中國金匯礦業有限公司
China Jin Hui Mining Corporation Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 462)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2009

The board of directors (the "Board") of China Jin Hui Mining Corporation Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2009 together with the comparative figures for the year ended 31 March 2008 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Turnover	3	**63,007**	89,064
Cost of contract works		**(43,393)**	(45,903)
Cost of sales		**(6,425)**	(24,666)
Gross profit		**13,189**	18,495
Other income	4	**5,534**	7,879
Gain on disposal of a subsidiary		**4,813**	–
Selling and distribution expenses		**(1,501)**	(1,163)
Administrative expenses		**(40,907)**	(52,357)
Impairment loss recognised in respect of inventories		**(2,901)**	(5,265)
Impairment loss recognised in respect of trade receivables		**(5,822)**	(10,103)
Impairment loss recognised in respect of other receivables		**(61,563)**	(1,564)
Impairment loss recognised in respect of deposit paid for acquisition of a subsidiary	9	**(30,000)**	–
Impairment loss recognised in respect of property, plant and machinery		**(8,102)**	–
Finance costs		**–**	(564)
Loss before income tax		**(127,260)**	(44,642)
Income tax (expenses) credit	5	**(352)**	78
Loss for the year	6	**(127,612)**	(44,564)
Loss per share	8		
Basic		**(30.29) cents**	(11.20) cents
Diluted		**N/A**	N/A

CONSOLIDATED BALANCE SHEET

As at 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Non-current assets			
Property, plant and equipment		**7,606**	18,267
Prepaid lease payments		**759**	779
Deposit paid for acquisition of a subsidiary	*9*	**–**	30,000
		8,365	49,046
Current assets			
Inventories		**502**	3,870
Prepaid lease payments		**20**	20
Trade and bills receivables	*10*	**3,065**	11,536
Other receivables, deposits, and prepayments		**10,647**	40,207
Tax recoverable		**515**	493
Pledged bank deposits		**1,250**	3,000
Bank balances and cash		**10,137**	86,257
		26,136	145,383
Subsidiary held-for-sales-assets	*12*	**–**	24,458
		26,136	169,841
Current liabilities			
Trade and bills payables	*11*	**18,578**	24,122
Other payables and accrued charges		**11,637**	41,513
		30,215	65,635
Liabilities associated with assets classified as subsidiary held-for-sales	*12*	**–**	27,805
		30,215	93,440
Net current (liabilities) assets		**(4,079)**	76,401
Total assets less current liabilities		**4,286**	125,447

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 March 2009

	2009 *HK$'000*	2008 *HK$'000*
Capital and reserves		
Share capital	**42,133**	42,133
Reserves	**(38,320)**	83,193
	3,813	125,326
Non-current liability		
Deferred tax liabilities	**473**	121
	4,286	125,447

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared on a going concern basis notwithstanding the Group had net current liabilities of approximately HK$4,079,000 as at 31 March 2009.

In the opinion of the directors, the Group is able to maintain itself as a going concern in the coming year by taking into consideration the arrangements which include, but are not limited to, the followings:

1. the directors have implemented measures to tighten cost controls over various administrative expenses and to improve the Group's cash flow position and operating results;

2. subsequent to 31 March 2009, approximately HK$2,528,000 was received in cash for issuance of 84,260,000 warrants to placees;

3. subsequent to 31 March 2009, approximately HK$7,128,000 was received in cash from the exercise of 23,760,000 warrants by the placees; and

4. the directors anticipate that the Group will generate positive cash flow from its business.

Based on the aforesaid assumptions, the directors are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments relating to the carrying amount and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

2. INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

BASIS FOR QUALIFIED OPINION

The auditor's report on the consolidated financial statements of the Group for the year ended 31 March 2008 was qualified because of various limitations of audit scope with regard to Linfair Engineering Company Limited ("LEC"), a former wholly-owned subsidiary of the Group disposed during the year. The details of the limitation of scope are set out in our auditor's report dated 25 July 2008.

2. INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

BASIS FOR QUALIFIED OPINION (Continued)

On 5 June 2008, the Group entered into an agreement with an independent third party for the disposal of its entire equity interest in LEC (the "Disposal Agreement") for an aggregate consideration of HK$2,000,000. The disposal was completed on 23 July 2008, with a gain of approximately HK$4,813,000 recorded in the Group's consolidated income statement for the year ended 31 March 2009. Because of the qualification on the opening balances of LEC as at 1 April 2008, we had not been able to perform the audit procedures we consider necessary to determine as to whether the net assets of LEC as at 1 April 2008 and the gain on disposal of LEC for the year ended 31 March 2009 of approximately HK$4,813,000 was properly stated. There were no other satisfactory audit procedures that we could adopt to satisfy ourselves that the recorded gain on disposal of approximately HK$4,813,000 was free from misstatements that may have an impact on the Group's results for the year ended 31 March 2009. Any adjustments found to be necessary to the opening balances of LEC as at 1 April 2008 may affect the comparative figures in respect of the assets and liabilities recorded under "Subsidiary held-for-sales" and any commitments and contingent liabilities of the Group as at 31 March 2008, if any, the loss and cash flows and the related disclosures in the notes to the consolidated financial statements of the Group for the year ended 31 March 2008.

QUALIFIED OPINION ARISING FROM LIMITATION OF AUDIT SCOPE

In our opinion, except for any adjustments that might have been determined to be necessary had we been able to obtain sufficient evidence concerning the gain on disposal of LEC during the year, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2009 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

Fundamental uncertainty relating to the going concern basis

In forming our opinion, we have considered the adequacy of the disclosures in the financial statements of the Group, which indicates that the Group had net current liabilities amounted to approximately HK$4,079,000 as at 31 March 2009. The Group had incurred loss attributable to equity holders of the Company for the year ended 31 March 2009 amounted to approximately HK$127,612,000. These conditions, along with other matters as set forth in the consolidated financial statement, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The directors of the Company are satisfied that the Group will be able to meet in full its financial obligations as they fall due for the foreseeable future. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful implementation of the arrangements and the funding available. The consolidated financial statements do not include any adjustments that would result from failure to implement the arrangements and obtain the necessary funding. We consider that the fundamental uncertainty has been adequately disclosed in the consolidated financial statements and our opinion is not qualified in this respect.

2. INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

EMPHASIS OF MATTER (Continued)

Fundamental uncertainty relating to pending litigation

In forming our opinion, we have considered the adequacy of the disclosures made in the consolidated financial statements of the Group concerning the possible outcome of a pending litigation. We consider that the fundamental uncertainty has been adequately accounted for and disclosed in the consolidated financial statements and our opinion is not qualified in this respect.

3. TURNOVER AND SEGMENT INFORMATION

Turnover represents revenue generated from provision of engineering systems contracting services and the amounts received and receivable for consumables and spare parts sold, as after sales services incidental and ancillary to the engineering systems, during the year.

	2009	2008
	HK$'000	*HK$'000*
Provision of engineering systems contracting services	**54,242**	56,110
Sales of consumables and spare parts	**8,765**	32,954
	63,007	89,064

Business segments

For management purposes, the Group is currently organized into three operating divisions:

– Provision of engineering systems contracting services; and

– Sales of consumables and spare parts; and

– Corporate segment comprises corporate income and expense items.

Those divisions are the basis on which the Group reports its primary segments information.

3. TURNOVER AND SEGMENT INFORMATION (Continued)

Business segments (Continued)

Segment information about the business segment is presented as below:

For the year ended 31 March 2009	**Provision of engineering systems contracting services** *HK$'000*	**Sales of consumables and spare parts** *HK$'000*	**Corporate** *HK$'000*	**Consolidated** *HK$'000*
Revenue from external customers	54,242	8,765	–	63,007
Segment results	7,704	2,340	–	10,044
Gain on disposal of a subsidiary				4,813
Bank interest income				394
Unallocated corporate revenue				1,383
Impairment loss recognised in respect of inventories	–	(2,901)	–	(2,901)
Impairment loss recognised in respect of trade receivables	(3,977)	(1,845)	–	(5,822)
Impairment loss recognised in respect of other receivables				(61,563)
Impairment loss recognised in respect of property, plant and equipment				(8,102)
Impairment loss recognised in respect of deposit paid for acquisition of a subsidiary				(30,000)
Unallocated corporate expenses				(35,506)
Loss before income tax				(127,260)
Income tax expenses				(352)
Loss for the year				(127,612)

