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中國有色金屬有限公司*

China Nonferrous Metals Company Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 8306)

**UPDATE ANNOUNCEMENT REGARDING
CHANGE OF AUDITORS
AND
DELAY IN DESPATCH OF CIRCULAR**

This announcement is made pursuant to Rule 17.50(4) of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange.

Reference is made to the Company's announcement (the "**Announcement**") dated 10 July 2017 in relation to the change of auditors of the Company. Unless otherwise stated herein, capitalised terms used in this announcement shall bear the same meanings as those defined in the Announcement.

On 11 July 2017, the Company received a letter of termination (the "**Termination Letter**") and a professional clearance letter (the "**Clearance Letter**") from BDO. In the Termination Letter, BDO considered that it regarded the Announcement served as a formal notice from the Board to remove (the "**Removal**") BDO as the auditor of the Company, and with effect from 10 July 2017, it accepted that it is no longer the auditor of the Company and the subsidiaries of the Company incorporated in Hong Kong (as listed below), and all its duties and responsibility had ceased:

1. China Nonferrous Metals Holdings Limited;
2. China Nonferrous Metals Management Limited;
3. China Metals Corporation Limited;
4. China Metals Holdings Limited;
5. Sky King Development Limited;
6. China Nonferrous Investment Holdings Limited; and
7. Ever Champion Holdings Limited.

* For identification purpose only

In the Clearance Letter and the Termination Letter, BDO pointed out that the Company had not requested BDO to propose an audit fee nor discussed with BDO the time table for the audit of the Group's financial statements for the year ended 31 December 2016. In the Clearance Letter, BDO also pointed out that it had issued a disclaimer of opinion on the consolidated financial statements of the Company for the year ended 31 December 2015 for reasons as described in its independent auditor's report dated 31 March 2016.

In the Termination Letter, BDO also considered that the Company only notified it in writing on 7 July 2017 of the Board's proposal about the Removal so that it could only be able to issue the Termination Letter and the Clearance Letter until 11 July 2017. Save as disclosed above, BDO confirmed that there are no matters that need to be brought to the attention of holders of securities of the Company.

The Company is now at the delisting stage and is required to submit a resumption proposal to the Stock Exchange to demonstrate that it has a sufficient level of operations or assets on or before 3 November 2017. Time is of very essence to the Company. Since ZHONGHUI could provide an expedient timetable to the Company, the Board considers that appointment of ZHONGHUI could better facilitate the Company to submit the resumption proposal to the Stock Exchange.

As additional time is required by the Company to prepare and finalise the information to be included in the Circular, the Company expects that the despatch of the Circular will be postponed to a date not later than 18 July 2017.

By Order of the Board of
China Nonferrous Metals Company Limited
Liu Yaling
Director

Hong Kong, 13 July 2017

As at the date of this announcement, the executive Directors are Ms. Liu Yaling and Mr. Chan Hoi Tung, the non-executive Director is Mr. Chan Wai Cheung, Admiral and the independent non-executive Directors are Mr. Cheng Feng, Mr. Ng Man Kwan, Lawrence and Mr. Siu Kai Chun.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purposes 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 be published on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcement" page for at least 7 days from the date of publication and on the Company's website <http://www.cnm.com.hk>.