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CNNC INTERNATIONAL LIMITED

中核國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

ANNOUNCEMENT

UPDATE ON SUSPENSION OF URANIUM EXPLORATION LICENSES

Reference is made to the announcements of the Company dated 27 July 2009 and 21 August 2009 respectively in relation to the suspension of all the uranium exploration licenses held by the Subsidiaries.

The Board would like to provide further updates in relation to the suspension.

Reference is made to the announcements of CNNC International Limited (the “**Company**”) dated 27 July 2009 and 21 August 2009 (the “**Announcements**”) in relation to the suspension of all uranium exploration licences held by the subsidiaries (the “**Subsidiaries**”) of the Company, by the Mineral Resources Authority of Mongolia (the “**MRAM**”). The board of directors (the “**Board**”) of the Company would like to provide further updates in relation to the suspension. Terms used in this announcement shall have the same meanings as those defined in the Announcements unless the context otherwise defined.

As mentioned in page 19 of the circular of the Company dated 30 June 2009, the Mongolian Parliament has been considering various amendments to the 2006 Minerals Law of Mongolia, amongst such amendments, it was proposed that the People of Mongolia (the “**State**”) can acquire equity interest in (1) a company that is developing a mineral deposit explored and defined using private funds; or (2) a company that is developing a mineral deposit explored and defined using State funds, be changed from “up to 34% or 50%” to “at least 34% or 50%”.

On 15 August 2009, both the Mongolian’s Law on Nuclear Energy and Mongolia’s Law on implementing procedures of the Law on Nuclear Energy (collectively, the “**New Laws**”) have come into force. Under the New Laws, the State has the right to take ownership without payment of (i) not less than 51% of the shares of a joint venture company if State funding was used to determine resources during exploration, or (ii) not less than 34% if State funding was not used to determine the resource during exploration. Further, amongst other things, the New Laws require re-registration of all existing licenses for radioactive minerals on or before 15 November 2009 and license holders are required to meet the conditions set by the Nuclear Energy Law. One of such conditions is to give consent to the State to own a minimum of 34%

* *For identification purpose only*

or 51% of the shares of the license holders for no consideration. Under the New Laws, any radioactive minerals licence that is not submitted for re-registration shall be revoked automatically. All the exploration licences held by the Subsidiaries (namely, licences nos. 4969X, 7685X, 4846X, 4970X, 4974X, 6995X, 7023X, 7405X, 9283X, 9353X and 9363X) suspended by MRAM are for radioactive minerals.

The Board would like to inform the shareholders and potential investors that pursuant to the New Laws, the Subsidiaries have consulted the relevant Mongolian authorities for the necessary information and supporting documents required for the re-registration and have submitted the applications for re-registration along with all supporting documents on 13 November 2009. There is no time limit by which the Nuclear Energy Agency of Mongolia shall complete review and approval of the re-registration under the New Laws.

The Board will issue further announcements if there are any material developments in the above matter in due course.

By order of the board of directors
CNNC International Limited
中核國際有限公司*
Li Philip Sau Yan
Company Secretary

Hong Kong, 13 November 2009

As of the date of this announcement, the board of directors of the Company comprises non-executive director and chairman, namely, Mr. Qiu Jiangang, executive directors, namely, Mr. Han Ruiping and Mr. Xu Hongchao, non-executive director, namely, Mr. Huang Mingang and independent non-executive directors, namely, Mr. Cheong Ying Chew Henry, Mr. Cui Ligu and Mr. Zhang Lei.