

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Metal Resources Utilization Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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China Metal Resources Utilization Limited

中國金屬資源利用有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1636)

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China Metal Resources Utilization Limited to be held at Kennedy Room, Level 7, Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong on 6 June 2018 at 11:00 a.m. is set out on pages 15 to 18 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.cmru.com.cn) respectively.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M, Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

27 April 2018

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	an annual general meeting of the Company to be held at Kennedy Room, Level 7, Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong on 6 June 2018 at 11: 00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 18 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“Company”	China Metal Resources Utilization Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“Latest Practicable Date”	19 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Date”	21 February 2014, on which dealings in the Shares first commenced on the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China and for the sole purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Repurchase Mandate”	as defined in paragraph 2(a) of the Letter from the Board;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission in Hong Kong as amended from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



China Metal Resources Utilization Limited

中國金屬資源利用有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1636)

Executive Directors:

Mr. Yu Jianqiu
Mr. Kwong Wai Sun Wilson
Mr. Huang Weiping
Ms. Zhu Yufen

Registered Office:

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Independent Non-executive Directors:

Mr. Lee Ting Bun Denny
Mr. Pan Liansheng
Ms. Ren Ruxian

Head office in the PRC:

She Nos 1, 3 and 8
Shunhe Village
Xiaojiangou Town
Youxian District
Mianyang
Sichuan Province
China

Place of business in Hong Kong:

Unit 02-03, 44/F., Cosco Tower
183 Queen's Road Central
Sheung Wan
Hong Kong

27 April 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in

LETTER FROM THE BOARD

this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the nominal amount of the issued Shares repurchased by the Company under the Repurchase Mandate; and (iv) the re-election of the retiring Directors.

2. PROPOSED GRANTING OF THE REPURCHASE AND ISSUANCE MANDATES

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to repurchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, of an aggregate nominal amount not exceeding 10% of the total nominal amount of the Company's issued share capital as at the date of passing of such resolution (i.e. an aggregate nominal amount of the Shares not exceeding HK\$24,669,009 (equivalent to 246,690,096 Shares) on the basis that the existing issued share capital of the Company of 2,466,900,969 Shares remains unchanged as at the date of the Annual General Meeting) (the "**Repurchase Mandate**");
- (b) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the Company's issued share capital as at the date of passing of such resolution (i.e. an aggregate nominal amount of the Shares not exceeding HK\$49,338,019 (equivalent to 493,380,193 Shares) on the basis that the existing issued share capital of the Company of 2,466,900,969 Shares remains unchanged as at the date of the Annual General Meeting) (the "**Issuance Mandate**"); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 7 and 8 of the notice of the Annual General Meeting as set out on pages 15 to 18 of this circular.

LETTER FROM THE BOARD

In accordance with the requirements of the Listing Rules, the Company shall send to Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with the Articles of Association, three of the existing Directors, namely, Mr. Kwong Wai Sun Wilson, Mr. Lee Ting Bun Denny, Ms. Ren Ruxian shall retire at the Annual General Meeting. All the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its Shareholders of the relevant general meeting, if such re-election or appointment is subject to Shareholders' approval at that relevant general meeting. The requisite details of the above three retiring Directors are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 18 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the nominal amount of Shares repurchased pursuant to the Repurchase Mandate and the re-election of the retiring Directors.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the Annual General Meeting. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cmru.com.cn). Whether or not you are able to attend the Annual General Meeting, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish and in such event, the proxy form shall be deemed to be revoked.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting and extension of the Issuance Mandate and the re-election of the retiring Directors are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

6. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I — Explanatory Statement on the Repurchase Mandate and Appendix II — Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting.

Yours faithfully,
By order of the Board
China Metal Resources Utilization Limited
Mr. Yu Jianqiu
Chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,466,900,969 Shares.