3. TURNOVER AND SEGMENT INFORMATION (Continued)

Business segments (Continued)

For the year ended 31 March 2009	Provision of engineering systems contracting services *HK$'000*	Sales of consumables and spare parts *HK$'000*	Corporate *HK$'000*	Consolidated *HK$'000*
Other information				
Written back of impairment loss made in respect of trade receivables	(3,733)	(24)	–	(3,757)
Depreciation of property, plant and equipment	4,527	637	595	5,759
Amortisation of prepaid lease payments	–	–	20	20
Capital expenditure	–	62	3,070	3,132
At 31 March 2009				
Assets				
Segment assets	11,399	3,941	–	15,340
Unallocated corporate assets	–	–	19,161	19,161
				34,501
Liabilities				
Segment liabilities	22,081	2,817	–	24,898
Unallocated corporate liabilities	–	–	5,790	5,790
				30,688

3. TURNOVER AND SEGMENT INFORMATION (Continued)

Business segments (Continued)

For the year ended 31 March 2008	Provision of engineering systems contracting services *HK$'000*	Sales of consumables and spare parts *HK$'000*	Corporate *HK$'000*	Consolidated *HK$'000*
Revenue from external customers	56,110	32,954	–	89,064
Segment results	4,299	9,223	–	13,522
Bank interest income				2,282
Unallocated corporate revenue				5,597
Impairment loss recognised in respect of inventories	–	(5,265)	–	(5,265)
Impairment loss recognised in respect of trade receivables	(9,178)	(925)	–	(10,103)
Impairment loss recognised in respect of other receivables	(922)	(642)	–	(1,564)
Unallocated corporate expenses				(48,547)
Finance costs				(564)
Loss before income tax				(44,642)
Income tax credit				78
Loss for the year				(44,564)
Other information				
Bad debts written off	518	–	–	518
Depreciation of property, plant and equipment	3,880	545	520	4,945
Amortisation of prepaid lease payment	–	–	20	20
Loss on disposal of available-for-sales investment	–	–	1,184	1,184
Loss on disposal of property, plant and equipment	31	–	–	31
Capital expenditure	1,792	4,952	–	6,744

3. TURNOVER AND SEGMENT INFORMATION (Continued)

Business segments (Continued)

At 31 March 2008	Provision of engineering systems contracting services *HK$'000*	Sales of consumables and spare parts *HK$'000*	Corporate *HK$'000*	Consolidated *HK$'000*
Assets				
Segment assets	50,979	7,867	–	58,846
Unallocated corporate assets	–	–	160,041	160,041
				218,887
Liabilities				
Segment liabilities	50,806	7,224	–	58,030
Unallocated corporate liabilities	–	–	35,531	35,531
				93,561

Geographical segments

The Group's operations are principally located in Hong Kong, the other regions of People's Republic of China ("PRC"), Taiwan and Samoa, the Southeast Asia and Macau. The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

	Sales revenue by geographical market	
	2009	2008
	HK$'000	*HK$'000*
Hong Kong	**3,120**	6,248
PRC	**39,124**	29,107
Taiwan and Samoa	**3,912**	26,882
Southeast Asia	**882**	3,483
Macau	**14,329**	22,716
Others	**1,640**	628
	63,007	89,064

3. TURNOVER AND SEGMENT INFORMATION (Continued)

Geographical segments (Continued)

The following is an analysis of the carrying amount of segment assets at the balance sheet date and additions to property, plant and equipment during the year analysed by the geographical area in which the assets are located.

