

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CNNC INTERNATIONAL LIMITED

中核國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

MAJOR TRANSACTION

(1) OFFER TO ACQUIRE A MINIMUM OF 50.1% AND UP TO ALL THE ISSUED AND OUTSTANDING COMMON SHARES OF WESTERN PROSPECTOR (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY FIRST DEVELOPMENT)

(2) SUBSCRIPTION AGREEMENT TO SUBSCRIBE FOR NEW SHARES IN WESTERN PROSPECTOR BY FIRST DEVELOPMENT

AND

(3) RESUMPTION OF TRADING

Reference is made to the announcement made by the Company on 1 April 2009.

1. SUPPORT AGREEMENT

The Directors announce that on 25 March 2009 (Toronto time), First Development, an indirect wholly-owned subsidiary of the Company and Western Prospector, a company listed on TSXV entered into a Support Agreement, whereby First Development has agreed to make the Offer to Holders of Common Shares to acquire all of the issued and outstanding Common Shares (other than those already beneficially owned by First Development) at a price per Common Share of CAD\$0.56 in cash in accordance with the terms of the Support Agreement and applicable Securities Laws.

The Offer is conditional upon fulfillment of the Conditions, including but not limited to obtaining the approval from the Shareholders approving the Offer and the transactions contemplated under the Bid Circular, and as described in the paragraph headed “Conditions to Making of the Offer” of this announcement. The Offer shall be open for acceptance by the Holders of Common Shares from the date when the Bid Circular is sent to all Holders of Common Shares until the Expiry Time.

At present, First Development has not received any binding commitment from any Holders of Common Shares to accept or reject the Offer. However, Western Prospector represents that the board of directors of Western Prospector has been advised and believes that each of the directors and senior officers of Western Prospector intends to tender or cause to be tendered to the Offer all Common Shares of which he or she is the beneficial owner and will either exercise or surrender their Options.

2. SUBSCRIPTION AGREEMENT

The Directors further announce that on the same date as the date of the Support Agreement, First Development and Western Prospector entered into the Subscription Agreement, pursuant to which First Development as subscriber shall irrevocably subscribe and offer to purchase, and Western Prospector shall sell, as soon as reasonably practicable after the take-up and payment of the Common Shares under the Offer subject to the conditions in the Subscription Agreement, 5,371,350 Subscription Shares, representing approximately 10% of the issued and outstanding Common Shares (calculated on the basis of the Common Shares outstanding prior to the Offer) at CAD\$0.56 per Subscription Share, conditional upon, among other things, satisfaction of the Minimum Condition, which condition may be waived by First Development.

3. LISTING RULES IMPLICATIONS

The Offer and the Subscription constitute a major transaction of the Company pursuant to Rule 14.06(3) of the Listing Rules, and will be subject to shareholders' approval under the Listing Rules. The Company has obtained a written approval for the Offer and Subscription from CNNC Overseas, the controlling Shareholder of the Company who held approximately 73.679% of the issued share capital of the Company as at the date of this announcement. Accordingly, no general meeting for the Shareholders' approval of the Offer and Subscription is required to be held by the Company pursuant to Rule 14.44 of the Listing Rules. A circular containing the details of the major transaction including those specified under Chapters 14 and 18 of the Listing Rules, in particular Rule 18.09 of the Listing Rules, will be dispatched to the Shareholders as soon as practicable and the Company will make further announcements as and when there is material progress on this matter.

4. RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 26 March 2009 pending the publication of this announcement. Application has been made for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 15 April 2009.

WARNING: THE COMPLETION OF THE OFFER AND THE SUBSCRIPTION AGREEMENT WILL BE SUBJECT TO THE FULFILMENT OF CERTAIN CONDITIONS. THEREFORE, THE OFFER AND THE SUBSCRIPTION AGREEMENT MAY OR MAY NOT BE COMPLETED AND SHAREHOLDERS AND/OR POTENTIAL INVESTORS OF THE COMPANY ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES.

