中國大冶有色金屬礦業有限公司
China Daye Non-Ferrous Metals Mining Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00661)

ANNUAL RESULTS ANNOUNCEMENT FOR THE PERIOD FROM 1 MAY 2009 TO 31 DECEMBER 2009

The board of the directors (the "Board") of China Daye Non-Ferrous Metals Mining Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the period from 1 May 2009 to 31 December 2009 together with the comparative figures for the year ended 30 April 2009 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 December 2009

	Notes	**1 May 2009 to 31 December 2009** *HK$'000*	1 May 2008 to 30 April 2009 *HK$'000*
REVENUE	*5*	**1,672**	20,235
COST OF SALES		**(645)**	(27,695)
		1,027	(7,460)
OTHER REVENUE	*5*	**300**	411
GENERAL AND ADMINISTRATIVE EXPENSES		**(112,988)**	(461,724)
OPERATING LOSS FOR THE PERIOD/YEAR	*6*	**(111,661)**	(468,773)
IMPAIRMENT OF MINING RIGHT WRITTEN BACK		**87,407**	–
LOSSES ON CHANGES IN FAIR VALUES OF INVESTMENTS HELD FOR TRADING		**(1,186)**	(4,204)
FINANCE COSTS	*7*	**(5)**	(5)

	Notes	1 May 2009 to 31 December 2009 HK$'000	1 May 2008 to 30 April 2009 HK$'000
LOSS BEFORE TAXATION		**(25,445)**	(472,982)
INCOME TAX	*8*	**(21,852)**	108,429
LOSS FOR THE PERIOD/YEAR		**(47,297)**	(364,553)
OTHER COMPREHENSIVE INCOME:			
Exchange difference arising on translation of foreign operations		**4**	5,850
OTHER COMPREHENSIVE INCOME FOR THE PERIOD/YEAR, NET OF TAX		**4**	5,850
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		**(47,293)**	(358,703)
LOSS FOR THE PERIOD/YEAR ATTRIBUTABLE TO:			
– owners of the Company		**(91,168)**	(123,313)
– non-controlling interests		**43,871**	(241,240)
		(47,297)	(364,553)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
– owners of the Company		**(91,171)**	(122,907)
– non-controlling interests		**43,878**	(235,796)
		(47,293)	(358,703)
DIVIDEND		**N/A**	N/A
		HK cents	*HK cents*
Loss per share:	*10*		
– Basic		**(1.76)**	(2.39)
– Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

	Notes	**As at 31 December 2009 HK$'000**	As at 30 April 2009 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**18,731**	18,142
Prepaid lease payment		**1,670**	–
Jointly controlled entities		**–**	–
Mining rights		**2,142,547**	2,055,140
		2,162,948	2,073,282
CURRENT ASSETS			
Investments held for trading		**6,990**	8,821
Inventories		**1,366**	1,441
Trade and other receivables	*11*	**3,644**	5,102
Cash and bank balances		**343,961**	97,894
TOTAL CURRENT ASSETS		**355,961**	113,258
CURRENT LIABILITIES			
Trade and other payables	*12*	**10,448**	7,786
Deferred income		**3,975**	3,976
Tax payable		**1,901**	1,901
TOTAL CURRENT LIABILITIES		**16,324**	13,663
NET CURRENT ASSETS		**339,637**	99,595
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,502,585**	2,172,877
NON-CURRENT LIABILITIES			
Cumulative redeemable preference shares		**110**	110
Deferred tax liabilities		**535,637**	513,785
TOTAL NON-CURRENT LIABILITIES		**535,747**	513,895
NET ASSETS		**1,966,838**	1,658,982
CAPITAL AND RESERVES			
Share capital		**279,560**	257,584
Reserves		**815,249**	573,247
Equity attributable to the owners of the Company		**1,094,809**	830,831
Non-controlling interests		**872,029**	828,151
TOTAL EQUITY		**1,966,838**	1,658,982

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2009

1. Corporate information relating to change of the financial year end date

The financial year end date of the Company was changed from 30 April to 31 December. The reason for the change is to coincide with the financial year end date of the Company's principal operating subsidiaries, which are mainly situated in the People's Republic of China, and thereby facilitating the preparation of the consolidated financial statements of the Company and its subsidiaries. As a result of the change, the current financial statements covered a period from 1 May 2009 to 31 December 2009 which was shorter than one year as compared with the previous financial statements which covered a period from 1 May 2008 to 30 April 2009. The comparative amounts for the statement of comprehensive income, statement of changes in equity, statement of cash flows and related notes are not entirely comparable.