	Carrying amount of segment assets		Capital expenditure	
	2009	2008	**2009**	2008
For the year ended 31 March	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**22,498**	98,761	**44**	1,585
PRC	**8,859**	84,852	**3,088**	4,212
Taiwan and Samoa	**2,704**	24,458	**–**	131
Southeast Asia	**26**	73	**–**	8
Macau	**409**	10,466	**–**	–
Others	**5**	277	**–**	808
Total	**34,501**	218,887	**3,132**	6,744

4. OTHER INCOME

	2009	2008
	HK$'000	*HK$'000*
Interest on:		
– bank deposits	**394**	2,261
– convertible note	**–**	21
Total interest income	**394**	2,282
Written back of impairment loss made in respect of trade receivables	**3,757**	–
Rental income	**905**	–
Commission income	**15**	310
Exchange gain, net	**–**	3,884
Handling income	**38**	69
Dividend income	**–**	15
Service income	**370**	1,231
Sundry income	**55**	88
	5,534	7,879

5. INCOME TAX (EXPENSES) CREDIT

	2009	2008
	HK$'000	*HK$'000*
Current tax:		
Hong Kong Profits Tax	**–**	(16)
Outside Hong Kong	**–**	(15)
	–	(31)
Deferred taxation	**(352)**	109
	(352)	78

Hong Kong Profits Tax and PRC Enterprise Income Tax

No provision for Hong Kong Profits Tax or PRC enterprise income tax has been made in the consolidated financial statements as the Company and its subsidiaries which operate in Hong Kong and PRC have no assessable profits for the year ended 31 March 2009.

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profit for the year ended 31 March 2008. No provision for the PRC enterprise income tax has been made in the consolidated financial statements as at the Company and its subsidiaries which operate in the PRC have no assessable profits for the year ended 31 March 2008.

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009.

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulation of the New Law. Under the New Law and Implementation Regulation, the Enterprise Income Tax rate of the Group's subsidiaries in the PRC was reduced from 33% to 25% from 1 January 2008 onwards.

Overseas income tax excluding PRC Enterprise Income Tax

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

6. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging the following:

	2009	2008
	HK$'000	*HK$'000*
Auditor's remuneration	**700**	1,120
Bad debts written off	**–**	518
Equity-settled share-based payments – consultant	**2,949**	–
Cost of inventories recognised as expenses	**6,384**	23,321
Depreciation of property, plant and equipment	**5,759**	4,945
Amortisation of prepaid lease payments	**20**	20
Loss on disposal of available-for-sales investment	**–**	1,184
Loss on disposal of property, plant and equipment	**–**	31
Staff costs		
– Directors' remuneration	**4,323**	4,305
– Equity-settled share-based payment	**391**	–
– Staff costs including retirement benefit contribution	**13,864**	20,066
Total staff costs	**18,578**	24,371

7. DIVIDENDS

No dividend was paid or proposed during 2009, nor has any dividend been proposed since the balance sheet date (2008: nil).

8. LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

	2009	2008
	HK$'000	*HK$'000*
Loss for the year	**(127,612)**	(44,564)

	Number of shares	
Shares	**2009**	2008
Weighted average number of ordinary shares for the purpose of basic loss per share	**421,334,000**	398,033,601

8. LOSS PER SHARE (Continued)

No diluted loss per share is presented for the year ended 31 March 2009 and 2008 as the exercises of the potential dilutive ordinary shares would result in reduction in loss per share.

9. DEPOSIT PAID FOR ACQUISITION OF A SUBSIDIARY

	2009	2008
	HK$'000	*HK$'000*
Deposit paid for acquisition of a subsidiary	**30,000**	30,000
Less: impairment loss recognised	**(30,000)**	–
	–	30,000

On 7 December 2007, the Group and Citywin Pacific Limited ("Citywin") entered into an agreement in relation to the acquisition of the entire equity interests in Qingdao Yongxinhui Mining Company Limited ("Qingdao Yongxinhui"). The aggregate consideration for the acquisition is HK$130,000,000. The balance as at 31 March 2009 and 2008 represented the deposit paid to Citywin under the acquisition agreement.

During the year, impairment loss of HK$30,000,000 has been made.

10. TRADE AND BILLS RECEIVABLES

	2009	2008
	HK$'000	*HK$'000*
Trade receivables	**52,001**	55,096
Less: impairment loss recognised	**(48,936)**	(46,970)
	3,065	8,126
Bills receivables	**–**	3,410
Total trade and bills receivables	**3,065**	11,536

The Group has a policy of allowing credit period ranging from three to twelve months to its trade customers. In addition, for certain customers with long-established relationship and good past repayment histories, a longer credit period may be granted, such as the balance of the contract sum being paid by way of instalments over a period of up to 18 months. The Group does not hold any collateral over the balances.