Reference is made to the announcement made by the Company on 1 April 2009.

1. SUPPORT AGREEMENT

The Directors announce that on 25 March 2009 (Toronto time), First Development, an indirect wholly-owned subsidiary of the Company and Western Prospector, a company listed on TSXV entered into a Support Agreement, details of which are set out below.

Date: 25 March 2009 (Toronto time)

Parties: (i) First Development
(ii) Western Prospector

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Western Prospector and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Prior to the execution of the Support Agreement, the Company on the one hand and Western Prospector and its ultimate beneficial owners on the other hand had not had any relationships with each other and had not entered into any prior transactions with each other which would require to be aggregated under Rule 14.22 and Rule 14A.25 of the Listing Rules.

On 25 March 2009 (Toronto time), the Company also executed the Guarantee, whereby the Company provided certain guarantees in favour of Western Prospector for the prompt payment and performance of all of the obligations of First Development (including obligations of indemnification) under and pursuant to the Support Agreement.

For the purpose of protecting the interests of Western Prospector in the event that the Support Agreement is terminated as a result of a breach by First Development, First Development and Western Prospector executed the Escrow Agreement on 25 March 2009 (Toronto time), pursuant to which First Development shall deposit a sum of CAD\$3,000,000 into the Canadian dollar escrow account maintained by the Escrow Agent at the Canadian Imperial Bank of Commerce.

Subject of the Offer

Pursuant to the Support Agreement, First Development has agreed to make an offer to acquire a minimum of 50.1% and up to all the issued and outstanding Common Shares (other than those already beneficially owned by First Development) at a price per Common Share of CAD\$0.56 in cash ("**Offer**") in accordance with the terms of the Support Agreement and applicable Securities Laws and subject to the Conditions. The Offer shall be open for acceptance by the Holders of Common Shares from the date when the Bid Circular is sent to all Holders of Common Shares, in any event not later than 11:59 p.m. (Toronto time) on 15 April 2009, until a time or times that is (i) not earlier than 5:00 p.m. (Toronto time) on the 36th day after the day that the Offer is mailed to the Holders of Common Shares, subject to the right of First Development to extend from time to time the period during which Common Shares may be deposited under the Offer; and (ii) not later than the Outside Date.

As at the date of this announcement, First Development does not own any issued and outstanding Common Shares.

Under the Support Agreement, Western Prospector consents to the Offer and represents, among other things, that its board of directors: (i) has unanimously approved the Support Agreement; (ii) has, following consultation with its financial and legal advisors, unanimously determined that the Offer is in the best interests of Western Prospector and its shareholders; and (iii) has unanimously resolved to recommend acceptance of the Offer to Holders of Common Shares, provided that the Offer is not amended except in accordance with the terms of this Agreement.

At present, First Development has not received any binding commitment from any Holders of Common Shares to accept or reject the Offer. However, Western Prospector represents that the board of directors of Western Prospector has been advised and believes that each of the directors and senior officers of Western Prospector intends to tender or cause to be tendered to the Offer all Common Shares of which he or she is the beneficial owner and will either exercise or surrender their Options.

Subject to the satisfaction or waiver of the Minimum Condition, First Development has agreed to take up and pay for all the Common Shares tendered under the Offer as soon as reasonably possible and in any event not later than three Business Days following the time at which First Development becomes entitled to take up such Common Shares under the Offer pursuant to applicable Laws.