2. Basis of preparation of financial statements

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the The Stock Exchange of Hong Kong Limited.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values.

3. Application of new and revised Hong Kong Financial Reporting Standards

In the current period, the Group and the Company have applied the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments

HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 18	Transfers of Assets from Customers
HKFRS (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRS (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Except as described below, the adoption of the new and revised HKFRSs has no material effect on the financial statements of the Group and the Company for the current and prior accounting periods.

(a) HKAS 1 (Revised 2007) Presentation of Financial Statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

(b) HKFRS 8 Operating Segments

HKFRS 8 is a disclosure standard that has resulted in a redesignation of the Group's reportable segments *(see note 4)* and changes in the basis of measurement of segment profit or loss, segment assets and segment liabilities.

(c) Improving Disclosures about Financial Instruments (Amendments to HKFRS 7 Financial Instruments: Disclosures)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in relation to fair value measurements in accordance with the transitional provision set out in the amendments.

The Group and the Company have not early applied the following new and revised Standards, Amendments and Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008[(1)]
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009[(2)]
HKAS 24 (Revised)	Related Party Disclosures[(5)]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[(1)]
HKAS 32 (Amendments)	Classification of Rights Issues[(4)]
HKAS 39 (Amendments)	Eligible Hedged Items[(1)]
HKFRS 1 (Amendments)	Additional Exemptions for First-time Adopters[(3)]
HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions[(3)]
HKFRS 3 (Revised)	Business Combinations[(1)]
HKFRS 9	Financial Instruments[(7)]
HK(IFRIC)-Int 14 (Amendments)	Prepayments of Minimum Funding Requirement[(6)]
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners[(1)]
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity[(6)]

(1) *Effective for annual periods beginning on or after 1 July 2009*

(2) *Amendments that are effective for annual periods beginning on or after 1 July 2009 or 1 January 2010, as appropriate*

(3) *Effective for annual periods beginning on or after 1 January 2010*

(4) *Effective for annual periods beginning on or after 1 February 2010*

(5) *Effective for annual periods beginning on or after 1 January 2011*

(6) *Effective for annual periods beginning on or after 1 July 2010*

(7) *Effective for annual periods beginning on or after 1 January 2013*

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition dates are on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognized financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of financial assets.

In addition, as part of Improvements to HKFRSs issued in 2009, HKAS 17 Leases has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 January 2010, with earlier application permitted. Before the amendments to HKAS 17, leasees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to HKAS 17 might not affect the classification and measurement of the leasehold land.

The directors of the Company anticipate that the application of the other new and revised Standards, Amendments or Interpretations will have no material impact on financial statements.

4. Segment information

Segment information reported to the chief operating decision maker, directors of the Company, is the type of goods delivered by the Group's operating division for the purposes of resource allocation and performance assessment. The Group's operating and reportable segments under HKFRS 8 are as follows:

The Group is currently organized into two major business division:

(a) Corporate investment and trading in securities; and

(b) Minerals exploitation.

For the purposes of assessing segment performance and resources allocation between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment revenue represents revenue generated from external customers. There were no inter-segment sales during the period/year.

Segment result represents the profit/(loss) earned by each segment without allocation of corporate income and expense, central administration cost, directors' salaries, interest income, impairment of other receivables and finance costs.

Segment assets include all tangible, intangible assets and current assets.

Segment liabilities include all trade and other payables other than tax payable and deferred tax liabilities.

(a) Segment revenues and results

	1 May 2009 to 31 December 2009		
	Corporate investment and trading in securities	**Minerals exploitation**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Segments revenue	**1,587**	**–**	**1,587**
Segments results	**(264)**	**80,148**	**79,884**
Interest income			**85**
Unallocated corporate expenses			**(105,376)**
Impairment of other receivables			**(33)**
Finance costs			**(5)**
Consolidated loss before taxation			**(25,445)**

	1 May 2008 to 30 April 2009		
	Corporate investment and trading in securities	Minerals exploitation	Total
	HK$'000	*HK$'000*	*HK$'000*
Segments revenue	19,765	–	19,765
Segments results	(23,623)	(449,444)	(473,067)
Interest income			470
Unallocated corporate expenses			(380)
Finance costs			(5)
Consolidated loss before taxation			(472,982)

