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CHINA NATIONAL RESOURCES DEVELOPMENT HOLDINGS LIMITED

中國資源開發集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00661)

**NEGOTIATION WITH THE GOVERNMENT OF
XINJIANG ILI KAZAKH AUTONOMOUS PREFECTURE
FOR SIGNING OF A STRATEGIC COOPERATION
FRAMEWORK AGREEMENT**

The Board is pleased to announce that the Company is currently in negotiation with the government of Xinjiang Ili Kazakh Autonomous Prefecture for signing of a strategic cooperation framework agreement.

STRATEGIC COOPERATION FRAMEWORK AGREEMENT

The board of directors (the “Board”) of China National Resources Development Holdings Limited (the “Company”) is pleased to announce that the Company is currently in negotiation with the government of Xinjiang Ili Kazakh Autonomous Prefecture for signing of a strategic cooperation framework agreement related to the consolidation and development of the non-ferrous metals resources in the prefecture.

* *for identification purpose only*

The substance of the said strategic cooperation framework agreement, which will be finalized subject to the result of the negotiation between the parties, includes the prioritized promotion of the consolidations of the mining areas in the prefecture, especially for those in Nilka County (尼勒克縣), Kynes County (新源縣), Korgas County (霍城縣), Tokkuztara County (鞏留縣), Monglkvre County (昭蘇縣). In particular, the consolidations will be carried out in five metallogenic belts in such areas, namely: the copper-lead-zinc metallogenic belt in Boluokenu (博羅克努), the iron-copper metallogenic belt in Awulale (阿吾拉勒), the copper-lead-zinc polymetallic metallogenic belt in Wusun Mountain-Yishijilike (烏孫山—伊什基里克), the copper-lead-zinc-muscovite rare metal metallogenic belt in Nalati (那拉提), and the black gold (烏金) non-ferrous metallogenic belt in Haerketa (哈爾克他). In general, the non-ferrous metals mining corporations in the prefecture will be consolidated in accordance with governmental directions and the principle of market-oriented operation.

Details of the consolidation and development plans and the supportive policies in financial, taxation and lands aspects to be promulgated by the government in favour of the Company and its subsidiaries (the “Group”) are still in negotiation. The Group will timely announce the same upon receipt of further information

INFORMATION OF THE GROUP

The Group is principally engaged in natural resources investment and development. It also conducts mining business in Mongolia and Xinjiang.

By Order of the Board of
China National Resources Development Holdings Limited
Zhang He
Director

Hong Kong, 31 July 2009

As at the date of this announcement, the board of directors of the Company comprises Mr. Wan Bi Qi as chairman; Mr. Chen Xiang, Ms. Yuan Ping and Mr. Zhang He as executive directors; and Mr. Wang Qihong, Mr. Wang Guoqi and Mr. Qiu Quan Zhou as independent non-executive directors.