

[For Immediate Release]



China Mining Resources announces 2007 First Half Interim Results

HONG KONG, 24 September 2007 – China Mining Resources Group Limited (the “Company” or “China Mining”, together with its subsidiaries the “Group”); HKSE: 340) announces its interim results for the six months ended 30 June 2007 (the “Period” or the “Review Period”).

During the Period, the Company reported a consolidated turnover of HK\$9,920,000 (1H2006: HK\$8,322,000), an increase of 19% over the same period last year. Gross profit was HK\$5,479,000 (1H2006: HK\$4,548,000), up 20% over the corresponding period last year. Loss attributable to shareholders of the Company was HK\$2,598,000 as compared with profit attributable to shareholders in the first half 2006 of HK\$3,217,000. The Board of Directors did not recommend the payment of an interim dividend.

Mr. Cai Yuan, Chairman of China Mining, said, “We believe that the interim result of first half 2007 reflects only a historical financial performance without taking into account the recent changes and turnaround of the Group’s operation. The acquisition of Harbin Songjiang was completed on 5 July 2007 and the Group just failed to consolidate its results in the first half. However, in the second half of 2007, the Group shall have a completely different result in terms of scale in financial statements. In addition to Harbin Songjiang, the rutile project acquired was developed in accordance with the original schedule. When these projects are put into operation, China Mining will become one of the largest natural rutile suppliers in the PRC, laying a solid foundation to further develop our mining business in the future. The Group aspires to become a leading player in the mining sector in Asia. We will continue to look into acquisition opportunities to strive for this goal.”

Business Review

Rutile Mining and Titanium Production

The construction of a rutile mine in Dai County, Shanxi Province progressed satisfactorily. It is anticipated that the test production of phase I and phase II will commence in the third quarter of 2008. Phase I involves the extraction and production of natural rutile while phase II involves the production of titanium tetrachloride (a direct feedstock for titanium sponge). The Group expects that the mine will generate revenue in the second half of 2008.

The rutile mine covers an area of two square kilometers with an estimated exploration potential of approximately 1.9 million tonnes. A processing plant with an annual processing capacity of 1.5 million tonnes of ore and a production plant with an annual production capacity of 42,000 tonnes of titanium tetrachloride are under construction. The Group also plans to build a facility to produce titanium sponge from titanium tetrachloride.

In addition, the Company announced on 25 June 2007 that it had entered into an exclusivity agreement to acquire the entire issued share capital of Fullight Investments Limited (“Fullight”) at a price to be negotiated. Fullight owns a natural rutile mine in Hubei Province. The vendor of the deal, based on a PRC geological report, believes that the mine contains not less than 5,000,000 tonnes of natural rutile resources, which will make it one of the largest rutile mines in the PRC.

Should the proposed acquisition materialize, the Group will be able to control approximately 6,900,000 tonnes of natural rutile resources in the PRC which will rank the Group as one of the largest natural rutile resources owners in the PRC. The Company believes that the proposed acquisition will enable it to leverage its existing knowledge and expertise in the rutile and titanium production related businesses to enhance the future performance and investment returns of the Group.

Molybdenum Mining and Processing

The acquisition of a 75.08% equity interest in Harbin Songjiang Copper (Group) Company Limited (“Harbin Songjiang”) was completed on 5 July 2007. The completion of the acquisition provided the Group with an immediate stream of revenue and cash. The molybdenum concentrate production was approximately 2,200 tonnes for the whole year in 2006 and was approximately 1,849 tonnes for the six months ended 30 June 2007. According to quoted market price, the average price of 100% molybdenum metal was US\$70.42

per kg in the first half of 2007 compared to US\$57.83 per kg in 2006. The turnover and net profit attributable to equity owners of Harbin Songjiang in 2006 were RMB 801,518,000 and RMB 328,218,000 respectively.

Harbin Songjiang is principally engaged in the mining and processing of molybdenum, copper and zinc with molybdenum accounting for the majority of its production and earnings. It owns a molybdenum mine in Wudaoling, Heilongjiang Province. As of 31 December 2006, the estimated molybdenum reserve of the mine totaled 62,800 tonnes.

The Company believes that the acquisition of Harbin Songjiang complements its rutile mining business and brings the Group a team of experts in the mining industry which strengthen its operational capabilities and also its decision making for forthcoming potential acquisitions.

Currently the Group has over 3,300 employees in the mining operation.

Umbilical Cord Blood Storage

During the Review Period, the umbilical cord blood storage service business grew as a result of increasing marketing activities. Revenue from the umbilical cord blood storage service amounted to HK\$9,920,000 (1H2006: HK\$8,322,000), an increase of 19%.

Prospects

Looking ahead, Mr. Cai Yuan said, "Demand for natural resources in the world and the prices of metals have been increasing over the past years. Meanwhile, China's economy sustained phenomenal growth. We expect the trend will continue, providing a favorable operating environment for our mining businesses.

China Mining will continue to search for strong mining businesses. We aim to become one of the leading miners in Asia through organic growth as well as mergers and acquisitions and deliver increasing returns to our shareholders."

- End -

Unaudited Consolidated Income Statement for 2007 Interim Results

	Six months ended 30 June	
	2007	2006
	\$'000	\$'000
		(restated)
Continuing operations		
Turnover	9,920	8,322
Cost of sales	(4,441)	(3,774)
Gross profit	5,479	4,548
Other income	7,169	1,084
Selling expenses	(2,188)	(1,566)
Administrative expenses	(14,432)	(9,109)
Loss from operations	(3,972)	(5,043)
Finance costs	(1,025)	(3)
Loss before taxation	(4,997)	(5,046)
Income tax	-	-
Loss for the period from continuing operations	(4,997)	(5,046)
Discontinued operations		
Profit for the period from discontinued operations	-	8,263
(Loss)/profit for the period	(4,997)	3,217
Attributable to:		
Equity shareholders of the Company	(2,598)	3,217
Minority interests	(2,399)	-
(Loss)/profit for the period	(4,997)	3,217
	HK cents	HK cents
(Loss)/earnings per share - basic		
From continuing and discontinued operations	(0.05)	0.13
From continuing operations	(0.05)	(0.20)
From discontinued operations	-	0.33
(Loss)/earnings per share - diluted		
From continuing and discontinued operations	N/A	0.13

From continuing operations	N/A	(0.20)
From discontinued operations	N/A	0.33

About China Mining Resources Group Limited

China Mining Resources Group Limited is principally engaged in mining business including exploration and exploitation of natural rutile, processing and trading of rutile and titanium related products, exploitation and processing of molybdenum, copper and zinc as well as provision of umbilical cord blood storage service. It will continue to pursue any investment opportunities which can enhance the development and growth of business of the Group.

Investor & Media Enquiries :

Mr. Kelvin Wu

China Mining Resources Group Ltd.

Tel : (852) 3187 6003

Fax : (852) 2295 3353

eMail :

kelvin.wu@chinaminingresources.com

Ms. Kylie Yeung

Christensen

Tel: (852) 2232 3983

Fax: (852) 2117 0869

eMail:

kyeung@ChristensenIR.com

Mr. Richard Yeung

China Mining Resources Group Ltd.

Tel : (852) 2295 0822

Fax : (852) 2295 3290

eMail :

richard.yeung@chinaminingresources.com

Mr. David Shiu

Christensen

Tel: (852) 2232 3962

Fax: (852) 2117 0869

eMail: dshiu@ChristensenIR.com