

Excess application
form no.

IMPORTANT

IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THIS FORM OF APPLICATION FOR EXCESS RIGHTS SHARES OR AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER OR OTHER LICENSED DEALER IN SECURITIES, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

THIS FORM OF APPLICATION FOR EXCESS RIGHTS SHARES ("EAF") IS VALUABLE BUT IS NOT TRANSFERABLE AND IS FOR THE USE ONLY BY THE QUALIFYING SHAREHOLDER(S) NAMED BELOW WHO WISH(ES) TO APPLY FOR EXCESS RIGHTS SHARES IN ADDITION TO THOSE ENTITLED BY HIM/HER/IT/THEM UNDER THE RIGHTS ISSUE. APPLICATIONS MUST BE RECEIVED BY NO LATER THAN 4:00 P.M. ON THURSDAY, 30 JULY 2015.

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Terms defined in the prospectus issued by China Rare Earth Holdings Limited dated 16 July 2015 (the "Prospectus") have the same meanings herein unless the context requires otherwise.

A copy of this EAF, together with a copy of the Prospectus and the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix III to the Prospectus, has been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Securities and Futures Commission of Hong Kong and The Registrar of Companies in Hong Kong takes no responsibility as to the contents of any of these documents.

Dealings in the Shares, the Rights Shares in their nil-paid form and full-paid form may be settled through CCASS and you should consult your stockbroker or other licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

Registrar:
**Computershare Hong Kong
Investor Services Limited**
Shops 1712-1716,
17/F, Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong



中國稀土控股有限公司
China Rare Earth Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 769)

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

Principal place of business
in Hong Kong:
15/F, Club Lusitano,
16 Ice House Street, Central
Hong Kong

**RIGHTS ISSUE OF 669,057,222 RIGHTS SHARES AT THE SUBSCRIPTION PRICE OF HK\$0.60 EACH ON
THE BASIS OF TWO RIGHTS SHARES FOR EVERY FIVE EXISTING SHARES
HELD ON THE RECORD DATE
PAYABLE IN FULL ON ACCEPTANCE BY NO LATER THAN 4:00 P.M. ON THURSDAY, 30 JULY 2015
FORM OF APPLICATION FOR EXCESS RIGHTS SHARES**

Name(s) and address of the Qualifying Shareholder(s)

16 July 2015

Application can only be made by the registered
Qualifying Shareholder(s) named here.

To: The Directors,
China Rare Earth Holdings Limited

Dear Sirs and Madams,

I/We, being the Qualifying Shareholder(s) named above, hereby irrevocably apply for _____ excess Rights Share(s) at the subscription price of HK\$0.60 per Rights Share, in respect of which I/we enclose a separate remittance by cheque or banker's cashier order in favour of "**CHINA RARE EARTH HOLDINGS LIMITED – EXCESS APPLICATION ACCOUNT**" and crossed "**ACCOUNT PAYEE ONLY**" issued for HK\$ _____ being the payment in full on application for the above number of excess Rights Shares.

I/We hereby request you to allocate such excess Rights Shares applied for, or any lesser number, to me/us and to send by ordinary post at my/our risk to the address shown above my/our share certificates for the number of excess Rights Shares as may be allocated to me/us in respect of this application and/or a cheque for any application monies returnable to me/us. I/We understand that allocations in respect of this application shall be at the sole discretion of the Directors on a fair and equitable basis. I/We acknowledge that I am/we are not guaranteed to be allocated any of the excess Rights Shares applied for.

I/We hereby undertake to accept such number of excess Rights Shares as may be allocated to me/us as aforesaid upon the terms set out in the Prospectus and subject to the articles of association of the Company. In respect of any excess Rights Shares allocated to me/us, I/we authorise you to place my/our name(s) on the register of members of the Company as the holder(s) of such excess Rights Shares.

(1) _____ (2) _____ (3) _____ (4) _____

Signature(s) of applicant(s) (all joint applicants must sign)

Date: _____

Contact Tel No. _____

This EAF should be completed and lodged, together with payment of HK\$0.60 per Rights Share for the number of excess Rights Shares applied for by a cheque or banker's cashier order, with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, so as to be received by no later than 4:00 p.m. on Thursday, 30 July 2015. All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**CHINA RARE EARTH HOLDINGS LIMITED – EXCESS APPLICATION ACCOUNT**" and crossed "**ACCOUNT PAYEE ONLY**".

All cheques and banker's cashier orders will be presented for payment following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of this EAF together with a cheque or banker's cashier order in payment for the excess Rights Shares which are the subject of this form will constitute a warranty by the applicant(s) that the cheques or banker's cashier orders will be honoured on first presentation. Without prejudice to any other rights of the Company, if the cheque or banker's cashier order is not honoured on first presentation, this EAF is liable to be rejected.

This EAF and all applications pursuant to it shall be governed by and construed in accordance with the laws of Hong Kong.

The Prospectus Documents have not been and will not be registered and/or filed under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong. No action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents or any other any documents issued in connection with the Rights Issue in any jurisdiction other than Hong Kong. No person receiving the Prospectus, and/or the PAL or EAF, in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to take up the Rights Shares or the excess Rights Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements. It is the responsibility of any persons (including but without limitation to nominee, agent and trustee) outside Hong Kong wishing to take up or make an application for the Rights Shares to satisfy themselves, as to the observance of the laws and regulations of all relevant jurisdictions, including obtaining of any governmental or other consents, and to pay any taxes and duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. The Company reserves the right to refuse to accept any application for excess Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. Completion and return of this EAF will constitute a representation and warranty by the applicant to the Company that these local laws and requirements of all relevant jurisdictions have been fully complied with.

You will be notified of any allocation of excess Rights Shares made to you. If no excess Rights Shares are allocated to you, it is expected that the amount tendered on application will be refunded to you in full without interest by means of a cheque despatched by ordinary post to you by no later than Friday, 7 August 2015, at your own risk. If the number of excess Rights Shares allocated to you is less than that applied for, it is expected that the surplus application monies will also be refunded to you by means of a cheque despatched by ordinary post to you, without interest, by no later than Friday, 7 August 2015, at your own risk. Any such cheque will be drawn in favour of the applicant(s) named on this form.

It is expected that share certificate(s) in respect of the Rights Shares will be posted by ordinary post at your own risk on or before Friday, 7 August 2015. You will receive one share certificate for all the fully-paid Rights Shares allocated to you.

All documents, including cheques for amounts due, will be sent by ordinary post at the risk of the relevant applicants or other persons entitled thereto to their registered addresses.

By completing, signing and submitting this EAF, you agree to disclose to the Company and/or the Registrar and their respective advisers and agents personal data and any information which they require about you or the person(s) for whose benefit you have made the application for excess Rights Shares. The Personal Data (Privacy) Ordinance provides the holders of securities with rights to ascertain whether the Company or the Registrar holds their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. In accordance with the Personal Data (Privacy) Ordinance, the Company and the Registrar have the right to charge a reasonable fee for the processing of any data access request. All requests for access to data or correction of data or for information regarding policies and practices and the kinds of data held should be addressed to the Company, at the Registrar's office at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or as notified from time to time in accordance with applicable law, for the attention of the Company Secretary or (as the case may be) the Registrar.

**A SEPARATE CHEQUE OR BANKER'S CASHIER ORDER MUST ACCOMPANY EACH APPLICATION.
NO RECEIPT WILL BE GIVEN.**