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CHINA MINING RESOURCES GROUP LIMITED

中國礦業資源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00340)

CLARIFICATION ANNOUNCEMENT AND RESUMPTION OF TRADING

This announcement is issued pursuant to Rule 13.09(1) of the Listing Rules.

The Board refers to the Announcement regarding certain rumors relating to a dispute amongst the former shareholders of Top Rank, namely Mr. Tang Yan, Mr. Huang Shi Lin and Mr. Tse Michael Nam. The Company announces that it has received a writ together with a statement of claim from Shenzhen City Court and wishes to make certain clarifications in this announcement. The Company confirms that none of the members of the Group had any direct business dealings or relationship with any of Mr. Tang Yan, Mr. Huang Shi Lin or Mr. Tse Michael Nam.

The Company wishes to state that it takes any false or misleading allegations relating to the Company very seriously and reserves the right to take legal action against any party making false or misleading allegations about the Company where appropriate.

Resumption of trading

Trading in the Shares was suspended at the request of the Company from 9:30 a.m. on 10 August 2007 pending release of this announcement. The Company has applied for the resumption of trading in the Shares with effect from 9:30 a.m. on 22 August 2007.

This announcement is issued 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 (the “**Board**”) of China Mining Resources Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to an announcement of the Company dated 8 August 2007 (the “**Announcement**”) regarding certain rumors relating to a dispute amongst the former shareholders of Top Rank International Group Limited (“**Top Rank**”), a subsidiary of the Company.

* For identification purpose only

The Board announces that, subsequent to the release of the Announcement by the Company, the Company has on 9 August 2007 received a writ issued by 深圳市中級人民法院 (Shenzhen City Middle People's Court) (the "**Shenzhen City Court**") on 6 August 2007 together with a statement of claim dated 2 August 2007 pursuant to which Mr. Tang Yan was the plaintiff (the "**Plaintiff**"), and Mr. Tse Michael Nam ("**Mr. Tse**") and Mr. Huang Shi Lin ("**Mr. Huang**"), being two former shareholders (previously holding 80% and 20%, respectively, of the issued share capital) of Top Rank, together with Lead Sun Investments Limited ("**Lead Sun**"), a wholly-owned subsidiary of the Company, 山西神利航天鈦業有限公司 ("**Shanxi Shenli**"), a subsidiary of the Company, and the Company were named as defendants in a litigation concerning the transfer of shares in Top Rank, a non wholly-owned subsidiary of the Company, amongst former shareholders of the Company (the "**Litigation**"). The Company confirms that none of the members of the Group had any direct business dealings or relationship with any of the Plaintiff, Mr. Tse or Mr. Huang.

The Board wishes to announce and clarify that:

1. Based on legal advice obtained from the Company's PRC legal adviser which was in addition to the legal advice previously obtained and referred to in the Announcement, the Litigation involves a dispute regarding the transfer of shares in Top Rank (the "**Share Transfer**") amongst former shareholders of Top Rank whom are third parties independent of the Company and its connected persons (as defined in the Listing Rules), and the Plaintiff has made allegations with respect to the authenticity and the legality of the procedures involving the Share Transfer. Pursuant to the writ dated 2 August 2007, the Plaintiff claimed for an order involving the following: (a) to invalidate the agreement effecting the Share Transfer from the former shareholders to Lead Sun; (b) Mr. Tse to transfer the shares in Top Rank back to the Plaintiff at US\$1; (c) the defendants to issue an apology to the plaintiff; and (d) the defendants to jointly bear the legal costs in relation to the Litigation.
2. As advised by the PRC legal adviser of the Company, the direct claims made to the Company only involve (c) and (d) above, and which is to issue an apology to the Plaintiff and bear legal costs in relation to the Litigation.
3. The Company confirms that none of the members of the Group was a party to or has involved in any transaction related to the Share Transfer. Based on advice from the Company's PRC legal adviser, the allegations of the Plaintiff against the Company, Lead Sun and Shanxi Shenli are basically groundless and are based on incorrect facts. Therefore, the claims raised by the Plaintiff against the Company, Lead Sun and Shanxi Shenli are considered by the PRC legal adviser of the Company to be a malicious use of legal process against the Company, Lead Sun and Shanxi Shenli, and such claims have caused damages to the Group's reputation. The Company will take all steps necessary to resist the claims. In addition, the Board after taking due and careful consideration of the advice from the Company's PRC legal adviser, determined to counterclaim the Plaintiff for all losses and damages as suffered by the Group in consequence of the Litigation and to issue an apology to the Company in connection with the Litigation. In addition, the Board (including independent non-executive directors of the Company) confirms that all the information as set out in the Announcement is still valid and accurate.

The Company wishes to state that it takes any false or misleading allegations relating to the Company very seriously and reserves the right to take legal action against any party making false or misleading allegations about the Company where appropriate.

Shareholders and investors are advised to exercise caution in dealing in the shares of the Company.

Resumption of trading

Trading in the shares in the Company (the “**Shares**”) was suspended at the request of the Company from 9:30 a.m. on 10 August 2007 pending release of this announcement. The Company has applied for the resumption of trading in the Shares with effect from 9:30 a.m. on 22 August 2007.

Made by the order of the Board the members of which individually and jointly accept responsibility for the accuracy of this announcement.

As at the date of this announcement, the board of directors of the Company comprises Mr. Cai Yuan, Mr. Dong Wenxue, Mr. Wang Hui, Mr. Wu King Shiu Kelvin and Mr. Yeung Kwok Kuen as executive Directors, Mr. Lam Ming Yung as non-executive Director, Mr. Chan Siu Tat, Mr. Chu Kang Nam and Mr. Wong Hon Sum as independent non-executive Directors.

By Order of the Board
China Mining Resources Group Limited
Cai Yuan
Chairman

Hong Kong, 21 August 2007