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CHINA ZIRCONIUM LIMITED
中國鋯業有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 0395)

**DISCONTINUATION OF QUARTERLY FINANCIAL RESULTS
REPORTING AND INTERIM AND ANNUAL MD&A**

The Board announces that the Company will discontinue its current voluntary practice of Quarterly Reporting and preparing and filing interim and annual MD&A (in the format as required under the relevant Canadian regulatory requirement), effective immediately. The Company will continue to comply with its disclosure requirements under the Listing Rules by publishing the Group's interim 6-month and annual financial results within the time limits prescribed by the Listing Rules.

The board of directors (the “**Board**”) of China Zirconium Limited (the “**Company**”) announces that the Company will discontinue its current voluntary practice of preparing and filing quarterly financial results for the first and third quarters of each financial year (“**Quarterly Reporting**”) and preparing and filing interim and annual Management's Discussion & Analysis (“**MD&A**”, in the format as required under the relevant Canadian regulatory requirement) for the Company and its subsidiaries (the “**Group**”), effective immediately.

As the Company is a “designated foreign issuer” pursuant to National Instrument 71-102 in Canada, Quarterly Reporting and preparing and filing interim and annual MD&A are not required if the Company complies with its foreign disclosure requirements relating to interim financial statements and MD&A. The Company will continue to comply with its disclosure requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) by filing the Group's interim 6-month and annual financial results within the time limits prescribed by the Listing Rules. However, the Company will no longer prepare and file interim and annual MD&A as they are not required under the Listing Rules.

The Company's voluntary practice of Quarterly Reporting has incurred considerable expenses and costs, particularly with respect to administrative expenses and publishing costs. This voluntary practice has also significantly increased the administrative workload of the Company's management team. The Board is of the view that considerable savings on costs and related administrative expenses can be achieved by discontinuing Quarterly Reporting and preparing and filing interim and annual MD&A, which will allow the Company's management team to reduce its workload and concentrate more on the Company's principal business operations.

After due and careful consideration, the Board believes that discontinuing Quarterly Reporting and preparing and filing interim and annual MD&A will not compromise the interests of the Company's shareholders and investors. The Company will continuously comply with its disclosure requirements under the Listing Rules, by publishing the Group's financial information in a timely, transparent manner to enable its shareholders and investors to make an informed decision about the Company and its shares.

By order of the Board

Yang Xin Min

Chairman

Hong Kong, 10 November 2009

As at the date of this announcement, the Board comprises Mr. Yang Xin Min, Ms. Huang Yue Qin, Mr. Zhou Quan, Mr. Li Fu Ping as executive directors, and Mr. Cheng Faat Ting Gary, Mr. Carl F. Steiss and Mr. Victor Tong as independent non-executive directors.

** for identification purposes only*