Subsequent Acquisition Transaction and Compulsory Acquisition

If, under the Offer, First Development takes up and pays for such number of Common Shares which, together with any Common Shares issued to First Development in private placement pursuant to the Subscription Agreement and together with any other Common Shares beneficially owned or over which control or discretion is exercised by First Development and its Affiliate and joint actors, represents at least 66²/₃% of the issued and outstanding Common Shares (on a Fully-Diluted Basis), First Development shall, with the full co-operation of Western Prospector, as soon as practicable, but in any event within 120 days after the completion of the Offer, pursue and use its best commercial efforts to consummate a Subsequent Acquisition Transaction to acquire the remaining Common Shares and/or assets of Western Prospector; subject to (i) the terms and conditions of the Support Agreement; and (ii) the receipt of any required relief from applicable securities regulators or authorities in respect of the Compulsory Acquisition or Subsequent Acquisition Transaction. Provided that, if as of the final expiration of the Offer, the Offer has been accepted by Holders of Common Shares holding not less than 90% of the issued and outstanding Common Shares on a Fully-Diluted Basis as at the Expiry Time, excluding Common Shares held prior to the commencement of the Offer by First Development or any Affiliate or associate (as defined in the Securities Act), First Development shall use its best commercial efforts to complete as soon as practicable the Compulsory Acquisition.

Offer price

First Development agrees to make the Offer at a price per Common Share of CAD\$0.56 (equivalent to approximately HK\$3.58) in cash. The maximum number of all issued and outstanding Common Shares to be acquired under the Offer, including all outstanding Options tendered to Western Prospector for exercise, surrender or cancel no later than

immediately prior to the take-up of the Common Shares by First Development, is approximately 58,471,562. On the assumption that First Development is able to acquire all of the issued and outstanding Common Shares through the Offer, it is expected that the aggregate consideration of the Offer amounts to approximately CAD\$31 million (equivalent to approximately HK\$198,245,000).

It is currently expected that the consideration of the Offer payable by First Development will be financed by internal resources of the Company.

Conditions to making of the Offer

Under the Support Agreement, First Development will have the right to withdraw the Offer and not take up and pay for, or extend the period of time during which the Offer is open and postpone taking up and paying for, any Common Shares deposited under the Offer unless all of the following conditions (“**Conditions**”) are satisfied or waived by First Development at or prior to the relevant Expiry Time:

- (a) there shall have been validly deposited under the Offer and not withdrawn as at the Expiry Time of the Offer, such number of Common Shares which, together with any Common Shares beneficially owned or over which control or direction is exercised by First Development and its Affiliates and joint actors, represents at least 50.1% of the issued and outstanding Common Shares (on a Fully-Diluted Basis) (“**Minimum Condition**”);
- (b) all government or regulatory approvals (including those of applicable stock exchanges or securities law regulatory authorities) that in First Development’s or the Company’s reasonable judgement are necessary to be obtained by any of Western Prospector, First Development or the Company to complete the Offer or any Compulsory Acquisition or Subsequent Acquisition Transaction, shall have been obtained or concluded or, in the case of waiting or suspensory periods, expired or been terminated, each on terms and conditions satisfactory to First Development and the Company, acting reasonably;
- (c) the Shareholders shall have approved the Offer as required by the Listing Rules;
- (d) (i) no act, action, suit, demand or proceeding shall have been taken by or before any Canadian or foreign court, tribunal or Governmental Authority or administrative agency or commission or by or before any elected or appointed public official in Canada or elsewhere; and (ii) no law, regulation or policy shall have been proposed, enacted, promulgated or applied; in either case
 - (A) to cease trade, enjoin, prohibit or impose material limitations or conditions on the purchase by or the sale to First Development of any of the Common Shares or the right of First Development to own or exercise full rights of ownership of the Common Shares (either pursuant to the Offer or any Compulsory Acquisition or Subsequent Acquisition Transaction); or
 - (B) which, if the Offer or Compulsory Acquisition or Subsequent Acquisition Transaction was consummated, would reasonably be expected to lead to a Material Adverse Change or to materially adversely affect First Development or the Company;