10. TRADE AND BILLS RECEIVABLES (Continued)

An aged analysis of trade receivables net of impairment loss recognised at the balance sheet date is as follows:

	2009	2008
	HK$'000	*HK$'000*
Within 30 days	**78**	30
Between 31 to 60 days	**118**	86
Between 61 to 90 days	**361**	581
Between 91 to 180 days	**356**	641
Between 181 to 365 days	**2,152**	129
Over 1 year but no more than 2 years	**–**	6,659
	3,065	8,126

The following is an aged analysis of trade receivables which are past due but not impaired at the balance sheet date:

	2009	2008
	HK$'000	*HK$'000*
Between 1 to 30 days	**–**	378
Between 31 to 60 days	**–**	237
Between 61 to 90 days	**–**	781
Between 91 to 180 days	**–**	24
Over 1 year but no more than 2 years	**–**	5,112
	–	6,532

The Group's neither past due nor impaired trade receivables mainly represent sales made to recognised and creditworthy customers. These customers who trade on credit terms are subject to credit verification procedures. No impairment is required for the past due balances based on the historical payment records.

10. TRADE AND BILLS RECEIVABLES (Continued)

The movements in the impairment of trade receivables are as follows:

	2009	2008
	HK$'000	*HK$'000*
At 1 April	**46,970**	107,450
Impairment losses recognised during the year	**5,822**	10,103
Re-classified to subsidiary held-for-sales	**–**	(69,309)
Reversal of impairment	**(3,757)**	–
Exchange realignment	**(99)**	(1,274)
At 31 March	**48,936**	46,970

At each balance sheet date, the Group's trade debtors were individually determined to be impaired. The individually impaired receivables are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions. Consequently, specific impairment loss was recognised.

The Group's trade and bills receivables that are denominated in currencies other than the functional currency of the relevant group entities net of impairment loss recognised are as follows:

	2009	2008
	'000	*'000*
Amounts denominated in:		
United State Dollar ("USD")	**81**	1,308
Euro ("EUR")	**87**	87
Macau Pataca ("MOP")	**316**	–
Renminbi ("RMB")	**1,623**	52

11. TRADE AND BILLS PAYABLES

	2009	2008
	HK$'000	*HK$'000*
Within 30 days	**110**	934
Between 31 to 60 days	**43**	4,563
Between 61 to 90 days	**2,500**	160
Between 91 to 180 days	**38**	1,374
Between 181 to 365 days	**1,192**	777
Over 1 year but no more than 2 years	**686**	10,749
Over 2 years	**14,009**	5,058
	18,578	23,615
Bills payables	**–**	507
	18,578	24,122

The average credit period granted by the Group's suppliers was ranging from three to twelve months.

The Group's trade payables that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

	2009	2008
	'000	*'000*
Amounts denominated in:		
Australian Dollar ("AUD")	**–**	4
EUR	**301**	427
British Pound ("GBP")	**–**	194
Japanese Yen ("Yen")	**140,453**	173,565
Taiwan Dollar (NTD")	**50**	36
RMB	**827**	65
USD	**49**	126

12. SUBSIDIARY HELD-FOR-SALES

	2009	2008
	HK$'000	*HK$'000*
Assets classified as held-for-sales	–	24,458
Liabilities associated with assets classify as subsidiary held-for-sales	–	27,805

On 25 March 2008, the board of directors has passed a resolution to dispose of the entire equity interests of Linfair Engineering Company Limited ("LEC"), due to the significant operating loss suffered from LEC and in the opinion of the directors, such position would not be improved in the foreseeable future.

FINAL DIVIDENDS

The Board does not recommend the payment of a dividend for the year 2009 (2008: nil).

FINANCIAL/OPERATING REVIEW AND PROSPECT

Results and Segment Analysis

The Group is principally engaged in the provision of engineering systems contracting and supporting services and sale of related consumables and spare parts.

