



CHINA GOLDEN DEVELOPMENT HOLDINGS LIMITED

中國金展控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 162)

CHANGE OF AUDITORS

CHANGE OF AUDITORS

The Board announces that Chu & Chu resigned as auditors of the Company on 28 February 2006 and PKF will be appointed as the Company's auditors to fill the casual vacancy arising from the resignation of Chu & Chu upon the approval by shareholders of the Company at the SGM of the Company to be convened for such purpose.

A circular containing details of the proposed change of auditors, together with a notice convening the SGM, will be despatched to shareholders of the Company as soon as practicable.

The board of directors (the "Board") of China Golden Development Holdings Limited (the "Company") announces that Chu & Chu Certified Public Accountants ("Chu & Chu") resigned as auditors of the Company on 28 February 2006 due to the Company's management and Chu & Chu could not come to agreement on the professional fees for (i) review of the interim report of the Company for the period from 1 July 2005 to 31 December 2005; and (ii) the special engagement (including the preparation of the pro forma financial information of the enlarged group, indebtedness statement and working capital comfort letter) relating to the proposed acquisition of Silver Light Group Limited by the Company, details of which are set out in the Company's announcement dated 20 February 2006. Chu & Chu confirmed in its letter of resignation dated 28 February 2006 that there were no circumstances connected with their resignation which they consider should be brought to the attention of the members or creditors of the Company.

The Board also confirms that there is no disagreement between the Company and Chu & Chu and there are no circumstances connected with the change of auditors which it considers should be brought to the attention of the members or creditors of the Company.

PKF Certified Public Accountants ("PKF") will be appointed as the Company's auditors to fill the casual vacancy arising from the resignation of Chu & Chu upon the approval by the shareholders of the Company at the special general meeting of the Company ("SGM") and to hold office until the conclusion of the next annual general meeting. Further announcement will be made upon the appointment of the new auditors of the Company becoming effective.

The Board confirmed that Chu & Chu have not commenced any audit work on the accounts of the Company and its subsidiaries for the year ending 30 June 2006. It is expected that the change of auditors of the Company will not affect the release of the interim results of the Company for the six months ended 31 December 2005.

A circular containing details of the proposed change of auditors, together with a notice convening the SGM, will be despatched to shareholders of the Company as soon as practicable.

By order of the Board
CHINA GOLDEN DEVELOPMENT HOLDINGS LIMITED
Chan Wing Yau, George
Executive Director

Hong Kong SAR, 2 March 2006

As at the date of this announcement, the Board comprises five executive directors, namely Messrs. Wu Yijian, Mo Keung, Chan Wing Yau George, Qin Chuan and Cheng Koon Cheung and three independent non-executive directors namely Messrs. Hu Yangxiong, Chan Wai Kwong, Peter and Kwok Wing Wah.

* *For identification purpose only*

Please also refer to the published version of this announcement in The Standard.