(b) Segment assets and liabilities

	1 May 2009 to 31 December 2009		
	Corporate investment and trading in securities	**Minerals exploitation**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Segment assets	**8,610**	**2,166,341**	**2,174,951**
Unallocated assets			**343,958**
Consolidated assets			**2,518,909**
Segment liabilities	**47**	**10,292**	**10,339**
Unallocated liabilities			**541,732**
Consolidated liabilities			**552,071**

	1 May 2008 to 30 April 2009		
	Corporate investment and trading in securities	Minerals exploitation	Total
	HK$'000	*HK$'000*	*HK$'000*
Segment assets	55,928	2,083,380	2,139,308
Unallocated assets			47,232
Consolidated assets			2,186,540
Segment liabilities	4,220	7,522	11,742
Unallocated liabilities			515,816
Consolidated liabilities			527,558

(c) ***Other segment information***

	1 May 2009 to 31 December 2009	
	Corporate investment and trading in securities	**Minerals exploitation**
	HK$'000	***HK$'000***
Capital expenditure	**–**	**2,068**
Depreciation	**–**	**1,008**
Impairment of mining right written back	**–**	**(87,407)**

	1 May 2008 to 30 April 2009	
	Corporate investment and trading in securities	Minerals exploitation
	HK$'000	*HK$'000*
Capital expenditure	27	17,573
Depreciation	47	1,887
Impairment of mining right	–	433,719

(d) ***Geographical segments***

The following tables present revenue and certain assets and expenditure information for the Group's geographical segments for the period ended 31 December 2009 and year ended 30 April 2009.

	1 May 2009 to 31 December 2009			
	Hong Kong	**The PRC**	**Mongolia**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Segment revenue	**1,587**	**–**	**–**	**1,587**
Other segment information:				
Non-current assets	**–**	**1,451,859**	**709,807**	**2,161,666**
Capital expenditure	**–**	**2,061**	**7**	**2,068**

	1 May 2008 to 30 April 2009			
	Hong Kong	The PRC	Mongolia	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	19,765	–	–	19,765
Other segment information:				
Non-current assets	72	1,450,817	622,393	2,073,282
Capital expenditure	27	17,573	–	17,600

5. Revenue

(a) An analysis of the Group's revenue for the period/year is as follows:

	1 May 2009 to 31 December 2009 *HK$'000*	1 May 2008 to 30 April 2009 *HK$'000*
Sales of marketable securities	**1,424**	19,429
Other interest income	**85**	470
Dividend income	**163**	336
	1,672	20,235

(b) An analysis of the Group's other revenue for the period/year is as follows:

	1 May 2009 to 31 December 2009 *HK$'000*	1 May 2008 to 30 April 2009 *HK$'000*
Miscellaneous income	**300**	410
Exchange gain	**–**	1
	300	411

6. Operating loss for the period/year

Operating loss of the Group for the period/year has been arrived at after charging the followings:

	1 May 2009 to 31 December 2009	1 May 2008 to 30 April 2009
	HK$'000	*HK$'000*
Staff costs (including directors' remuneration)		
– Salaries and allowances	**6,993**	4,886
– Share-based payments *(note a)*	**33,758**	558
– Other staff costs	**1,087**	416
– Retirement benefits scheme contributions	**60**	31
	41,898	5,891
Depreciation	**1,139**	1,934
Auditors' remuneration		
– Audit services	**720**	720
– Other services	**120**	120
Operating leases on land and buildings	**913**	984
Share-based payments – Consultants *(note a)*	**53,869**	2,171
Impairment of mining right	**–**	433,719
Impairment losses on other receivables	**33**	–
Inventories written off	**34**	–
Exploration and related expenses	**2,360**	9,787

Note a: During the period/year, share-based payments arising from share options granted to directors, employees and consultants of the Group recognised as expenses in profit and loss are as follows:–

	1 May 2009 to 31 December 2009	1 May 2008 to 30 April 2009
	HK$'000	*HK$'000*
Directors' emolument	**31,493**	558
Staff costs	**2,265**	–
Professional fees	**53,869**	2,171
	87,627	2,729

7. Finance costs

	1 May 2009 to 31 December 2009	1 May 2008 to 30 April 2009
	HK$'000	*HK$'000*
Dividends on cumulative redeemable preference shares *(note 9)*	**5**	5
	5	5

8. Income tax

(a) Income tax expense in the consolidated statement of comprehensive income represents:

	1 May 2009 to 31 December 2009	1 May 2008 to 30 April 2009
	HK$'000	*HK$'000*
Current tax:		
Hong Kong	**–**	–
Other jurisdictions	**–**	–
	–	–
Deferred tax	**(21,852)**	108,429
Tax (expense)/income for the period/year	**(21,852)**	108,429

Hong Kong profits tax has not been made as the Group has no assessable profits arising in or derived from Hong Kong during the period (For the year ended 30 April 2009: Nil). Overseas income taxes have not been made as the Group's operation in these countries was operating at a loss during the period (For the year ended 30 April 2009: Nil).

