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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)

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board announces the appointment of VC Capital as the independent financial adviser to the Independent Board Committee in respect of the Agreement, including the Disposal and the Securities Repurchase. The appointment of VC Capital as the independent financial adviser has been approved by the Independent Board Committee.

References are made to the announcement (the “**Announcement**”) dated 2 September 2008 issued by Magnesium Resources Corporation of China Limited (the “**Company**”) in relation to, among other things, the Disposal. Unless otherwise defined, terms used herein shall have the same meaning as those defined in the Announcement.

The Board announces the appointment of VC Capital Limited (“**VC Capital**”) as the independent financial adviser to the Independent Board Committee in respect of the Agreement, including the Disposal and the Securities Repurchase. The appointment of VC Capital as the independent financial adviser has been approved by the Independent Board Committee.

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

Hong Kong, 9 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*