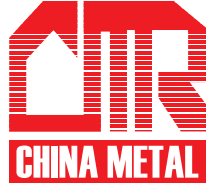


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CHINA METAL RECYCLING (HOLDINGS) LIMITED

中國金屬再生資源(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 773)

PLACING OF EXISTING SHARES BY CONTROLLING SHAREHOLDER

This announcement is made by China Metal Recycling (Holdings) 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 board of directors (the “**Board**”) of the Company announces that it has been informed by Wellrun Limited (“**Wellrun**”), a controlling shareholder of the Company, that it had entered into a placing agreement (the “**Placing Agreement**”) with Merrill Lynch Far East Limited (the “**Placing Agent**”) on 27 April 2011, pursuant to which Wellrun agreed to place through the Placing Agent up to an aggregate of 60,000,000 shares (the “**Placing Shares**”) of HK\$0.0001 each in the share capital of the Company (the “**Shares**”), representing approximately 5.27% of the total issued share capital of the Company at a price of HK\$10.60 per Share (the “**Placing**”). Wellrun is beneficially owned as to 100% by Mr. Chun Chi Wai (“**Mr. Chun**”), the chairman and executive director of the Company. The Placing Shares are to be placed to purchasers who are not connected persons of the Company.

As at the date of the Placing Agreement, Wellrun directly held 643,149,181 Shares, representing approximately 56.45% of the total issued share capital of the Company. In addition, Mr. Chun directly held 1,089,000 Shares representing approximately 0.10% of the total issued share capital of the Company. Upon completion of the Placing, Wellrun will hold 583,149,181 Shares, representing approximately 51.18% of the total issued share capital of the Company.

The Board has been informed that pursuant to the terms of the Placing Agreement, Wellrun is subject to a lock-up period of 180 days from the closing date with respect to its shares in the Company.

Mr. Chun has confirmed that upon completion of the Placing, he remains committed to the Company and he intends to remain as a controlling shareholder of the Company in the foreseeable future.

By order of the Board of
China Metal Recycling (Holdings) Limited
Mr. Chun Chi Wai
Chairman

Hong Kong, 28 April 2011

As at the date of this announcement, the executive directors of the Company are Mr. Chun Chi Wai, Mr. Fung Ka Lun and Mr. Jiang Yan Zhang, the non-executive director of the Company is Ms. Lai Wun Yin and the independent non-executive directors of the Company are Mr. Chan Kam Hung, Mr. Leung Chong Shun and Mr. Yan Qi Ping.