(b) Reconciliation between tax expense and accounting loss at applicable tax rates is as follows:

	1 May 2009 to 31 December 2009	1 May 2008 to 30 April 2009
	HK$'000	*HK$'000*
Loss before tax	**(25,445)**	(472,982)
Notional tax on loss before tax, calculated at the tax rates applicable to profits in the jurisdictions concerned	**(10,368)**	(49,569)
Tax effect of income not taxable	**(27)**	(119)
Tax effect of expenses not deductible and loss not allowable	**–**	451
Tax effect of temporary differences not recognised for the period/year	**(8,741)**	(3)
Tax effect of estimated tax losses not recognised for the period/year	**19,136**	49,240
(Increase)/decrease in deferred tax liabilities arising from mining right	**(21,852)**	108,429
	(21,852)	108,429

9. Dividends on cumulative redeemable preference shares

	1 May 2009 to 31 December 2009	1 May 2008 to 30 April 2009
	HK$'000	*HK$'000*
Preference dividends		
Payable of HK$0.151 per share on 16,485 shares (For the year ended 30 April 2009: HK$0.151 on 16,485 shares)	**3**	3
Payable of HK$0.149 per share on 16,485 shares (For the year ended 30 April 2009: HK$0.149 on 16,485 shares)	**2**	2
	5	5

10. Loss per share

The basic loss per share is calculated based on the loss attributable to owners of approximately HK$91,168,000 (For the year ended 30 April 2009: approximately HK$123,313,000) and the weighted average number of 5,187,804,155 (For the year ended 30 April 2009: 5,151,679,552) ordinary shares in issue during the period/year.

The diluted loss per share for the period ended 31 December 2009 and year ended 30 April 2009 has not been disclosed as the potential shares arising from the exercise and conversion of the Company's share options and convertible preference shares would increase the loss per share of the Group for the period/year and is regarded as anti-dilutive.

11. Trade and other receivables

	As at 31 December 2009	As at 30 April 2009
	HK$'000	*HK$'000*
Trade receivables	**–**	–
Other receivables	**2,279**	3,342
Prepayments and deposits	**1,365**	1,760
	3,644	5,102

The aging analysis of trade receivables is as follows:

	As at 31 December 2009	As at 30 April 2009
	HK$'000	*HK$'000*
0 – 3 months	**–**	–

12. Trade and other payables

	As at 31 December 2009	As at 30 April 2009
	HK$'000	*HK$'000*
Trade payables	**–**	–
Temporary deposits, accruals and other payables	**10,448**	7,786
	10,448	7,786

The aging analysis of trade payable is as follows:

	As at 31 December 2009 *HK$'000*	As at 30 April 2009 *HK$'000*
0 – 3 months	**–**	–

13. Operating leases commitments

At the end of the reporting period, the Group had future aggregate minimum lease payments under non-cancellable operating leases are payable as follows:

	As at 31 December 2009 *HK$'000*	As at 30 April 2009 *HK$'000*
Properties		
– within one year	**1,469**	369
– In the second to fifth years, both inclusive	**574**	–
	2,043	369

Operating lease payments represent rental payable by the Group for its office properties and director's apartment.

14. Events after the reporting period

On 13 April 2010, the Company entered into framework agreement pursuant to which the Company conditionally agreed to purchase 80% equity interest of Qianyi Limited, a company incorporated with limited liability in the British Virgin Islands which will, upon completion of the reorganization, indirectly hold 100% equity interest in 新疆同興礦業有限責任公司 (Xinjiang Tong Xing Mining Company Limited), a company incorporated with limited liability in the PRC ("Tong Xing"), at the consideration of HK$280 million (the "Consideration"). The Consideration will be satisfied as to HK$60 million by cash and as to HK$220 million by the Company's issuing the convertible notes to the vendor. Details of the acquisition are set out in the announcement of the Company dated 16 April 2010.

