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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 ORE TRADING BUSINESS

This announcement is made by China Nickel Resources Holdings Company Limited (the “**Company**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company and its subsidiaries (hereinafter collectively referred as “the Group”) has purchased ores in Indonesia through an exclusive offtake agreement at a fixed price for its own use or sale for a period time. Since the group started to sell ores to the third-party in the end of the last year, the result has been satisfactory. The trade volume of ores in the first half of this year is approximately seven hundred thousand tonnes which exceeded the original target of six hundred thousand tonnes. The board of directors is also pleased to announce that the Group today has entered into an agreement with an independent mineral resources company in Peoples Republic of China, to sell the Indonesia ores at a fixed price for five years, and the monthly delivery will be about two hundred thousand wet tonnes. The first batch of goods under this agreement will be delivered in November 2010.

The Group considers that this will further make good use of the expanding capacity of the mine in Indonesia, increase group sales, improve the Group's cash flow, while enhance the domestic downstream firms with business links, and then bring a steady revenue growth for the Group.

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

Hong Kong, 18 October 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.