Subject to the passing of the ordinary resolution set out in item 7 of the notice of the Annual General Meeting in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the Annual General Meeting, i.e. being 2,466,900,969 Shares, the Directors would be authorised under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, Shares of an aggregate nominal amount not exceeding HK\$24,669,009 (equivalent to 246,690,096 Shares), representing 10% of the aggregate nominal amount of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded by the Company's internal resources, which shall be funds legally available for such purposes in accordance with the Company's Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, any repurchases by the Company may be made out of the Company's funds which would otherwise be available for dividend or distribution or out of the proceeds of a new issue of Shares made for the purpose of the repurchase. Any amount of premium payable on the purchase over the par value of the Shares to be repurchased must be out of the funds which would otherwise be available for dividend or distribution or from sums standing to the credit of the Company's share premium account.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2017) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time befitting the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. Yu Jianqiu, the Chairman of the Board, and parties acting in concert with him were interested in 1,037,354,400 Shares, representing approximately 42.05% of the total issued share capital of the Company. On the basis that (i) the issued share capital of the Company (being 2,466,900,969 Shares) remains unchanged as at the date of the Annual General Meeting and (ii) the shareholding of Mr. Yu Jianqiu and parties acting in concert with him in the Company (being 1,037,354,400 Shares) remains unchanged immediately after the full exercise of the Repurchase Mandate, in the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the shareholding interest of Mr. Yu Jianqiu and parties acting in concert with him would, based on their current shareholding, be increased to approximately 46.72% of the total issued share capital of the Company. The Directors are not aware of any consequences of such repurchases of shares which would result in any shareholder, or group of shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code, except Mr. Yu Jianqiu and parties acting in concert with him may be required to make a general offer under Rule 26 of the Takeovers Code if the Repurchase Mandate were exercised in full and the percentage interests of Mr. Yu Jianqiu and parties acting in concert with him are increased by more than 2% over a 12-month period.

The Directors have no present intention to exercise the Repurchase Mandate to such an extent would give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares in the hands of the public shareholders falling below the prescribed minimum percentage of 25% required by the Listing Rules.

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected person (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make any repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the previous twelve months to the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
2017		
April	3.12	2.96
May	3.15	2.94
June	3.05	2.90
July	3.02	2.90
August	3.15	2.96
September	3.20	2.97
October	3.15	2.99
November	3.14	2.98
December	4.83	2.99
2018		
January	5.26	4.67
February	5.36	4.73
March	5.40	5.00
April (up to the Latest Practicable Date)	5.29	5.00

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Share has been made by the Company during the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

APPENDIX II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting according to the Articles of Association, are provided below.

(1) Mr. Kwong Wai Sun Wilson

Position & experience

Mr. Kwong Wai Sun, Wilson (鄺偉信), age 52, is an executive director of the Company. He is in charge of the corporate and strategic development of the Company. Mr. Kwong is also a director of our subsidiaries: Engen Investments Limited, Fanmay, True Excel Holdings Limited, Alpha Legend Holdings Limited, Alpha Business Investments Limited, Alpha Universe Group Limited and Recycling Aluminium, and a director of our associates companies: Deda Holdings Limited and Hongkong Fujian Investments Limited. Mr. Kwong was the President of Gushan Environmental Energy Limited (“Gushan”). He is also an independent non-executive director of C.banner International Holdings Limited, the principal business of which is the manufacture and sale of branded fashion footwear, since 26 August 2011, China Outfitters Holdings Limited, the principal business of which is the design, manufacture, marketing and sale of apparel products and accessories in China with a focus on menswear, since 8 June 2011, and Shunfeng International Clean Energy Limited, the principal business of which is the manufacture and sale of solar wafers, solar cells, solar modules and related products as well as developing and operating solar power plants, since 16 July 2014, and China New Higher Education Group Limited, the principal business of which is the rendering of education services, since 20 March 2017, which are listed on the Stock Exchange since 23 September 2011, 9 December 2011, 13 July 2011 and 19 April 2017, respectively. Mr. Kwong has over 10 years of experience in corporate finance and equity capital markets in Asia, having previously worked at a number of investment banks in Hong Kong. Prior to joining Gushan in 2006, he was the managing director of investment banking and he held the position as the head of Hong Kong and China equity capital markets at CLSA Equity Capital Markets Limited since March 2004. From 2002 to 2003, Mr. Kwong was a director and the head of equity capital markets for Cazenove Asia Limited, an investment bank. After graduating from University of Cambridge, England with a bachelor’s degree in Arts in 1987, he qualified as a chartered accountant in the United Kingdom in 1990. Mr. Kwong is currently an associate member of the Institute of Chartered Accountant in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr. Kwong was appointed as an executive director of the Company on 16 August 2013.

