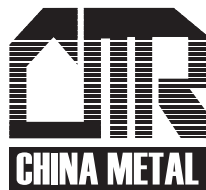

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Metal Recycling (Holdings) Limited 中國金屬再生資源(控股)有限公司, you should at once hand this circular together with the accompanying form of proxy and annual report to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2012 annual general meeting of China Metal Recycling (Holdings) Limited 中國金屬再生資源(控股)有限公司 (the "Company") to be held at Unit A, 29th Floor, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Wednesday, 30 May 2012 at 3:00 pm is set out on pages 12 to 15 of this circular. Whether or not you intend to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instructions stated thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the annual general meeting or the adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

5 April 2012

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DEFINITIONS

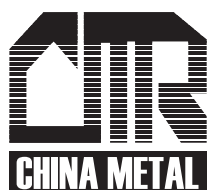
In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the 2012 annual general meeting of the Company
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Articles”	the existing articles of association of the Company
“Board”	the board of Directors
“Company”	China Metal Recycling (Holdings) Limited 中國金屬再生資源(控股)有限公司, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Connected Person(s)”	has the same meaning ascribed to it under the Listing Rules
“Controlling Shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to issue, allot and deal with unissued Shares up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolutions
“Latest Practicable Date”	2 April 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate to be granted to the Directors to exercise all powers of the Company to repurchase on the Stock Exchange, or any other stock exchange on which the shares of the Company may be listed, shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolutions
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.0001 each in the capital of the Company

DEFINITIONS

“Shareholder(s)”	the registered holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases issued by the Hong Kong Securities and Futures Commission
“Wellrun”	Wellrun Limited 好運有限公司, a company incorporated in the British Virgin Islands on 3 July, 2007, a Controlling Shareholder of the Company
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Chun Chi Wai 秦志威

(Chairman and Chief Executive Officer)

Mr. Fung Ka Lun 馮嘉倫

(Group Finance Director and Group Vice President)

Mr. Jiang Yan Zhang 姜延章

(Chief Operating Officer)

Non-Executive Director:

Ms. Lai Wun Yin 黎煥賢

Independent Non-Executive Directors:

Mr. Chan Kam Hung 陳錦雄

Mr. Leung Chong Shun 梁創順

Mr. Yan Qi Ping 閔啟平

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal Place of Business in

Hong Kong:

Room 3003A-5, 30/F

The Centrium

60 Wyndham Street

Central

Hong Kong

5 April 2012

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to be held on Wednesday, 30 May 2012. These include ordinary resolutions relating to i) the granting to the Directors the Repurchase Mandate and the Issue Mandate; and ii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

THE REPURCHASE MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to repurchase on the Stock Exchange, or on any other stock exchange on which the shares of the Company may be listed, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution.

THE ISSUE MANDATE

An ordinary resolution will also be proposed at the AGM that the Directors be granted the Issue Mandate to issue, allot and deal with Shares up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, there was a total of 1,142,072,825 Shares in issue. Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to issue a maximum of 228,414,565 Shares.

In addition, an ordinary resolution will be proposed at the AGM adding any Shares repurchased under the Repurchase Mandate to the Issue Mandate. The Repurchase Mandate and the Issue Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the AGM.

RE-ELECTION OF RETIRING DIRECTORS

In relation to resolution 3 of the proposed resolutions as set out in the notice of the AGM, Mr. Chun Chi Wai, Ms. Lai Wun Yin and Mr. Chan Kam Hung will retire by rotation as Directors at the AGM in accordance with article 84(1) of the Articles. All retiring Directors, being eligible, will offer themselves for re-election at the AGM.

Biographical details of the above retiring Directors proposed for re-election at the AGM, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this circular.

