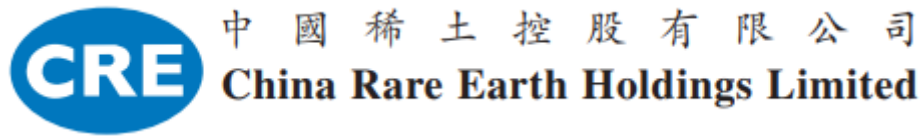




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[For Immediate Release]



China Rare Earth and Mitsubishi High Ceram Cooperation in Manufacturing of High-quality Refractory Materials

(Hong Kong, 25 September 2019) – **China Rare Earth Holdings Limited** ("CRE" or the "**Group**", stock code: 0769), the leading manufacturer of rare earth and refractory products listed in Hong Kong, announced it has signed a technology and business cooperation agreement with Mitsubishi High Ceram Co., Ltd. ("Mitsubishi") for an initial term of three-year period.

Such close cooperation is in the field of refractory materials applying in the foundry industry and it will improve the production technology and quality of CRE's products and further consolidate the Group's leading position in the industry.

Both parties are cooperating mainly in the production of high-quality monolithic refractory materials and prefabricated parts. The total investment responsible by the Group is approximately RMB 35 million and it is expected to be ready for operate in November this year. The production line will be operated with highly automation and greatly reducing manpower and standardizing the production process. It requires only 4 to 5 employees to operate. The Group estimates that the production line will contribute approximately RMB 50 million to RMB 60 million in sales within the initial 12-month period. The products will mainly be exported while some will be sold in China.

As part of the agreement, Mitsubishi will dispatch professional engineers to assist in supervising the construction of new equipment, upgrading of existing equipment, assisting in the improvement of production process after the equipment is put into operation and providing technical guidance.

Ms. Qian Yuanying, Chairman of CRE said, “CRE is one of the leading manufacturers of rare earth and refractory products, and Mitsuishi is a company with 130-year of experience in development and production of refractory products. With quality construction and after-sales service, Mitsuishi has gained customers’ trust and earned a strong reputation in Japan. I believe that such cooperation will enhance the Group’s refractory products in production technology and quality, which will move the Group above its peers and create synergy, boosting revenue for the Group.”

At the signing ceremony, Mr. Zhou Bin, deputy mayor of Yixing Municipal People's Government attended the ceremony and it demonstrated the government's support for the cooperation between the two parties. Mr. Jiang Quanlong, the founder of CRE, Ms. Qian Yuanying, the Chairman of CRE and Mr. Ichiro Maki, the President of Mitsuishi attended the ceremony and representing both sides in presenting and signing the cooperation agreement.

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About China Rare Earth Holdings Limited (Stock Code: 769)

Listed on The Stock Exchange of Hong Kong Limited in October 1999, China Rare Earth is engaged in the manufacture and sales of quality rare earth and refractory products. Rare earth products are widely applied in traditional industries including steel, metallurgy, construction glass, and petrochemical, and high-tech industries such as electronics, communications, aerospace and medical equipment. Refractory products are used extensively in industrial refractory facilities for petrochemical, metallurgy, non-ferrous metallurgy, construction glass, chemical fertilizers, ceramics and power industries, etc.

For more information, please visit the company's web site at <http://www.creh.com.hk>.

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