- (C) which would materially and adversely affect the ability of First Development to proceed with the Offer (or any Compulsory Acquisition or any Subsequent Acquisition Transaction) and/or take up and pay for any Common Shares deposited under the Offer;
- (D) seeking to prohibit or limit the ownership or operation by First Development of any material portion of the business or assets of Western Prospector or its subsidiaries or to compel First Development to dispose of or hold separate any material portion of the business or assets of Western Prospector or any of its subsidiaries as a result of the Offer (or any Compulsory Acquisition or any Subsequent Acquisition Transaction), which act, action, suit or proceeding or law, regulation or policy would reasonably be expected to have a Material Adverse Change;
- (e) First Development and the Company shall have determined, in their sole judgment, acting reasonably, that there does not exist any prohibition at law (i) against First Development making or maintaining the Offer; (ii) taking up and paying for any Common Shares deposited under the Offer or completing any Compulsory Acquisition or Subsequent Acquisition Transaction; or (iii) in respect of the Company performing any of its obligations under the Guarantee;
- (f) First Development shall have determined, in its sole judgment, acting reasonably, that there has not occurred any Material Adverse Change (i) since the date of the Support Agreement or (ii) prior to the date of the Support Agreement that has not previously been disclosed to First Development in the Disclosure Letter;
- (g) First Development shall have determined, in its sole judgment, acting reasonably, that:
 - (i) no representation or warranty of Western Prospector (without giving effect to any materiality qualifiers contained therein) shall have been or have become untrue to the extent that the failure of such representation or warranty to be true and correct is reasonably likely to, individually or in the aggregate, cause a Material Adverse Change; and
 - (ii) Western Prospector has performed all of the covenants and agreements to be performed by it under the Support Agreement in all material respects;and First Development shall have received a certificate to that effect from the president, chief executive officer and the chief financial officer of Western Prospector (or other officer reasonably satisfactory to First Development) to that effect;
- (h) Western Prospector shall not have knowingly or intentionally breached a covenant in the Support Agreement;
- (i) the Shareholder Rights Plan shall have been waived in respect of the Offer and the Separation Time as mentioned in the Shareholder Rights Plan shall not have occurred under the Shareholder Rights Plan;
- (j) the Support Agreement shall not have been terminated or First Development shall have determined in its sole judgment, acting reasonably, that such termination shall not affect the ability of First Development to consummate the Offer or to complete a

Compulsory Acquisition or Subsequent Acquisition Transaction, or that such termination was not related to any matter that is materially adverse to the business of Western Prospector or to the value of the Common Shares to First Development;

- (k) where Compulsory Acquisition or Subsequent Acquisition Transaction is applicable, First Development shall in its sole judgment, acting reasonably, be satisfied that all outstanding Options and all other rights to acquire any Common Share, if any, shall have either been exercised, surrendered, converted, deemed exercised or terminated or may be terminated or otherwise dealt with on a basis acceptable to First Development, acting reasonably, prior to First Development taking up any Common Shares pursuant to the Offer;
- (l) each of the directors and officers of Western Prospector (other than those otherwise agreed to by First Development) shall have provided their resignations (in the case of directors, in a manner that allows for the orderly replacement of directors) and shall have delivered a release in favour of Western Prospector and First Development, effective on the date First Development first takes up the Common Shares pursuant to the Offer, in form and substance and on such terms as are satisfactory to First Development, acting reasonably; and
- (m) the Support Agreement shall not have been terminated.

The foregoing conditions shall be for the exclusive benefit of First Development and, as applicable, the Company, and may be asserted by First Development or the Company, at any time.

Subject to the terms of the Support Agreement, First Development may waive any of the foregoing conditions, other than (a) above, in whole or in part at any time and from time to time, both before and after the relevant Expiry Time, without prejudice to any other rights which First Development may have. In addition, First Development will not waive condition (c) above.

Listing status of Western Prospector after the Offer

Subject to the number of Common Shares validly deposited under the Offer, applicable laws and the ability of Western Prospector to meet the listing requirements under the TSX Venture Exchange Corporate Finance Manual, First Development intends to delist Western Prospector from the TSXV if it obtains more than 66²/₃% of the total issued and outstanding Common Shares pursuant to the Offer.