LETTER FROM THE BOARD

NOTICE OF 2012 ANNUAL GENERAL MEETING

Notice of the AGM is set out in Appendix III to this circular. A form of proxy for appointing proxy is despatched with this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.chinametalrecycle.com). Whether or not you intend to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions stated thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 48 hours before the time appointed for the holding of the AGM or the adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

VOTING AT THE 2012 ANNUAL GENERAL MEETING

Pursuant to article 66 of the Articles, all resolutions put to the vote of the AGM will be decided by way of a poll. An announcement on the poll voting results will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that the proposed granting of the Repurchase Mandate and Issue Mandate to the Directors and the re-election of the retiring Directors are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

Yours faithfully,
For and 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

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 1,142,072,825 Shares in issue.

Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase up to a maximum of 114,207,282 Shares, being 10% of the issued share capital of the Company as at the date of passing of the relevant resolution for granting the Repurchase Mandate.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws of the Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the Annual Report for the year ended 31 December, 2011) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels of the Company.

4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date:-

Month	Share Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
April	11.70	9.30
May	11.16	9.99
June	11.00	8.27
July	10.82	9.25
August	10.88	7.17
September	10.40	6.78
October	8.80	5.80
November	9.66	7.85
December	9.18	7.57
2012		
January	9.68	8.40
February	10.60	9.00
March	9.82	8.00
April (up to and including the Latest Practicable Date)	9.63	9.20

5. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

The Company has not been notified by any Connected Person that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Mr. Chun Chi Wai, Executive Director, Chairman, Chief Executive Officer and substantial and Controlling Shareholder of the Company, beneficially owned 585,139,381 Shares representing approximately 51.23% of the issued share capital of the Company.

In the event that the Directors exercised in full the power to repurchase Shares, which is proposed to be granted pursuant to the Repurchase Mandate, the interest of Mr. Chun in the Company would be increased to approximately 56.93% of the issued share capital of the Company. Such increase would not give rise to an obligation on Mr. Chun to make a mandatory offer under Rule 26 of the Takeovers Code and would not reduce the number of Shares held by the public to less than the minimum public float requirement.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

No Shares had been repurchased by the Company, whether on the Stock Exchange or otherwise, in the last six months preceding the Latest Practicable Date.

The following are the biographical details of the Directors proposed for re-election at the AGM:

1. Mr. Chun Chi Wai

Mr. Chun Chi Wai 秦志威先生, aged 46, was appointed as a director of the Company on 18 July 2007 and re-designated as an Executive Director on 28 May 2008. He is the Chairman and the Chief Executive Officer of the Group. Mr. Chun is also the sole shareholder and director of Wellrun, the substantial and Controlling Shareholder of the Company. Mr. Chun serves as a member of the remuneration committee and nomination committee of the Company and is a director of various subsidiaries of the Company. Mr. Chun co-founded the Group with his spouse Ms. Lai Wun Yin, Non-Executive Director of the Company, and is responsible for the overall strategic planning and business management. Mr. Chun has over 18 years of experience in the business of scrap metal recycling and trading, port operations and shipping, having served as general manager and executive director of Whampoa Materials (Hong Kong) Company Limited from 1995 to 2000 and Guangzhou Zhujiang Steel Port Co., Ltd. (廣州珠鋼碼頭有限公司) (“Guangzhou Zhujiang Port”) from 2003 to 2006. He served as a director of the 33rd and the 35th term of the board of directors of Yan Chai Hospital. From 2004 to 2006, he was a committee member of the People’s Political Consultative Committee of Guangzhou Huang Pu District (廣州市黃埔區人民政治協商會議). Mr. Chun is currently a standing committee member of the China Association of Metal Scrap Utilization (中國廢鋼鐵應用協會) and a director of Guangzhou Zhujiang Port.

Save for being the spouse of Ms. Lai Wun Yin and the sole shareholder and director of Wellrun, Mr. Chun does not have any relationships with other directors, senior management or substantial or Controlling Shareholders of the Company nor does he at present, nor did he in the past three years, hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Chun was deemed to be interested in 584,050,381 shares held by Wellrun within the meaning of Part XV of the SFO. Mr. Chun was also beneficially interested in 1,089,000 issued shares of the Company and was taken to be beneficially interested in 5,791,506 and 1,930,502 underlying shares of the Company in respect of share options granted to him and Ms. Lai Wun Yin respectively under the pre-IPO share option scheme.