FINANCIAL REVIEW

During the period under review, the Group recorded a revenue of approximately HK$1.6 million (For the year ended 30 April 2009: HK$20.2 million), representing a decrease of approximately 91.7% against the prior year. Net loss attributable to owners of the Company amounted to approximately HK$91.1 million (For the year ended 30 April 2009: net loss HK$123.3 million). The reason of the loss incurred for the period was mainly due to recognition of share-base payment of approximately HK$87,627,000 in the statement of comprehensive income.

Nevertheless, as compared to previous year, the Group's net loss was narrowed significantly. Due to an increase in the fair value of mining right as at 31 December 2009, the Group recorded an impairment of mining right written back amounted to approximately HK$87,407,000.

FINAL DIVIDEND

The Board of Directors does not recommend the payment of a final dividend for the period ended 31 December 2009.

BUSINESS REVIEW AND PROSPECT

Business Review

The Group is principally engaged in securities trading and investments, and natural resources investment and development.

Given the continuing economic growth and accelerated industrialization and urbanization in the PRC, natural resources are in demand at all times and the Board considers that the demand for natural resources will maintain its growth momentum.

Mining and related businesses

In view of the prospects of the natural resources business, during the period, the Company achieved the following developments as part of the Group's strategy to broaden its business scope and earning base:–

(1) During the period, the mining related business of the Group has been strengthened, according to the latest report issued by CNFMRGS on 24 May 2009, the Company's WQ(SLB) copper mine in Uluqat County, Xinjiang, the PRC is proven to have reserves of copper ore of 63,747,600 tonnes, copper metals of 537,585.90 tonnes and 伴生銀 (associated silver) of 668.13 tonnes (which shows an increase compared to the previously disclosed levels).

Such findings have shown the tremendous potential in the copper mine acquired by the Company, which will enhance the Group's business and its asset value.

(2) A Strategic Cooperation Agreement was signed between the Company and 新疆有色金屬工業(集團)有限公司 (Xinjiang Non-Ferrous Metals Industry (Holdings) Company Limited) ("Xinjiang Non-Ferrous") on 2 July 2009 (the "Strategic Cooperation Agreement"), pursuant to which, the parties will cooperate in the exploitation and mining of non-ferrous metals and precious metals in Xinjiang.

According to the Strategic Cooperation Agreement, the Company and Xinjiang Non-Ferrous will establish a strategy alliance to enable both parties to utilize their respective potential to the fullest extent in exploitation and development of non-ferrous metals and precious metals in Xinjiang. The parties will adopt flexible approaches in their future cooperation, for example, (i) Xinjiang Non-Ferrous may provide mineral resources bases and the Company may provide the necessary capital and technical know-how; or (ii) Xinjiang Non-Ferrous may provide mineral resources bases while both parties can jointly inject the necessary capital and technical know-how in the mining projects.

(3) On 5 August 2009, the Company signed another strategic cooperation framework agreement with the Government of Xinjiang Ili Kazakh Autonomous Prefecture of China (hereinafter referred to as the "Ili Government") for the joint development of the non-ferrous metals and mineral resources in Xinjiang.

The agreement provided that the parties thereto shall exchange their respective specialized resources in accordance with government directions and market mechanisms, with an aim to expand and strengthen the non-ferrous metals industry in the Ili area by developing and integrating non-ferrous metals enterprises in the area. The project shall involve, in particular, the integration and development of five metallogenic belts, namely the copper-lead-zinc metallogenic belt in Boluokenu(博羅克努), the iron-copper metallogenic belt in Awulale(阿吾拉勒), the copper-lead-zinc polymetallic metallogenic belt in Wusun Mountain-Yishijilike(烏孫山-伊什基里克), the copper-lead-zinc-muscovite rare metal metallogenic belt in Nalati（那拉提）and the black gold（烏金）non-ferrous metallogenic belt in Haerketa（哈爾克他）. In addition, the parties shall actively develop and exploit the non-ferrous metals resources in the neighbouring countries by capitalizing on the location advantage of Ili.

The Ili Government shall support the cooperation between the parties by means of administration and policies within its legal authority. Based on the current development and exploitation of non-ferrous metals and mineral resources in the area, the Ili Government shall promote resources integration and assist the Company in better deployment of non-ferrous metals and mineral resources in Ili, in order to ensure the smooth running of the Company's future investment projects in Ili and to maximize the exploitation of resources. Under its legal authority, the Ili Government shall ensure the stability and continuity of the relevant policies for facilitating the Company's future projects, and shall give the Company preferential treatment in finance, taxation and land.

Taking the advantage of the current overall business environment in the PRC, the Company is expected to take the opportunity to capture good quality investment and development business, mainly in molybdenum/wolfram and silver/copper mining and related businesses.