2. SUBSCRIPTION AGREEMENT

The Directors further announce that on the same date as the date of the Support Agreement, First Development and Western Prospector entered into the Subscription Agreement, pursuant to which Western Prospector shall issue and First Development as subscriber shall irrevocably subscribe for and offer to purchase, after the take-up and payment of the Common Shares under the Offer subject to the conditions in the Subscription Agreement, 5,371,350 Subscription Shares, representing approximately 10% of the issued and outstanding Common Shares (calculated on the basis of the Common Shares outstanding prior to the Offer) at CAD\$0.56 per Subscription Share, conditional on, among other things, satisfaction of the Minimum Condition, which condition may be waived by First Development.

The reason for entering into the Subscription Agreement to acquire additional interests in Western Prospector is that the consideration payable under the Subscription Agreement serves as additional capital for Western Prospector such that it will have sufficient cash to develop its business. Details of the Subscription Agreement are set out below.

Date: 25 March 2009 (Toronto time)

Parties: (i) First Development
(ii) Western Prospector

Subscription price

The Subscription price was determined after arms' length negotiations between First Development and the Company. The aggregate consideration of the Subscription amounts to CAD\$3,007,956 (equivalent to approximately HK\$19,235,879) and it is currently expected such consideration will be financed from internal resources of the Company.

Subscription Completion

Subject to the provisions in the Subscription Agreement in relation to termination, Subscription Completion will occur upon the later of:

- (a) 21 days after the Expiry Date, at a time to be agreed upon by First Development and Western Prospector, provided that First Development has taken up and paid for the Common Shares tendered pursuant to the Offer; or
- (b) such other date and time as First Development shall determine, provided that First Development shall provide at least five Business Days' written notice of such date to Western Prospector;

(collectively, the "**Subscription Completion Date**"), provided (i) such date is in compliance with applicable Securities Laws (including any rules and regulations of the TSXV); and (ii) subject to satisfaction or waiver by the relevant party of the conditions of Subscription Completion.

Conditions of Subscription Completion

The offer, sale and issuance of the Subscription Shares is subject to, among other things, the following conditions being fulfilled or performed on or before the Subscription Completion Date, which conditions may be waived, in whole or in part, by Western Prospector in its sole discretion:

- (a) First Development shall execute the Subscription Agreement upon execution of the Support Agreement and deliver to Western Prospector not later than 5:00 p.m. (Toronto time) on the day that is two Business Days before the Subscription Completion Date at Western Prospector's office at 601 West Broadway, Suite 400, in Vancouver, British Columbia:
 - (i) one fully completed and duly executed copy of the Subscription Agreement, including the schedules and all other documentation contemplated by the Subscription Agreement; and

- (ii) a certified cheque, bank draft or evidence of completed wire transfer to “Western Prospector Group Ltd.” in accordance with the instructions in the Subscription Agreement or such other method of payment acceptable to Western Prospector, representing the aggregate subscription price payable for the Subscription Shares subscribed for by First Development;
- (b) Western Prospector accepting the Subscription, in whole or in part;
- (c) the offer, sale and issuance of the Subscription Shares being exempt from the prospectus and registration requirements of Applicable Securities Laws;
- (d) First Development executing and delivering to Western Prospector all reports, undertakings or other documents required under Applicable Securities Laws in connection with the offer, sale and issuance of the Subscription Shares to First Development;
- (e) Western Prospector obtaining all orders, permits, approvals, waivers, consents, licences or similar authorizations of Regulators necessary to complete the offer, sale and issuance of the Subscription Shares;
- (f) the representations and warranties of First Development and Western Prospector having been true and correct as of the date of the Subscription Agreement and being true and correct at the Subscription Completion Date; and
- (g) all documentation relating to the offer, sale and issuance of the Subscription Shares being in form and substance satisfactory to Western Prospector.

