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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)

ANNOUNCEMENT

**(1) ACQUISITION OF INTERESTS AND CAPITAL INVESTMENT IN
THE TARGET COMPANY**

AND

(2) PROPOSED CHANGE OF COMPANY NAME

ACQUISITION OF INTERESTS AND CAPITAL INVESTMENT IN THE TARGET COMPANY

Reference is made to the announcement of the Company dated 21 October 2010. The disclosure of the acquisition of interests and the capital investment in the Target Company is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Company is pleased to announce that the Purchaser, a wholly-owned subsidiary of the Company, has entered into the Sale and Purchase Agreement dated 6 November 2010 with the Vendors, pursuant to which the Purchaser has agreed to purchase from the First Vendor and the Second Vendor their 25% and 40% interests in the Target Company for a consideration of RMB2,980,769 and RMB4,769,231 respectively. After the Transfer, the Target Company will be owned as to 65% by the Purchaser and 35% by the First Vendor respectively. On the same day, the Purchaser and the First Vendor entered into the Increase in Registered Capital Agreement, pursuant to which the Purchaser and the First Vendor agreed to increase the registered capital of the Target Company in proportion to their equity interest from RMB5,000,000 to RMB14,285,700. After the Increase in Registered Capital, the Target Company will be owned as to 65% by the Purchaser and 35% by the First Vendor respectively.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from “China Metal Resources Holdings Limited” to “China Netcom Technology Holdings Limited” and the Chinese name of the Company from “中國金屬資源控股有限公司” to “中彩網通控股有限公司”.

A circular containing, among other things, (i) details of the Proposed Change of Company Name; and (ii) a notice of the EGM will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

ACQUISITION OF INTERESTS AND CAPITAL INVESTMENT IN THE TARGET COMPANY

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The Target Company is principally engaged in the provision of technology development, logistic services and distribution management services for lottery sales system. The Target Company has entered into co-operative agreements with a number of lottery centres, including Inner Mongolia Sports Lottery Centre, Ningxia Sports Lottery Centre, Xinjiang Sports Lottery Centre, Shaanxi Sports Lottery Centre and Xianyang Municipal Welfare Lottery Centre in respect of the provision of instant lottery sales and distribution services at local airports and in related regions, of which the Target Company will be entitled to a certain percentage of the lottery sales as service fee. The Target Company is committed to evolving into a national distribution management agent for lottery sales centres in airports. The passenger throughput of domestic routes in 2009 was approximately 449 million, representing an increase of approximately 22.02% compared to 2008, and passenger throughput in airports located in respective region covered by the various co-operative agreements entered into by the Target Company amounted to approximately 25.80 million; it is expected that with the growth of passenger traffic volumes in the PRC airports and the rapid increase of lottery sales (approximately RMB132.4 billion of total lottery sales in the PRC in 2009, an increase of approximately 25% to the previous year), the acquisition will generate revenues for the Company. The Board further considers that the acquisition of the Target Company will also provide synergies in conjunction with lottery sales services business that was acquired by the Group in August 2010.

Pursuant to the Sale and Purchase Agreement, the Purchaser shall pay the 50% of the consideration to the Vendors within 5 business days after, among others, (i) the signing of the Sale and Purchase Agreement and the Sale and Purchase Agreement becoming effective; (ii) the signing of the joint venture operation contract and joint venture articles of association of the Target Company; (iii) the approval from the Beijing Commission of Commerce regarding the Transfer; and (iv) the Vendors open the consideration receipt account regarding the Transfer in accordance to the PRC laws. The remaining 50% consideration of the Transfer will be paid by the Purchaser within 5 business days after completion of the business registration for the change of shareholder in the Target Company that the Purchaser

becoming a shareholder of the Target Company and the Purchaser taking control of the board of the Target Company. Pursuant to the Increase in Registered Capital Agreement, the Purchaser and the First Vendor agreed to increase the registered capital of the Target Company upon completion of the Transfer in proportion to their equity interest from RMB5,000,000 to RMB14,285,700 of which the Purchaser will contribute RMB6,035,700 and the First Vendor will contribute RMB3,250,000 registered capital to the Target Company.

The satisfaction of the consideration under the Sale and Purchase Agreement and the Increase in Registered Capital Agreement will be funded by the net proceeds from the subscription of new Shares as stated in the announcement of the Company dated 26 August 2010.

The Directors are of the view that the Transfer and the Increase in Registered Capital will consolidate the Company's presence and business development in the provision of services in the PRC lottery market, which is in line with the long term strategy of the Company. The Board will on a regular basis review the business environment of its different operating units, and will decide whether and, if so, to what extent the Group's resources will have to be adjusted and/or reallocated to each of its operating units in accordance with their respective growth potentials and prospective profits contribution to the Group.

