



CHINA RARE EARTH HOLDINGS LIMITED

中國 稀 土 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

RESIGNATION OF DIRECTOR

The board of directors (the "Board") of China Rare Earth Holdings Limited (the "Company") announces that Mr. Ying Yuming has resigned as the executive director of the Company with effect from 29 April 2003.

The Board further announces that Mr. Ying has been appointed as the chief investment officer of Xinwei Group Limited with effect from 29 April 2003. Xinwei Group Limited is the holder of 5% equity interest in Yixing Xinwei Leeshing Rare Earth Company Limited, a 95% subsidiary of the Company. Mr. Ying will be responsible for overseeing the investment and corporate development of Xinwei Group Limited.

The Board wishes to express its appreciation to Mr. Ying for his dedication and contribution to the Company during his tenure.

On behalf of the board of directors
JIANG Quanlong
Chairman

Hong Kong, 29 April 2003