



CHINA STRATEGIC HOLDINGS LIMITED

(中策集團有限公司)

(incorporated in Hong Kong with limited liability)

(Stock Code: 235)

**APPOINTMENT OF EXECUTIVE DIRECTOR AND
CHIEF EXECUTIVE OFFICER**

AND

APPOINTMENT OF CHIEF GEOLOGIST

AND

RESIGNATION OF CHIEF EXECUTIVE OFFICER

The board of directors (the “Board”) of China Strategic Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) is pleased to announce that with effect from 15 February 2008:

- (1) Mr. Zhang Hong Ren (“Mr. Zhang”) was appointed as an executive director and chief executive officer of the Company;
- (2) Mr. Kong Chi Seng (“Mr. Kong”) was appointed as a chief geologist of the Company; and
- (3) Mr. Kwok Ka Lap, Alva (“Mr. Kwok”) resigned as the chief executive officer of the Company but remains as an executive director of the Company due to re-division of function.

Mr. Kwok has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

Appointment of Executive Director and Chief Executive Officer

Mr. Zhang, aged 55, graduated from the Beijing Institute of Economics in the People's Republic of China with a master's degree in economics. He has been in senior and management positions in economic research, media and computer technology industries for more than 20 years.

Mr. Zhang was an executive director of Nan Hai Corporation Limited and Sino-I Technology Limited, which shares are listed on The Stock Exchange of Hong Kong Limited. Save as disclosed herein, Mr. Zhang did not hold any directorships in any other listed public companies in the last three years and does not hold any other positions with the Company or other members of the Group.

Mr. Zhang has not entered into any service contract with the Company and has no fixed term of service with the Company. Mr. Zhang's directorship with the Company is subject to the retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Zhang is entitled to a monthly salary of HK\$50,000.00, a monthly housing allowance of not more than HK\$25,000.00 and a year end payment equivalent to one month of his basic salary (pro rata adjusted for any period shorter than a year), which is determined by reference to his duties and responsibilities and the prevailing market conditions. Mr. Zhang may also be entitled to a bonus for each financial year of the Company which is at the discretion of the Board and determined by reference to Mr. Zhang's performance and the Group's performance for the financial year concerned.

Mr. Zhang does not have any relationships with any directors, senior management, substantial or controlling shareholder of the Company nor any interests in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as at the date of this announcement.

Save as disclosed above, Mr. Zhang is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Appointment of Chief Geologist

Mr. Kong, aged 46, has over 20 years experience in geological and management field. He had taken up the position of Technical Director and Senior geological positions in different overseas consultants firms. Mr. Kong holds a bachelor's degree in geology from National Taiwan University and a Master of Science, Applied Geoscience from the University of Hong Kong. He was awarded European Geologist, Chartered Geologist (UK), Chartered Professional (Geology & Mining) (Australia), Certified Professional Geologist (American) and the Scrutinizer for the Chartered Geologist (UK). He is a fellow of the Geological Society (UK), member of the Australasian Institute of Mining & Metallurgy, Vice Chairman of the Geological Society of Hong Kong — Professional Branch.

The Board would like to express its warm welcome to Mr. Zhang and Mr. Kong on their appointment.

By Order of the Board
China Strategic Holdings Limited
Chow Kam Wah
Director

Hong Kong, 15 February 2008

As at the date of this announcement, the Board comprises Ms. Chiu Ching Ching, Mr. Wong Ah Chik, Mr. Zhang Hong Ren, Mr. Kwok Ka Lap, Alva, Ms. Chan Ling, Eva, Mr. Lee Sun Man, and Mr. Chow Kam Wah as executive directors of the Company, and Ms. Ma Yin Fan, Mr. Phillip Fei and Mr. Leung Hoi Ying as independent non-executive directors of the Company.