Save as disclosed above, Mr. Kwong has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the service contract entered into between the Company and Mr. Kwong, his term of office is 2 years, commencing from the Listing Date and shall continue unless terminated in accordance with the terms and condition specified therein. He is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Kwong held 3,272,600 Shares of the Company, representing approximately 0.13% of the issued share capital of the Company, and Share Options entitling Mr. Kwong to subscribe for 5,000,000 Shares, representing approximately 0.20% of the issued share capital of the Company. Save as disclosed above, Mr. Kwong was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Kwong does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the service contract entered into between Mr. Kwong and the Company, Mr. Kwong is entitled to receive a fee of HK\$1,794,000 per annum payable on a 12-month basis, together with a discretionary bonus at such time as the Board may determine. Mr. Kwong is also eligible to participate in the share option scheme of the Company. The emoluments of Mr. Kwong are determined by the Board with reference to his duties and responsibilities with the Company and the Company's remuneration policy and are subject to review by the Board from time to time.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, save as disclosed, there is no other information of Mr. Kwong to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Kwong that need to be brought to the attention of the Shareholders.

APPENDIX II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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(2) Mr. Lee Ting Bun Denny

Position & experience

Mr. Lee Ting Bun Denny (李廷斌), age 50, is an independent non-executive director of the Company. He was an independent director of Gushan. He was the chief financial officer of NetEase.com, Inc., one of the China's leading internet and online game service providers from 2002 to 2007. Prior to joining NetEase.com, Inc., Mr. Lee worked in the Hong Kong office of KPMG for more than ten years specializing in auditing international clients. Mr. Lee currently serves as a director on the board of NetEase.com, Inc., which is listed on the NASDAQ Global Select Market. He also serves as an independent non-executive director of New Oriental Education & Technology Group Inc., the provider of private educational services in China, and Concord Medical Services Holdings Ltd., the principal business of which is the operation of a network of radiotherapy and diagnostic imaging centers in China, both of which are listed on the New York Stock Exchange. Mr. Lee was also an independent non-executive director and the chairman of the audit committee of Qunar Cayman Islands Limited, a Chinese search-based online travel company, which is listed on NASDAQ Global Market, between June 2012 and January 2016. Mr. Lee graduated from Hong Kong Polytechnic University and was awarded the Professional Diploma in Accounting in November 1990. He is a fellow of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Lee was appointed as an independent non-executive director of the Company on 16 August 2013.

Save as disclosed above, Mr. Lee has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the letter of appointment entered into between the Company and Mr. Lee, his term of office is 2 years from 22 February 2018. He is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Lee held Share Options entitling Mr. Lee to subscribe for 1,000,000 Shares, representing approximately 0.04% of the issued share capital of the Company. Save as disclosed above, Mr. Lee was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

APPENDIX II	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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Relationships

As far as the Directors are aware, Mr. Lee does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the letter of appointment entered into between Mr. Lee and the Company, Mr. Lee is entitled to receive a fee of HK\$200,000 per annum, payable on a half-yearly basis. Mr. Lee is also eligible to participate in the share option scheme of the Company. The emoluments of Mr. Lee are determined by the Board with reference to his duties and responsibilities with the Company and the Company's remuneration policy and are subject to review by the Board from time to time.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, save as disclosed, there is no other information of Mr. Lee to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Lee that need to be brought to the attention of the Shareholders.