The offer, sale and issuance of the Subscription Shares is conditional upon, among other things, First Development taking-up and paying for the Common Shares under the Offer before the Subscription Completion Date, which condition is for the exclusive benefit of First Development and may be waived, in whole or in part, by First Development in its sole discretion.

Termination

The Subscription Agreement shall terminate, without any liability to either party, if Subscription Completion has not yet occurred on or prior to 31 August 2009 (Toronto time), or such other date as the parties may mutually agree to in writing.

3. BASIS OF DETERMINING THE OFFER PRICE AND SUBSCRIPTION PRICE

The Offer price and Subscription price represent a 51% premium to the closing price of the Common Shares of CAD\$0.37 on 24 March 2009, which is the closing price of Western Prospector on the last business day immediately preceding the date of the Support Agreement and Subscription Agreement.

The Offer price and the Subscription price were determined after arms’ length negotiations between First Development and Western Prospector on normal commercial basis with reference to (i) the development potential of Western Prospector; (ii) the uranium resource and mine development plan of Western Prospector contained in the technical report prepared by P&E, an independent mining consultant; (iii) the market conditions; and (iv) the recent net assets value and financial performance and conditions of Western Prospector.”

4. INFORMATION ON WESTERN PROSPECTOR

Western Prospector is a company with limited liability incorporated pursuant to the laws of the Province of British Columbia on 3 April 1998 and its Common Shares have been listed on the TSXV since 30 November 1999.

The principal business activity of Western Prospector is acquiring, exploring and developing mineral properties. All of Western Prospector's mineral property interests, consisting of various uranium and coal properties, are located in Mongolia.

Western Prospector holds interest in 18 mineral licences in Mongolia, including the Saddle Hills Uranium Project and Bayanbulag, Baganuur and Bagakhangai coal projects. It is confirmed by Western Prospector that all of the relevant licences have been obtained by the indirect wholly-owned subsidiaries of Western Prospector in Mongolia and are registered under the respective names of these subsidiaries of Western Prospector.

Saddle Hills Uranium Project

The Saddle Hills uranium project consists of various mineral exploration licences covering approximately 147,676 hectares in north-eastern Mongolia. Key to the project is the Gurvanbulag Central uranium deposit, which includes three shafts and about 17 kilometres of underground tunnels down to the 260 meter level, constructed in the 1980s. This project provides Western Prospector with mineral rights to seven known uranium deposits and several additional exploration targets. Western Prospector contracted P&E Consultants Inc. (“P&E”) to model the Gurvanbulag Central deposit and provide a NI 43-101 compliant preliminary resource report. Utilizing a 0.08% U₃O₈ cut-off grade, P&E confirmed a measured resource of 774,000 tonnes grading 0.242% U₃O₈ containing 4.1 million pounds U₃O₈, an indicated resource of 3.51 million tonnes grading 0.178% U₃O₈ containing 13.8 million pounds U₃O₈ and an inferred resource of 795,000 tonnes grading 0.126% U₃O₈ containing 2.2 million pounds U₃O₈. P&E also determined that a diluted measured and indicated reserve existed for underground mining of 5,043,000 tonnes grading 0.161% U₃O₈. Proven Reserves are 914,500 tonnes grading 0.198% U₃O₈ containing 4.0 million pound of U₃O₈ and Probable Reserves are 4,128,500 tonnes grading 0.153% U₃O₈ containing 13.9 million pounds of U₃O₈.

Bayanbulag Coal Project

Located in north-eastern Mongolia, the Bayanbulag coal project is approximately 325 hectares in size and covers defined coal seams and additional exploration potential for coal seams within the Choibalsan coal basin. Drilling has demonstrated the existence of a horizontal coal seam outcropping or very close to surface for which a resource has been calculated according to Mongolian standards and submitted to the State Reserve Committee for approval.