Securities trading and investments

During the period, total revenue from corporate investment and trading in securities was approximately HK$1.6 million (For the year ended 30 April 2009: HK$20.2 million).

For the period ended 31 December 2009, the financial markets started to recover from global crisis, the price of certain listed securities held by Company increased throughout the period under review. Accordingly, the Company recorded a gross profit of approximately HK$1,027,000 (For the year ended 30 April 2009: Gross loss of HK$7,460,000) arising from the investment in securities trading. Nevertheless, the Company incurred a loss on the changes in fair value of investment held for trading amounted to approximately HK$1,186,000 (For the year ended 30 April 2009: HK$4,204,000).

Change of Company Name

On 9 July 2009, the change of the English name of the Company from "China National Resources Development Holdings Limited" to "China Daye Non-Ferrous Metals Mining Limited" and the adoption of the new Chinese name "中國大冶有色金屬礦業有限公司" as the Company's secondary name have become effective.

The Board considers that the Change of Company Name will benefit the Company's future business development as the new English and Chinese names of the Company signify the introduction of Hubei Daye Non Ferrous Metals Company as a substantial shareholder of the Company which will result in an overall upgrade of the Company's business development functions in ore exploration, mining and management operation.

Prospect

In view of the global economic recovery, the Board expects that there will be increasing demand in mineral resources. Accordingly, the Group proposes to further invest in molybdenum/wolfram and silver/copper mining related businesses.

On 13 April 2010, the Company entered into the Framework Agreement for the acquisition of 80% shareholding in the Qianyi Limited, a company which will, upon completion of the reorganization, indirectly hold 100% equity interest in 新疆同興礦業有限責任公司 (Xinjiang Tong Xing Mining Company Limited), a company incorporated with limited liability in the PRC ("Tong Xing").

Tong Xing is a company incorporated with limited liability in the PRC with a fully paid registered capital of RMB20,000,000. The equity interest of Tong Xing was indirectly held as to 40% by 新疆偉福礦業有限公司 (Xinjiang Wei Fu Mining Company Limited) (a subsidiary of the Vendor) and as to 60% by two Independent Third Parties. Pursuant to the Framework Agreement, upon completion of reorganization the equity interest of Tong Xing will be wholly indirectly owned by the Qianyi Limited.

The principal businesses of Tong Xing are exploration and exploitation of copper in the PRC. Tong Xing is the owner of the Mine located in Xinjiang Uygur Autonomous Region of the PRC and has obtained the related exploration right in respect of an area of 21.67 square kilometers, it is in the process of applying for the mining right for the Mine from the relevant government authorities in the PRC.

According to the valuation report issued by an independent valuer on 1 March 2010, the market value of the Mine as at 31 January 2010 was HK$400,000,000.

The Board believes that, in view of the signs of global economy recovery which support the continued appreciation of the price of copper, the Acquisition will increase the Company's copper reserves and enhance the competitiveness of the Company in the future. Therefore, the Company considers that the Acquisition will be beneficial to the Company and its Shareholders.

To further enhance the Company's business and provide satisfactory returns for its investors, the Group will take full advantage of the support in respect of management, talents, resources and technology provided by Hubei Daye Non Ferrous Metals Company ("Hubei Daye"), a substantial shareholder of the Company. The development plan of the Group for the coming three to five years is as follows:

1. Increasing the Company's operating income by developing the international trading business

In spite of its nature of business as mineral resources, the operating income of the Group was principally generated from the business of securities trading, which had a turnover of approximately HK$100 million. Following the acquisition by Hubei Daye, the Group is gradually withdrawing from the securities trading business and this resulted in a plunge in turnover for the period ended 31 December 2009 to approximately HK$1.6 million. While pending for the production of the current development of the Company's mineral resources, the Group will develop a new business line of international trading with the support of Hubei Daye, with an aim to enlarge the operation scale and improve the cash flow of the Group and realize part of its profits, as well as to incorporate certain international businesses developed by the controlling shareholder. This can demonstrate the support of a controlling shareholder to a listed company. The Group will strive to achieve high growth in the international trading business.

