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罕王
HANKING

CHINA HANKING HOLDINGS LIMITED

中國罕王控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 03788)

PROFIT WARNING

This announcement is made by China Hanking Holdings Limited (the “**Company**” or “**Hanking**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Based on the unaudited consolidated financial statements of the Company, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Company is expected to record a substantial decrease in the profit for the six months ended 30 June 2014 as compared with the profit for the six months ended 30 June 2013. Such decrease in profit is mainly attributable to a decrease of approximately 11% in the average selling price of iron ore concentrates for the six months ended 30 June 2014 as compared with that of the corresponding period of 2013 and an increase in selling cost of iron ore concentrates. Such adverse effects outweighed the positive outcome brought from a substantial increase of approximately 21% in the sales of the iron ore concentrates of the Group.

The Board expects that the increased production capacity of the iron ore business of the Company will be further released in the second half of 2014, which may result in a substantial growth in the output and sales volume of iron ore concentrates as compared with that of the first half of the year. The Company will also further enhance its capability to offset the price fluctuation in the iron ore market through implementation of large-scale operations and more effective management to cut costs and reduce expenditures. In addition, Hanking Gold Mining Pty Ltd, a wholly-owned subsidiary of Hanking Australia Pty Ltd (a wholly-owned subsidiary of the Company), has recently completed a feasibility study on production planning for the Phase One of the Group’s Southern Cross Operation

Gold Project in Western Australia and it is expected that production will commence in August 2014. The Board believes that the commencement of production of the gold project will help Hanking to reduce risks associated with the market fluctuation of single mineral.

The information contained in this announcement is only based on the preliminary assessment by the Board in accordance with the unaudited management accounts of the Group for the six months ended 30 June 2014, and is not based on any figures or information which have been audited or reviewed by the Company's auditors and may be subject to possible adjustments. The interim results announcement of the Company for the six months ended 30 June 2014 is expected to be announced in August 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Hanking Holdings Limited
Yang Min
Chairlady and non-executive director

Shenyang, the PRC, 28 July 2014

As at the date of this announcement, the executive directors of the Company are Mr. Pan Guocheng, Mr. Zheng Xuezhi, Mr. Xia Zhuo and Mr. Qiu Yumin; the non-executive directors of the Company are Ms. Yang Min, Mr. Yang Jiye, Mr. Lan Fusheng and Mr. Kenneth Jue Lee; and the independent non-executive directors of the Company are Mr. Chen Yuchuan, Mr. Wang Ping, Mr. Johnson Chi-King Fu and Mr. Wang Anjian.