(3) Ms. Ren Ruxian

Position & experience

Ms. Ren Ruxian (任汝嫻), age 42, is an independent non-executive director of the Company. Ms. Ren is currently the chief financial officer of a technology company focused on early-childhood education in China. Ms. Ren has over 16 years working experience in finance management and financial reporting, including in 2 international audit professional firms and in the internet industry, during which she acted as the acting chief financial officer of Changyou.com Limited, a NASDAQ listed company, in 2014. Ms. Ren was awarded a Master in Economics and Bachelor in Economics from the Finance School of Renmin University in 2001 and 1998, respectively. Ms. Ren is currently a member of each of The Chinese Institute of Certified Public Accountants and The Institute of Certified Management Accountants. Ms. Ren was appointed as an independent non-executive director of the Company on 30 November 2015.

Save as disclosed above, Ms. Ren has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the letter of appointment entered into between the Company and Ms. Ren, her term of office is 2 years from 30 November 2017. She is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Ren held Share Options entitling Mr. Ren to subscribe for 1,000,000 Shares, representing approximately 0.04% of the issued share capital of the Company. Save as disclosed above, Ms. Ren was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Ms. Ren does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the letter of appointment entered into between Ms. Ren and the Company, Ms. Ren is entitled to receive a fee of HK\$200,000 per annum, payable on a half-yearly basis. Ms. Ren is also eligible to participate in the share option scheme of the Company. The emoluments of Ms. Ren are determined by the Board with reference to her duties and responsibilities with the Company and the Company's remuneration policy and are subject to review by the Board from time to time.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, save as disclosed, there is no other information of Ms. Ren to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. Ren that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING

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China Metal Resources Utilization Limited

中國金屬資源利用有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1636)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of China Metal Resources Utilization Limited (the “**Company**”) will be held at Kennedy Room, Level 7, Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong on 6 June 2018 at 11:00 a.m. for the following purposes:

1. To consider and approve the audited consolidated financial statements of the Company and the reports of the directors and the independent auditor for the year ended 31 December 2017;
2. To re-elect Mr. Kwong Wai Sun Wilson as an executive director of the Company;
3. To re-elect Mr. Lee Ting Bun Denny as an independent non-executive director of the Company;
4. To re-elect Ms. Ren Ruxian as an independent non-executive director of the Company;
5. To authorise the board of directors of the Company to fix the respective directors’ remuneration;
6. To re-appoint KPMG as auditor of the Company and to authorise the board of directors of the Company to fix auditors’ remuneration;

NOTICE OF THE ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the relevant Period (as defined below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, **“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held.”;

8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF THE ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of the outstanding conversion rights attaching to any convertible bonds or securities issued by the Company, which are convertible into shares of the Company;
 - (iii) the exercise of options under a share option scheme of the Company;
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and

“**Rights Issue**” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”; and

NOTICE OF THE ANNUAL GENERAL MEETING

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 7 and 8 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 8 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 7 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”.

By order of the Board
China Metal Resources Utilization Limited
Mr. YU Jianqiu
Chairman

Hong Kong, 27 April 2018

Notes:

- (a) Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (b) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (c) For determining the entitlement to attend and vote at the above meeting, the register of members of the Company will be closed from 1 June 2018 to 6 June 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of shares of the Company should ensure that all share transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17 Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on 31 May 2018.

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Yu Jianqiu (Chairman), Mr. Kwong Wai Sun Wilson, Mr. Huang Weiping and Ms. Zhu Yufen; and three independent non-executive directors, namely, Mr. Lee Ting Bun Denny, Mr. Pan Liansheng and Ms. Ren Ruxian.