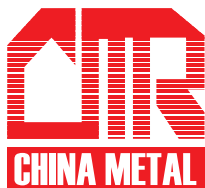


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CHINA METAL RECYCLING (HOLDINGS) LIMITED

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)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of China Metal Recycling (Holdings) Limited 中國金屬再生資源(控股)有限公司 (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that the Company has granted share options (the “**Options**”) under its share option scheme adopted on 22 May 2009 to sixteen employees of the Group (the “**Grantees**”) which, subject to the acceptance of the Options by the Grantees, will enable the Grantees to subscribe for an aggregate of 2,951,598 new shares of HK\$0.0001 each (the “**Shares**”) in the share capital of the Company. Save as disclosed in this announcement, no director or connected person of the Company is a Grantee of the Option. A summary of such grant is set out below:

Date of grant	: 26 August 2011 (the “ Date of Grant ”)
Exercise price of the Options granted	: HK\$8.470
Number of Options granted	: 2,951,598
Closing price of the Shares on the Date of Grant	: HK\$8,470
Average closing price of Shares for the five trading days immediately preceding the Date of Grant of the Options	: HK\$7.996

Validity period of the Options : 26 August 2011 to 21 May 2019 (the “**Option Period**”)

Details of Options granted are as follows:

Grantee	Position held in the Group	Number of Options granted
Yan An (<i>Note</i>)	Associate manager of corporate financing department of the Group in China Region	118,064
Other employees of the Group		2,833,534
Total		<u>2,951,598</u>

Note: Mr. Yan An is the son of Mr. Yan Qi Ping, an independent non-executive director of the Company.

The independent non-executive directors of the Company (save for Mr. Yan Qi Ping, who has abstained from voting for the resolution) have approved the grant of the above Options to Mr. Yan An.

The Options with respect to a Grantee will be exercisable in the following manner:

- (i) up to one-third of the Shares that are subject to the Option (the “**First Option Shares**”) so granted to him/her (rounded down to the nearest whole number) at any time during the period commencing on 26 August 2012 and ending on 25 August 2013 (the “**First Period**”);
- (ii) up to one-third of the Shares that are subject to the Option (the “**Second Option Shares**”), together with the First Option Shares, so granted to him/her (rounded down to the nearest whole number), less the number of Shares in respect of which the Option has been exercised during the First Period with respect to the First Option Shares, at any time during the period commencing from 26 August 2013 and ending on 25 August 2014 (the “**Second Period**”); and

(iii) up to one-third of the Shares that are subject to the Option, together with the First Option Shares and the Second Option Shares, so granted to him/her (rounded down to the nearest whole number), less the number of Shares in respect of which the Option has been exercised during the First Period and the Second Period with respect to the First Option Shares or the Second Option Shares, as the case may be, at any time during the period commencing from 26 August 2014 and ending on the expiration of the Option Period.

No Option will be exercisable after the expiry of its term.

On behalf of the Board
China Metal Recycling (Holdings) Limited
中國金屬再生資源 (控股) 有限公司
Chun Chi Wai
Chairman and Chief Executive Officer

Hong Kong, 26 August 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.