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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)

ANNOUNCEMENT

**SIGNING OF A STRATEGIC COOPERATION
FRAMEWORK AGREEMENT BETWEEN CHINA DAYE
NON-FERROUS METALS MINING LIMITED AND
THE GOVERNMENT OF
XINJIANG ILI KAZAKH AUTONOMOUS PREFECTURE**

China Daye Non-ferrous Metals Mining Limited (hereinafter referred to as the “Company”) is pleased to announce that on 5 August 2009, the Company signed a strategic cooperation framework agreement with the Government of Xinjiang Ili Kazakh Autonomous Prefecture of China (hereinafter referred to as the “Ili Government”) for the joint development of the non-ferrous metals and mineral resources in Xinjiang.

The agreement provides that the parties thereto shall exchange their respective specialized resources in accordance with government directions and market mechanisms, with an aim to expand and strengthen the non-ferrous metals industry in the Ili area by developing and integrating non-ferrous metals enterprises in the area. The project shall involve, in particular, the integration and development of five metallogenic belts, 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 addition, the parties shall actively develop and exploit the non-ferrous metals resources in the neighbouring countries by capitalizing on the location advantage of Ili.

* *for identification purpose only*

The Ili Government shall support the cooperation between the parties by means of administration and policies within its legal authority. Based on the current development and exploitation of non-ferrous metals and mineral resources in the area, the Ili Government shall promote resources integration and assist the Company in better deployment of non-ferrous metals and mineral resources in Ili, in order to ensure the smooth running of the Company's future investment projects in Ili and to maximize the exploitation of resources. Under its legal authority, the Ili Government shall ensure the stability and continuity of the relevant policies for facilitating the Company's future projects, and shall give the Company preferential treatment in finance, taxation and land.

The Company will establish and invest in a branch company with legal person status in Ili for mineral resources exploration and mining. Such developments to be carried out by the Company in Ili will generate tax income for the local government and offer job opportunities for the local labour market.

The Company is of the opinion that entering into the strategic cooperation framework agreement with the Ili Government will secure the steady increment in mineral reserve of the Company, which is of material importance to the sustainable development of the Company. The Company believes that it will generate a considerable economic benefit to our investors in the long term.

By Order of the Board of
CHINA NATIONAL RESOURCES DEVELOPMENT HOLDINGS LIMITED
Zhang He
Director

Hong Kong, 11 August 2009

As at the date of this announcement, the board of directors of the Company comprises Mr. Wan Bi Qi as the 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.