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中國鎳資源控股有限公司
CHINA NICKEL RESOURCES
HOLDINGS COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2889)

**THE LATEST DEVELOPMENT OF GROUP'S BUSINESS AND
OPERATIONS SINCE 30 JUNE 2010**

**THE LATEST DEVELOPMENTS OF THE NEW PLANT
CONSTRUCTION PROJECT IN LIANYUNGANG, JIANGSU
PROVINCE (“LIANYUNGANG PROJECT”) & THE
TECHNOLOGICAL UPGRADES AND IMPROVEMENTS OF TWO
PLANTS IN HENAN PROVINCE (“TECHNOLOGICAL
UPGRADES AND IMPROVEMENTS PROJECT”)**

The main part of Lianyungang Project of Lianyungang East Harvest Mining Co., Ltd, a subsidiary of the Group in Jiangsu Province, has successfully completed and the majority of the equipments are undergoing commissioning stage before mass production. At the end of last month, the Chinese government implemented a limited power and emission reduction measures, affecting many enterprises around the country, and this also resulted in hindering parts of the equipments commissioning of the Lianyungang Project in the past few weeks. However, this project has been well received by the local government’s concern. After field research of the local government, the Group has been recognized as a high-tech and energy-saving enterprise. The Group has also been informed that there shall not be any restriction on the power supply to this project. As scheduled, the Lianyungang Project will run smoothly, and will begin pilot production next month and mass production in November this year.

The Technological Upgrades and Improvements Project of Luoyang Yongan Special Steel Company Limited (“Yongan Special Steel”) and Zhengzhou Yongtong Special Steel Company Limited, (“Yongtong Special Steel”), both located in Henan Province, have also been successfully completed. The ignition ceremony of Yongan Special Steel will be conducted today, and it will formally put into the stainless steel production; while Yongan Special Steel and Yongtong Special Steel have also started the high nickel pig iron production. The Group considers that this will contribute to the integration of the Group's production processes of different sectors, optimizing product mix, and then a steady growth in income for the Group.

By Order of the Board of
China Nickel Resources Holdings Company Limited
Dong Shutong
Chairman

Hong Kong, 24 September 2010

As at the date of this announcement, the executive Directors are Mr. Dong Shutong, Mr. He Weiquan, Mr. Lau Hok Yuk, Mr. Song Wenzhou, Mr. Zhao Ping, Mr. Dong Chengzhe and Mr. Yang Fei; the non-executive Director is Mr. Yang Tianjun; and the independent non executive Directors are Mr. Bai Baohua, Mr. Huang Changhuai, Mr. Wong Chi Keung and Mr. Fahmi Idris.