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**China Gamma Group Limited**  
**中國伽瑪集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 164)**

**FURTHER DELAY IN DESPATCH OF CIRCULAR  
RELATING TO MAJOR TRANSACTION IN RELATION TO  
ACQUISITION OF CONTROLLING STAKE IN RARE EARTH  
REFINERY AND PROCESSING BUSINESS**

<p>As additional time is required for finalizing the information to be included in the Circular, the despatch date of the Circular is expected to be further postponed from 29 July 2011 to a date on or before 31 August 2011.</p>
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Reference is made to the announcements of China Gamma Group Limited (the “Company”) dated 11 May 2011 and 30 June 2011 (the “Announcements”) in relation to the Acquisition. Capitalised terms used herein shall have the same meaning as those defined in the Announcements unless defined otherwise.

As stated in the Company’s announcement dated 30 June 2011, a circular (the “Circular”) containing, among other things, (i) further details of the Sale and Purchase Agreement; (ii) the financial information on the Target Group; (iii) the unaudited pro-forma financial information on the Group as enlarged by the Acquisition; and (iv) a notice of the SGM, was expected to be despatched to the Shareholders on or before 29 July 2011. As additional time is required for finalizing the information to be included in the Circular, the despatch date of the Circular is expected to be further postponed from 29 July 2011 to a date on or before 31 August 2011.

By order of the Board  
**China Gamma Group Limited**  
**Ho Chi Ho**  
*Executive Director*

Hong Kong, 29 July 2011

*As at the date of this announcement, the executive director of the Company is Mr. Ho Chi Ho; the non-executive directors of the Company are Mr. Ma Kwok Hung, Warren and Mr. Chow Siu Ngor; and the independent non-executive directors of the Company are Mr. Wong Hoi Kuen, Mr. Chan Chi Yuen and Mr. Hung Hing Man.*