Mr. Chun has entered into a service contract with the Company for a term of three years which may be terminated by either party serving not less than three months’ notice in writing. He is subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the provisions of the Articles. No director’s fee is payable to Mr. Chun. Mr. Chun is entitled to receive salary for his appointment as Chief Executive Officer which is determined by the remuneration committee of the Company with reference to the remuneration offered by comparable companies, his commitment, responsibilities and performance. Apart from the annual salary as Chief Executive Officer, Mr. Chun is entitled to discretionary bonus which is to be determined by the remuneration committee of the Company with reference to his performance and the Company’s results.

2. Ms. Lai Wun Yin

Ms. Lai Wun Yin 黎煥賢女士, aged 41, was appointed as a Non-Executive Director of the Company on 28 May 2008. Ms. Lai serves as a member of the nomination committee of the Company. Ms. Lai co-founded the Group with her spouse Mr. Chun Chi Wai, Executive Director, Chairman, Chief Executive Officer and substantial and Controlling Shareholder of the Company. Ms. Lai completed secondary education and has over 11 years of experience in financial and administrative management.

Save for being the spouse of Mr. Chun Chi Wai, Ms. Lai does not have any relationships with other directors, senior management or substantial or Controlling Shareholders of the Company. She does not hold other positions in the Company or members of the Group and she does not at present, nor did she in the past three years, hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, Ms. Lai was taken to be beneficially interested in 1,930,502 underlying shares of the Company in respect of share options granted to her under the pre-IPO share option scheme and, being the spouse of Mr. Chun Chi Wai, was deemed to be interested in 590,930,887 shares and underlying shares of the Company held by or deemed to be held by Mr. Chun Chi Wai within the meaning of Part XV of the SFO.

Ms. Lai has entered into a service contract with the Company for a term of three years which may be terminated by either party serving not less than one month's notice in writing. She is subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the provisions of the Articles. She is entitled to a director's fee of HK\$200,000 per annum as provided in the service contract which was determined by the remuneration committee of the Company with reference to the remuneration offered by comparable companies, her commitment and responsibilities as well as prevailing market practice.

3. Mr. Chan Kam Hung

Mr. Chan Kam Hung 陳錦雄先生, aged 53, was appointed as an Independent Non-Executive Director of the Company on 22 May 2009. Mr. Chan also serves as the chairman of the audit committee and a member of the remuneration committee and nomination committee of the Company. Mr. Chan has over 30 years of auditing, accounting and corporate management experience and he held senior corporate management positions in various multi-national and listed companies in Hong Kong. Mr. Chan received a Bachelor of Economics degree from the University of Sydney in 1980. He is a member of the Institute of Chartered Accountant of Australia and a fellow member of The Hong Kong Institute of Certified Public Accountants.

Mr. Chan does not have any relationships with other directors, senior management or substantial or Controlling Shareholders of the Company nor does he hold other positions in the members of the Group. Mr. Chan is currently an executive director and chief operating officer of Road King Infrastructure Limited (Stock code: 1098).

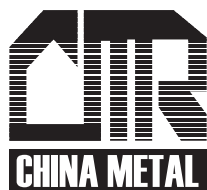
Mr. Chan was a director and the general manager of Hong Kong Teakwood Works Limited (“Teakwood”) between 1998 and 2002. Teakwood is a private company incorporated in Hong Kong with principal business of interior fitting-out works. Mr. Chan confirmed that he was employed by Teakwood as a salaried director. Mr. Chan was involved in the day-to-day management of Teakwood together with the other two directors of Teakwood. Mr. Chan confirmed that due to its liquidity problem and slacken growth in its business following the financial crisis in Asia in 1997, Teakwood was unable to pay its debt. On 1 August 2002, a creditor’s petition was filed with the High Court of Hong Kong to wind up Teakwood and the total sum involved was HK\$436,970. The said sum of HK\$436,970 was fully settled before 3 June 2009. On 4 November 2002, an order for winding-up against Teakwood was granted by the High Court of Hong Kong. Teakwood was dissolved by compulsory winding up on 17 January 2011. Mr. Chan has confirmed that there are no potential claims or liabilities against him as a director of Teakwood.

