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KINGSTONE
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CHINA KINGSTONE MINING HOLDINGS LIMITED

中國金石礦業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1380)

**(1) APPOINTMENT AND RESIGNATION OF CHIEF EXECUTIVE OFFICER
AND (2) PROFIT WARNING**

The Board announces that (i) Mr. Cheung Hung resigned as chief executive officer of the Company; and (ii) Mr. Chen Jianhong has been appointed as the chief executive officer of the Company with effect from 23 January 2013.

The board further announces that it expects the Group may incur a loss for the year ended 31 December 2012 as compared to a profit which was recorded for the year ended 31 December 2011.

RESIGNATION OF CHIEF EXECUTIVE OFFICER

The board of directors (the “**Board**”) of China Kingstone Mining Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Mr. Cheung Hung (“**Mr. Cheung**”) has tendered his resignation as chief executive officer (“**CEO**”) of the Company due to personal reasons. The Board and Mr. Cheung have mutually agreed that Mr. Cheung’s employment with the Company will terminate with effect from 23 January 2013. Mr. Cheung has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought the attention of the shareholders of the Company.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board is pleased to announce that Mr. Chen Jianhong (“**Mr. Chen**”) has been appointed as the CEO of the Company with effect from 23 January 2013.

Mr. Chen, aged 49, has over 28 years of experience in sales and management. Prior to joining the Company, from January 1994 to December 2012, Mr. Chen has been the chairman of Zhuhai City Jianxiang Motor Trading Limited* (珠海市建祥汽車貿易有限公司) primarily responsible for financing matters, team-building and networking. From August 1984 to July 1993, Mr. Chen worked as the sales manager at Jiangling Motor Sales Corporation* (江鈴汽車銷售總公司) primarily responsible for market expansion and building up sales network.

Mr. Chen has entered into a service contract with the Company for a term of three years commencing from 23 January 2013 and which can be terminated by either party serving on the other not less than one month’s notice. Mr. Chen’s salary is fixed at HK\$2,160,000 per annum by the remuneration committee of the Company by reference to his duties and responsibilities, remuneration policy of the Company and the prevailing market conditions.

Mr. Chen has no relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company and did not hold any position in the Company or any of its subsidiaries. He did not hold any directorship in the last 3 years in public companies the securities of which are listed on any securities market Hong Kong or overseas and other major appointments and professional qualifications. As at the date of this announcement, Mr. Chen was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company and its associated corporations pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and there are no other matters that need to be brought to the attention of the shareholders of the Company and no other information that is required to be disclosed pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the “**Listing Rules**”) in relation to his appointment.

The Board would like to take this opportunity to welcome Mr. Chen for joining the Company and express its appreciation to Mr. Cheung for his past contribution to the Company.

PROFIT WARNING

Pursuant to Rule 13.09 of the Listing Rules, the Board wishes to inform the shareholders of the Company and potential investors that based on the information currently available to the Group, it is now expected that the Group may incur a loss for the year ended 31 December 2012 as compared to a profit which was recorded for the year ended 31 December 2011.

The expected loss is mainly due to the significant decrease in revenue as a result of slowdown in China's property market, which adversely affected the sales performance of the Group, and provision for prepayments and trade receivables.

The Company is still in the process of preparing for its annual results for the year ended 31 December 2012. The information contained in this announcement is only based on the Board's preliminary assessment in accordance with the unaudited consolidated management accounts of the Group and other information currently available to the Company and is not based on any financial data or information that has been audited or reviewed by the Company's auditor. Details of the financial data to be disclosed in the Company's annual report for the year ended 31 December 2012 shall prevail over the information contained herein.

By Order of the Board
China Kingstone Mining Holdings Limited
Xiong Wenjun
Executive Director

Hong Kong, 23 January 2013

As at the date of this announcement, the executive director of the Company is Mr. Xiong Wenjun, the independent non-executive directors of the Company are Mr. Liu Yuquan, Mr. Lei Zhaochun and Ms. Deng Guiping.

* *For identification purposes only*