As the applicable percentage ratios (as defined pursuant to Rule 19.07 of the GEM Listing Rules) of the Transfer and the Increase in Registered Capital are less than 5%, the Sale and Purchase Agreement and the Increase in Registered Capital Agreement are exempted from the reporting, announcement and independent Shareholders' approval requirements set out in Chapter 19 of the GEM Listing Rules.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from "China Metal Resources Holdings Limited" to "China Netcom Technology Holdings Limited" and the Chinese name of the Company from "中國金屬資源控股有限公司" to "中彩網通控股有限公司".

Reason for the Proposed Change of Company Name

Reference is made to the Company's announcement dated 27 August 2010, the Group has completed the acquisition of a PRC company which is engaged in the development and provision of operation software system sector of the PRC lottery market. The Board believes that the new company names will better reflect the Company's identity and image and will benefit its future development which are in the interests of the Shareholders and the Company as a whole. In future, the Group will continue its focus to identify potential business opportunities in the area of the PRC lottery related businesses.

Conditions of the Proposed Change of Company Name

The Proposed Change of Company Name is subject to, among other things (i) the passing of a special resolution by the Shareholders at the EGM to approve the Proposed Change of Company Name; and (ii) the approval for the use of the proposed new English and Chinese names of the Company by the Registrars of Companies in the Cayman Islands and Hong Kong.

Effect of the Proposed Change of Company Name

The Proposed Change of Company Name will not affect any of the rights of the Shareholders. Upon the Proposed Change of Company Name becoming effective, all existing share certificates in issue bearing the existing name of the Company will continue to be evidence of title of the Shares and valid for trading, settlement and registration purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates for new share certificates bearing the new English and Chinese names of the Company. However, only new share certificates of the Company will be issued under the new English and Chinese names of the Company after the Proposed Change of Company Name has become effective.

The effective date of the Proposed Change of Company Name will be the date on which the new English and Chinese names of the Company are entered by the Registrar of Companies in the Cayman Islands on the register of companies in place of its existing English and Chinese names. The Company will carry out the necessary filing procedures with the Registrars of Companies in the Cayman Islands and Hong Kong.

Further announcement(s) will be made to inform the Shareholders of the effective date of the Proposed Change of Company Name and the change in new stock short name for the trading of Shares on the Stock Exchange upon the Proposed Change of Company Name becoming effective.

GENERAL

A circular containing, among other things, (i) details of the Proposed Change of Company Name; and (ii) notice of the EGM, will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“business day”	any day (other than a Saturday or Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“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
“Consideration”	the consideration for the Transfer, being RMB7,750,000

“Directors”	directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of considering, and if thought fit, approving, among other matters (if any), the Proposed Change of Company Name
“First Vendor”	the 60% owner of the Target Company as at the date of this announcement who is an Independent Third Party
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Increase in Registered Capital”	the increase in the registered capital of the Target Company from RMB5,000,000 to RMB14,285,700 which will be contributed by the First Vendor and the Purchaser in proportion to their equity interest in the Target Company pursuant to the terms and conditions of the Increase in Registered Capital Agreement
“Increase in Registered Capital Agreement”	the agreement dated 6 November 2010 and entered into between the Purchaser and the First Vendor in respect of the Increase in Registered Capital
“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
“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
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “China Metal Resources Holdings Limited” to “China Netcom Technology Holdings Limited” and the Chinese name of the Company from “中國金屬資源控股有限公司” to “中彩網通控股有限公司”

“Purchaser”	Media Hong Kong Investment Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company and the purchaser named under the Sale and Purchase Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the agreement dated 6 November 2010 and entered into between the Purchaser and the Vendors in respect of the Transfer
“Second Vendor”	the 40% owner of the Target Company as at the date of this announcement who is an Independent Third Party
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	北京市彩贏樂科技有限公司 (Beijing Caiyingle Technology Company Limited, being its unofficial English name), a company established under the PRC laws on 18 July 2008, and as at the date of this announcement, owned as to 60% and 40% respectively by the First Vendor and the Second Vendor, being two Independent Third Parties
“Transfer”	the acquisition by the Purchaser of 65% interest of the Target Company from the Vendors pursuant to the terms and conditions of the Sale and Purchase Agreement
“Vendors”	the First Vendor and the Second Vendor
“%”	per cent.

For the purpose of this announcement, unless otherwise specified, conversions of RMB into Hong Kong dollars are based on the approximate exchange rate of RMB0.86 to HK\$1.

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

Hong Kong, 8 November 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.