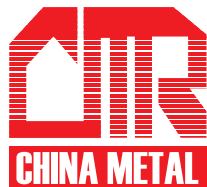


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CHINA METAL RECYCLING (HOLDINGS) LIMITED
中國金屬再生資源(控股)有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00773)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 (1) of the Listing Rules.

The Board wishes to inform the shareholders and potential investors of the Company that it expects significant increase in the unaudited profit for the six months ending 30 June 2011.

The information contained in this announcement is only the preliminary estimates of the Company and has not been audited by its auditors. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Metal Recycling (Holdings) Limited 中國金屬再生資源(控股)有限公司 (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the review of the management accounts of the Group for the five months ended 31 May 2011, it is expected that the consolidated unaudited profit of the Group for the six months ending 30 June 2011 will increase significantly as compared with the six months ended 30 June 2010. Such increase is mainly attributable to the increase in the revenue of the Group as a result of our increased market share, the continued strong demand for recycled metals and the expansion of our regional coverage.

This positive profit alert is only a preliminary assessment by the management of the Company based on the management accounts of the Group for the five months ended 31 May 2011, which have not been reviewed or audited by the Company's auditors or reviewed by the audit committee of the Company and are subject to possible adjustments. Shareholders and potential investors of the Company are advised to read carefully the interim results announcement of the Company for the six months ending 30 June 2011, which will be issued in due course.

The information contained in this announcement is only the preliminary estimates of the Company and has not been audited by its auditors. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board of
China Metal Recycling (Holdings) Limited
中國金屬再生資源(控股)有限公司
Mr. Chun Chi Wai
Chairman

13 June 2011

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