As at the Latest Practicable Date, Mr. Chan was taken to be beneficially interested in 386,100 underlying shares of the Company within the meaning of Part XV of the SFO in respect of share options granted to him under the pre-IPO share option scheme.

Mr. Chan has entered into a service contract with the Company for a term of three years which may be terminated by either party serving not less than one month’s notice in writing. He is subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the provisions of the Articles. He is entitled to a director’s fee of HK\$250,000 per annum as provided in the service contract which was determined by the remuneration committee of the Company with reference to his responsibilities and prevailing market practice.

4. General

Save as disclosed above, each of the above retiring Directors proposed for re-election has confirmed that there is no information which is discloseable nor is/was he/she involved in any matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters relating to his/her re-election that need to be brought to the attention of the Shareholders.

**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)****NOTICE OF 2012 ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 2012 annual general meeting (the “Meeting”) of China Metal Recycling (Holdings) Limited 中國金屬再生資源(控股)有限公司 (the “Company”) will be held at Unit A, 29th Floor, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Wednesday, 30 May 2012 at 3:00 pm for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and of the independent auditor for the year ended 31 December, 2011.
2. To declare a final dividend for the year ended 31 December, 2011.
3. To re-elect the retiring directors.
4. To authorize the board of directors to fix the directors’ remuneration.
5. To re-appoint auditors and to authorize the board of directors to fix their remuneration.
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong (the “Securities and Futures Commission”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission and the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved and authorized;

- (b) the aggregate number of shares of the Company to be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate number of shares of the Company in issue as at the date of passing of this resolution and the approval pursuant to paragraph (a) shall be limited accordingly; and
 - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”.
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) below, a general mandate be and is hereby unconditionally given to the directors of the Company (the “Directors”) to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to issue, allot and deal with the unissued shares in the capital of the Company including the power to make an offer or agreement, or grant options which would or might require shares of the Company to be issued and allotted, whether during the continuance of the Relevant Period or thereafter;
- (b) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted or dealt with pursuant to the approval in paragraph (a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 20% of the aggregate number of shares of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly:-
 - (i) a rights issue;
 - (ii) the exercise of options under a share option scheme;
 - (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company or exercise of warrants to subscribe for shares of the Company;

- (iv) any scrip dividend schemes or similar arrangements implemented in accordance with the articles of association of the Company; or
 - (v) a specific authority granted or to be granted by the shareholders in general meeting; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”.
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT conditional upon the passing of ordinary resolutions 6 and 7 as set out in the notice convening this meeting, the general mandate granted to the Directors of the Company pursuant to resolution 7 to exercise the powers of the Company to issue, allot and deal with the unissued shares in the capital of the Company be and is hereby extended by the addition thereto the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to resolution 6, provided that such amount shall not exceed 10% of the aggregate number of shares of the Company in issue as at the date of passing of this resolution.”.

For and 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

5 April 2012

Notes:

1. All resolutions at the Meeting will be taken by poll pursuant to article 66 of the articles of association of the Company and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power of authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and at any adjournment thereof and, in such event, the form of proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Monday, 28 May 2012 to Wednesday, 30 May 2012, both days inclusive, during which period no transfers of shares will be effected. In order to be eligible to attend and vote at the Meeting, all transfers of shares accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 25 May 2012.
5. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 5 June 2012 to Thursday, 7 June 2012, both days inclusive, during which period no transfers of shares will be effected. In order to qualify for the entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 4 June 2012.

As at the date of this notice, the Executive Directors of the Company are Mr. Chun Chi Wai, Mr. Fung Ka Lun and Mr. Jiang Yan Zhang; the Non-Executive Director is Ms. Lai Wun Yin; and the Independent Non-Executive Directors are Mr. Chan Kam Hung, Mr. Leung Chong Shun and Mr. Yan Qi Ping.