2. Speeding up development and construction of current resources projects to become a stream of profit growth of the Group

The Group has a number of mines in Uluqat County, Xinjiang and Mongolia and has various resources projects with a total metal reserve of 600,000 tonnes, yet none of which are in production, thus greatly restricting the Group's further development. With the acquisition by Hubei Daye, the Group will achieve overall improvements in mine exploration, mining, management and operation and can project a better picture of its business prospects to investors. The Group intends to boost investors' confidence by speeding up the development and construction of its current resources projects under the following plans:

1. For the coming three years, the Group will invest RMB500 million in the construction of the Uluqat project of Xinjiang Gold Forever Mineral Corporation Limited(新疆匯祥永金礦業有限公司). The project has a daily processing capacity of 35 million tonnes of ore and an annual production of 8,000 tonnes of copper. In this regards, the Group will first increase the capital of Xinjiang Gold Forever Mineral Corporation Limited(新疆匯祥永金礦業有限公司)to reach RMB120 million, which can meet the initial funding requirement of the project, and such capital increase is in good progress. Furthermore, the Group, with the support of the controlling shareholder, will coordinate the project financing for Xinjiang Gold Forever Mineral Corporation Limited(新疆匯祥永金礦業有限公司)in order to facilitate the production of the Uluqat project in Xinjiang.

2. The Group will complete the technical analysis and examination of the molybdenum and wolfram mine projects of China Reservoir Mining Limited (中國雷石維爾礦業有限公司), as well as to select a mine project which can meet operation conditions and is with low investment requirements and high effectiveness for development and construction.

3. Identifying potential non-ferrous metal resources and increasing the Group's resources reserves

One of the development objectives of the Group is to increase its reserve of non-ferrous metal resources. With its unique edge, the Group intends to increase its reserve of non-ferrous metal resources by raising funds from new issue, carrying out mergers and acquisitions of external resources by way of issue of shares or convertible bonds.

Current mineral resources of the Group comprise 530,000 tonnes of copper, 57,000 tonnes of molybdenum and some wolfram resources. In the coming three to five years, the Group will endeavour to increase its copper reserve and gold reserve to 3 million tonnes and 100 tonnes respectively, as well as increase its other metal reserves such as molybdenum and wolfram with the following measure:

1. Further exploration of the Group's current unexplored mines: (1) for Xinjiang Gold Forever Mineral Corporation Limited（新疆匯祥永金礦業有限公司）, there are 4 mines in the mining area in Uluqat County, Xinjiang. One of the mines has a reserve of 530,000 tonnes of copper, while the other three mines are yet to be explored. According to geological statistics, the prospective reserve of the mining area is promising and the Group will urge Xinjiang Gold Forever Mineral Corporation Limited（新疆匯祥永金礦業有限公司）to make further efforts in mine exploration so as to increase the resources reserve from the area. (2) with the opportunities arisen from the entering into a strategic cooperation framework agreement with the Ili Government for the joint development of the nonferrous metals and mineral resources in Xinjiang, the Group can strengthen its relationship with the land authorities of Ili and to identify potential non-ferrous metal mineral resources projects from five metallogenic belts, namely the copper-lead-zinc metallogenic belt in Boluokenu（博羅克努）, the iron-copper metallogenic belt in Awulale（阿吾拉勒）, the copper-lead-zinc polymetallic metallogenic belt in Wusun Mountain-Yishijilike（烏孫山－伊什基里克）, the copper-lead-zinc-muscovite rare metal metallogenic belt in Nalati（那拉提）and the black gold（烏金）non-ferrous metallogenic belt in Haerketa（哈爾克他）in Ili for exploration and development. This will greatly increase the Group's reserves of non-ferrous metals such as copper, lead and zinc.

2. Further mergers and acquisitions of non-ferrous metals resources: the Group will actively identify quality non-ferrous metals for domestics and overseas mergers and acquisitions. Domestically, the Group will increase its reserves of non-ferrous metals under the support of the controlling shareholder. On the other hand, the Group will also identify overseas opportunities by taking advantage of the international capital market in Hong Kong to actively pursue quality non-ferrous metals resources overseas and consider mergers and acquisitions under the circumstances. As a company engaging in resources development, the Group will be dedicated to increase its resources reserves in view of its long-term and sustainable development.

EQUITY

The Company's issued and fully paid share capital as at 31 December 2009 amounted to approximately HK$279,560,000 divided into 5,591,195,552 ordinary shares of HK$0.05 each.

CAPITAL STRUCTURE

On 1 December 2009, 439,516,000 ordinary shares were issued at a subscription price of HK$0.64 per share pursuant to placing and subscription agreement entered into between the vendor with the placing agent and the Company on 18 November 2009. Details of placing of subscription agreement are set out in the Company's announcement dated 20 November 2009.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2009, the Group's current ratio was 21.81%, based on the current assets of HK$356 million and current liabilities of HK$16 million. The Group's gearing ratio was 28.07%, based on the total liabilities of HK$552 million and total equity of HK$1,967 million.