Baganuur Coal Project

Located in central Mongolia, the Baganuur coal project is approximately 17,800 hectares in size and covers exploration potential for coal seams within the Baganuur Basin. The Western Prospector licences are located adjacent to and up to 4 kilometres from the operating mine. The Baganuur Basin is accessed by both a highway and a spur railway off the China-Mongolia-Russia main rail line — a busy route for movement of commerce between Russia and China. No resources have been defined within the licenced area.

Bagakhangai Coal Project

Located some 75 to 100 kilometres southwest of the Baganuur coal project, the Bagakhangai coal project covers areas of sediments with potential for coal, adjacent to the main rail line to Ulaanbaatar and China. The properties aggregate 7,200 hectares and the boundary of one property is adjacent to an abandoned open pit in which coal is exposed less than 10 metres depth from surface.

Western Prospector owns one mining licence for the Bayanbulag coal project, but that project is still in the exploration stage because the Mongolian government has not yet approved the resource report in relation to that project. Save as disclosed above, all of the projects owned by Western Prospector mentioned above are currently in the exploration stage.

Other Mongolian Properties

In addition to the Saddle Hills area licences described above, Western Prospector has a 70% interest in one exploration licence in the Dornod region held by Adamas Mining Co. Ltd. (“**Adamas Mining**”). This licence is to be turned over to a joint venture between Western Prospector and Adamas Mining. However, the joint venture with Adamas Mining has yet to be formed, and currently is the subject of litigation in the Mongolian courts^(Note).

*Note: The litigation is in relation to an action brought by Western Prospector against Adamas Mining whereby Western Prospector claims to compel Adamas Mining to perform its obligations under the joint venture Western-Adamas agreement signed by Western Prospector and Adamas Mining on 7 December 2004 (the “**Joint Venture Agreement**”). The Joint Venture Agreement provided Western Prospector with the right to earn a 70% interest in the joint venture company, which should have been jointly established by the joint venture parties to manage the exploration licence 3367X. The licence 3367X is an exploration licence covering several deposits. The Joint Venture Agreement also included an escrow agreement which requires both parties’ consent for the exploration licence to be released from escrow and transferred to the joint venture company.*

The Mongolian District Court denied Western Prospector’s claim to compel Adamas Mining to honour its commitments in the Joint Venture Agreement and Western Prospector was able to overturn the judgment of the Mongolian District Court in the Mongolian City Court. Adamas Mining appealed to the Mongolian Supreme Court to overturn the City Court’s judgment. Western Prospector is currently preparing its case for appeal in the Mongolian Supreme Court.

Western Prospector will continue its joint venture dispute with Adamas Mining and intends to vigorously pursue all actions to complete the joint venture in accordance with the Joint Venture Agreement. Western Prospector confirms that the joint venture dispute is not material and does not impact Western Prospector’s NI 43-101 classified resources or the development of its main project, Gurvanbulag Central. In view of the uncertainty of the outcome in either the litigation or potential negotiations with Adamas Mining, Western Prospector had written off the balance of exploration expenditures related to licence 3367X as of 30 September 2008.

Western Prospector believes that it will not suffer any loss/damages in the event that it loses the appeal at the Mongolian Supreme Court. As at the date of this announcement, Adamas Mining has not made any claim for damages.

The Company does not hold any interests in Western Prospector before the Offer and Subscription. Upon completion of the Offer and Subscription, assuming that all the Holders of Common Shares have accepted the Offer, the Group will hold approximately 58,471,562 Common Shares of Western Prospector, representing approximately 100% of

the then issued and outstanding Common Shares of Western Prospector, and Western Prospector will become a subsidiary of the Company. It is intended the financial information of Western Prospector will be consolidated into the Company's account immediately after the completion of the Offer and Subscription.

The audited financial information of Western Prospector for the two years ended 31 December 2008 is set out below.