During the year under review, the Group recorded a revenue of approximately HK$63.0 million (2008: HK$89.1 million), representing a decrease of approximately 29.3% against the prior year. In which, provision of engineering systems contracting and supporting services and the sales of consumables and spare parts accounted for approximately 86.1% (2008: 63.0%) and 13.9% (2008: 37.0%) respectively. Net loss attributable to shareholders amounted to approximately HK$127.6 million (2008: net loss HK$44.6 million). Basic loss per share for the year was HK$30.29 cents (2008: 11.2 cents).

FINANCIAL/OPERATING REVIEW AND PROSPECT (Continued)

Business review

In 2004 and 2005, system integration engineering projects on the optical compact disc storage media manufacturing industry led to the Group's explosive and impressive growth. After years of exponential growth, in later half of 2005, the optical compact disc storage media manufacturing industry was hit by two adverse factors, over-capacity resulted from the slowdown in growth of market demand and soaring raw material prices as a consequence of mounting commodity prices in the global market at the same time. The downturn of the market caused the Group suffered from a loss. Afterwards, the Group has successfully transformed itself from providing services of system integration engineering projects on optical compact disc storage media manufacturing industry into system integration engineering projects on audio visual and broadcasting systems. The Group provided large scale, outdoor and high definition display system for 2006 Italy Winter Olympics, 2008 Beijing Olympics and the casinos in Macau such as Wynn Macau and Venetian Macau. However, the profit margin in the projects on audio visual and broadcasting systems were low and cost incentive. In addition, certain old customers with long outstanding receivables failed to stick to their originally committed payment schedules and the Group had to make extraordinarily large provisions to a number of such debtors' accounts. The Group failed to turn loss into profit under the transformation.

Prospects

Given the continuous loss making operation in this industry, the Board has been seeking investment opportunities to broaden its income stream and to diversify the risk of reliance on single industry.

In view of the fact that the business of production, sale and distribution of livestock, milk fat solids and dairy related products in New Zealand are in demand at all times, the Board considers that the demand for such business will maintain its growth momentum. In view of the prospects of the business, the Company entered into the agreement as briefly outlined below.

FINANCIAL/OPERATING REVIEW AND PROSPECT (Continued)

Prospects (Continued)

On 22 May 2009, the Company, UBNZ Trustee Limited ("UTCL") and UBFM Funds Management Limited ("UBFM") entered into an agreement, pursuant to which (a) UTCL has conditionally agreed to dispose of and the Company has conditionally agreed to acquire the Sale Shares (representing 20% of the entire issued share capital of the UBNZ Assets Holdings Limited (a company established in New Zealand, legally and beneficially owned as to 10,000 shares, representing the entire issue capital of UBNZ Assets Holdings Limited, by UTCL) (the "Target") and the Debt at the consideration of NZ$100 million (equivalent to approximately HK$479.75 million) minus HK$1.00; and (b) in consideration of the sum of HK$1.00 paid by the Company to UTCL, UTCL has agreed to grant to the Company the right to require UTCL to sell to the Company or its nominee the Option Shares (representing 80% of the entire issued share capital of the Target) and the Outstanding Debt at the consideration of NZ$400 million (equivalent to approximately HK$1,919 million). Completion of the acquisition is conditional upon fulfillment of a number of conditions including complying with all necessary consents, approvals and authorizations including the Overseas Investment Process Office of New Zealand. The details of the proposed acquisition were disclosed in the announcement of the Company dated 4 June 2009.

The aforesaid acquisition is part of the Group's strategy to broaden its business scope and earning base as well as to diversify its risks from concentrating on the existing businesses. As at the date of this announcement, the said acquisition has not been completed yet. A circular in relation to the acquisition will be dispatched to shareholders as soon as practicable.

The completion of the aforesaid acquisition will provide the Group with an immediate stream of revenue and cash flow, and also brings in a team of experts in the new business. The Board is confident that the investment will produce considerable return to the Group in the future.