As at 31 December 2009, the Group was in a net cash position and has sufficient funding to pay off all the outstanding liabilities, and meet its working capital requirement.

CHANGE OF FINANCIAL YEAR END DATE

On 19 January 2010, the Board of Directors of the Company announced that the financial year end date of the Company has been changed from 30 April to 31 December.

The reason for such a change is to coincide with the financial year end date of the Company's principal operating subsidiaries, which are mainly situated in the People's Republic of China, and thereby facilitating the preparation of the consolidated financial statements of the Company and its subsidiaries.

BANK BORROWINGS AND PLEDGE OF ASSETS

As at 31 December 2009, the Group had neither bank borrowings nor assets pledged to fund/loan providers.

FOREIGN EXCHANGE EXPOSURE

The Group's cash balance and short term investments are mainly in the currency of Hong Kong Dollars. Nonetheless, the effect of the exchange rate on the Group's cash flow is minimal and the Group had not employed any financial instrument for hedging purpose.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

The Group has not made any material acquisition or disposal of subsidiaries during the period ended 31 December 2009.

CONTINGENT LIABILITIES

As at 31 December 2009, the Group had no contingent liabilities.

EMPLOYEES, REMUNERATION POLICY AND SHARE OPTION SCHEME

As at 31 December 2009, the Group had 55 employees (At 30 April 2009: 53). The remuneration package consists of basic salary, mandatory provident fund, insurances and other benefits considered as appropriate. The Company adopted a share option scheme on 13 October 2003 to enable the Company to grant options to selected participants, including employees and directors of the Group, as incentive or rewards for their contribution to the Group.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the period under review, the Company has not redeemed any of its securities and neither the Company nor any of its subsidiaries has purchased or sold any of the Company's securities.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist in the jurisdiction of Bermuda in which the Company is incorporated.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the period.

RELATED PARTY TRANSACTIONS

During the period under review, there was no significant related party transaction.

AUDIT COMMITTEE

The Company established an audit committee in accordance with the requirements of the Code, for the purpose of reviewing and providing supervising over the Group's financial reporting process and internal controls. The audit committee currently comprises of three independent non-executive Directors, Messrs. Wang Guoqi, Wang Qihong and Qiu Quan Zhou. The audit committee of the Company has reviewed the final results for the period ended 31 December 2009.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had complied with the code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in the Model Code. Having made specific enquiry of all Directors, they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transaction by the Directors adopted by the Company.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

In the opinion of the Directors, the Company has complied with the Code of Best Practice ("Code") as set out in Appendix 14 to the Listing Rules throughout the period under review, except that the independent non-executive Directors are not appointed for a specific term as required by paragraph 7 of the Code, but are subject to retirement by rotation in accordance with the Bye-Laws.

The Code as set out in Appendix 14 to the Listing Rules was replaced by the Code on Corporate Governance Practices ("Code on CG Practices") which has become effective for accounting periods commencing on or after 1 January 2005. Appropriate actions are being taken by the Company for complying with the Code on CG Practices.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed public float under the Listing Rules.

REMUNERATION COMMITTEE

The Company has established its Remuneration Committee with specific written terms of reference. The Remuneration Committee is responsible for making recommendations to the Board on, among other things, the Company's policy and structure for the remuneration of all directors and senior management of the Company and is delegated by the Board with the responsibility to determine on behalf of the Board the specific remuneration packages for all executive directors and senior management of the Company.

The Remuneration Committee currently comprises three independent non-executive directors, namely Mr. Wang Guoqi, Mr. Wang Qihong, and Mr. Qiu Quan Zhou.

NOMINATION OF DIRECTORS

The Company has not established a Nomination Committee. The duties and functions of the Nomination Committee recommended in the Code are performed by the Board collectively with no director being involved in fixing his/her own terms of appointment and no Independent Non-executive Director being involved in assessing his/her own independence.

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.hk661.com in due course.

By Order of the Board
China Daye Non-Ferrous Metals Mining Limited
Wan Bi Qi
Chairman

Hong Kong, 28 April 2010

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Wan Bi Qi (Chairman of the Board), Mr. Zhang He, Mr. Chen Xiang and Ms. Yuan Ping; and three independent non-executive directors, namely Mr. Wang Qihong, Mr. Wang Guoqi and Mr. Qiu Quan Zhou.