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中國鎂業資源集團有限公司*
MAGNESIUM RESOURCES CORPORATION OF CHINA LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 723)

DELAY IN DESPATCH OF CIRCULAR

The Company has applied to the Securities and Futures Commission and the Stock Exchange for a waiver from strict compliance with Rule 8.2 of the Takeovers Code and Rules 14.38, 14.48 and 14A.49 of the Listing Rules respectively, such that the date for despatch of the Circular to the Shareholders be postponed to a date not later than 30 November 2008.

Reference is made to the announcement dated 2 September 2008 made by the Company in relation to, among other things, a proposed very substantial disposal and connected transaction (the “Announcement”). Capitalised terms used herein have the meanings ascribed thereto in the Announcement. Pursuant to Rule 8.2 of the Takeovers Code and Rules 14.38, 14.48 and 14A.49 of the Listing Rules, the Company is required to despatch a circular (the “Circular”) to its shareholders within 21 days after publication of the Announcement, which falls on 23 September 2008. However, as additional time is needed for the preparation of a valuation report in respect of the Magnesite Mine, and certain financial information including the accountants’ report of the Group, statement of indebtedness and working capital statement for inclusion in the Circular, the Company has applied to the Securities and Futures Commission and the Stock Exchange for a waiver from strict compliance with Rule 8.2 of the Takeovers Code and Rules 14.38, 14.48 and 14A.49 of the Listing Rules respectively, for an extension of the deadline for despatch of the Circular to 30 November 2008.

By order of the Board
Magnesium Resources Corporation of China Limited
Teoh Tean Chai, Anthony
Executive Director

Hong Kong, 23 September 2008

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Teoh Tean Chai, Anthony

Ms. Chung Oi Ling, Stella

Independent non-executive Directors:

Mr. Lo Chi Ho, William

Mr. Chu Kin Wang, Peleus

Ms. Lau Wa Chun

The Directors of the Company jointly and severally accept responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinion expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement herein misleading.

* For identification purpose only