN SHAREHOLDING STRUCTURE

The table below sets out the changes to the shareholding structure of the Company as a result of completion of the Placing and the Subscription:

	Immediately before completion of the Placing		Immediately after completion of the Placing but before the Subscription		Immediately after completion of the Placing and the Subscription	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Connected persons						
The Vendor and any party acting in concert with him	1,978,184,400 (Note 1)	27.94	562,079,400	7.94	1,978,184,400	23.28
Mr. Ng Kwok Chu, Winfield (Note 2)	472,500	0.01	472,500	0.01	472,500	0.01
Public						
Placees (Note 3)	–	–	1,416,105,000	20.00	1,416,105,000	16.67
Other public	5,101,913,347	72.05	5,101,913,347	72.05	5,101,913,347	60.04
		(Note 4)		(Note 4)		(Note 4)
Total:	7,080,570,247	100.00	7,080,570,247	100.00	8,496,675,247	100.00

Notes:

1. Out of the 1,978,184,400 Shares, 1,474,400 Shares were held by Speedy Well Investments Limited, a company wholly and beneficially owned by the Vendor.
2. Mr. Ng Kwok Chu, Winfield is an executive Director.
3. The shareholding of the Placees refers to the Placing Shares under the Placing and Subscription Agreement.
4. Rounded down to achieve a total of 100%.

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

Hong Kong, 14 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 for a minimum period of 7 days from the date of its publication and on the Company’s website at www.cmr8071.com.