FINANCIAL/OPERATING REVIEW AND PROSPECT (Continued)

Others

Reference is also made to the clarification announcement of the Company dated 15 May 2009 clarifying that Qingdao Yongxinhui and its subsidiaries (the "Target Group") were not qualified to be subsidiaries of the Group. As the Company had a service agreement with Citywin for provision of various services in relation to the mining business of the Group. Initially, the Board believed that Citywin would act in good faith for the agreed services and also ensure all necessary procedures in assisting the Group to obtain the financial and operating controls of the Target Group would be properly done. However, after the Board's due and careful enquiries and clarifications, it was noted that the Group had not obtained any financial and operating controls in the Target Group. Accordingly, the Board considered that the Group should not consolidate the results, assets and liabilities of the Target Group in the interim results of the Group as at 30 September 2008, as the Group had no controls in the Target Group under the Hong Kong Accounting Standards 27 "Consolidated and Separate Financial Statements". On 12 June 2009, Citywin made a claim against the Company. The Company is currently in the process of instructing solicitors to deal with the claim. The details of this regard were disclosed in the announcement of the Company dated 12 June 2009.

LIQUIDITY AND FINANCIAL RESOURCES

The Group finances its operations through a combination of shareholders equity and internally generated cash flows. As at 31 March 2009, the Group had cash and cash equivalents and pledged deposits of approximately HK$11.1 million (31 March 2008: HK$89.3 million) which including HK$6.1 million, Yen1.3 million and RMB2.9 million.

The Group had nil interest-bearing bank borrowings as at 31 March 2009 and 2008.

As at 31 March 2009, the Group had current assets of approximately 26.1 million (31 March 2008: HK$169.8 million) and current liabilities of approximately 30.2 million (31 March 2008: HK$93.4 million).

CHARGED ON ASSETS

As at 31 March 2009, the banking facilities were secured by a bank deposits and leasehold properties of the Group of approximately HK$1.3 million and HK$1.8 million respectively.

FOREIGN EXCHANGE EXPOSURE

The majority of the transactions of the Group are denominated in HKD, Yen, RMB, and USD. The Group has not entered into any financial instruments for the purpose of hedging against foreign exchange exposure involved in the Group's operations. However, the Group monitors its foreign exchange exposure by matching the timing of its trading receipts with payments. The Group also matches its selling currencies with its purchasing currencies.

CAPITAL COMMITMENTS

As at 31 March 2009, the Group had no material capital commitments (31 March 2008: 100 million).

CONTINGENT LIABILITIES

At the balance sheet date, the Group had the following contingent liability:

	2009	2008
	HK$'000	*HK$'000*
Performance bonds	**1,227**	1,227

On 12 June 2009, the Company announced that it received a Writ of Summons issued from the Court of First Instance of Hong Kong on 10 June 2009.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year, none of the Directors of the Company had interest in any business apart from the Group's businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group.

CONNECTED TRANSACTION

During the year, the Company did not have any connected transactions under the Listing Rules.

REMUNERATION COMMITTEE

The remuneration committee has been established. It currently consists four independent non-executive directors of the Company namely Mr. Lee Kin Keung (as Chairman), Mr. Stephen Bryden Kerr, Mr. Sze Cheung Hung and Ms. Chan Man Kuen Laura.

CODE OF CORPORATE GOVERNANCE PRACTICE

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance Practice (the "Code") as set out in Appendix 14 of the Listing Rule throughout the year, except for the deviations detailed in the Corporate Governance Report included in the Company's Annual Report to be despatched to the shareholders in due course.

The Company has adopted the Model Code (Appendix 10 to the Listing Rules) as its own code of conduct regarding securities transactions by directors. Having made specific enquiry of all directors, all directors declared that they have complied with the Model Code throughout the year.

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

AUDIT COMMITTEE

The Group's Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed the auditing, internal controls and financial reporting matters including the review of the Group's audited results for the year ended 31 March 2009.

PUBLICATION OF RESULTS ANNOUNCEMENT

The information as required by Appendix 16 of the Listing Rules will be published on the Stock Exchange's website (http://www.hkex.com.hk) and www.aplushk.com/clients/0462CJH/index.html in due course.

By Order of the Board
China Jin Hui Mining Corporation Limited
Chan Wai Kay Katherine
Chairman

Hong Kong, 3 July 2009

As at the date of this announcement, the Board comprises three executive Directors, being Ms. Chan Wai Kay Katherine, Mr. Jack Keen Chen and Ms. Zuo Lihua, and four independent non-executive Directors, being Mr. Lee Kin Keung, Mr. Stephen Bryden Kerr, Mr. Sze Cheung Hung and Ms. Chan Man Kuen Laura.