	As at 31 December 2008 (audited) (CAD\$)	As at 31 December 2007 (audited) (CAD\$)
Total assets	35,207,945	103,898,797
Total liabilities	2,513,492	1,750,223
Net assets	32,694,453	102,148,574
	For the year ended 31 December 2008 (CAD\$)	For the year ended 31 December 2007 (CAD\$)
Revenue	0	0
Total profit/(loss) before tax ^(Note)	(72,291,584)	(7,422,130)
Total net profit/(loss)	(72,319,876)	(7,044,886)

Note: Western Prospector has historically incurred losses in every quarter of its operations. As Western Prospector is currently engaged in exploration and development of certain mineral properties and has not yet commenced any exploitation activities, it has not generated revenue so far.

The above financial information of Western Prospector was prepared under the Canadian Generally Accepted Accounting Principles.

The Company is of the preliminary view that there is no material impact on the financial information of Western Prospector contained in this announcement due to the differences in accounting standards of the Company and those of Western Prospector, subject to the view of the reporting accountants of the Company.

5. INFORMATION ON THE GROUP

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 25 June 2002 and its Shares have been listed on the Main Board of Stock Exchange since 6 January 2003.

The principle activities of the Group are production and trading of metal die-casting products with its principal production facility located in Dongguan, the PRC.

The Company confirms that it has sufficient cash to satisfy the considerations of the Offer and Subscription because the Company was injected with additional cash of approximately HK\$387,927,905 on 5 November 2008 following the completion of (i) the subscription of 159,168,308 new Shares at a cash consideration of HK\$1.77 per Share;

and (ii) the issue of a convertible note in the principal amount of HK\$106,200,000, by CNNC Overseas (which is set out in the Company's announcements dated 23 June 2008 and 5 November 2008 respectively). The capital injection has been reflected in the Company's results for the year ended 31 December 2008 published on 9 April 2009.

6. REASONS FOR AND BENEFITS OF THE OFFER AND SUBSCRIPTION

The global demand for natural uranium is expected to increase due to the number of new nuclear power reactors being planned and under construction. With strong fundamentals supporting the industry, the outlook for the natural uranium market is promising.

As disclosed in the announcement of the Company dated 23 June 2008, following the completion of the unconditional mandatory cash offer to acquire all the Shares in the Company by CNNC Overseas, CNNC Overseas may look into investment or business opportunities for the Group, particularly those relating to uranium leveraging, to diversify the Group's business for the purpose of broadening its income source.

The Offer and the Subscription reflects the Group's strategy of investing in uranium projects around the world. Despite the fact that Western Prospector has historically incurred losses and has not generated revenue so far, Western Prospector has a NI 43-101 classified resource and the Company intends to develop and benefit from the production of the main project in Gurvanbulag Central, Mongolia. The Group shall also enjoy the benefits brought from the experienced management team of Western Prospector. The existing management of Western Prospector consists of experienced professionals in the uranium exploration business. With the proven experience of the current management team of Western Prospector, the Enlarged Group is exposed to various business and investment opportunities in the upstream uranium market and more importantly, will gain from the know-how and expertise in uranium exploration.

The Directors consider the terms of the Support Agreement and the Subscription Agreement are on normal commercial terms and the Offer and the Subscription pursuant to the Support Agreement and the Subscription Agreement respectively are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company intends to continue the existing business of Western Prospector after the completion of the Offer and Subscription. The Company has no intention to dispose of or re-deploy the assets of or inject its assets to Western Prospector, other than in the ordinary course of the business of Western Prospector.

7. LISTING RULES IMPLICATIONS

The Offer and the Subscription constitute a major transaction of the Company, and will be subject to Shareholders' approval pursuant to Rule 14.49 of the Listing Rules.

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval for the Offer and Subscription may be obtained by written Shareholders' approval in lieu of holding a general meeting if (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Offer and Subscription; and (b) written Shareholders' approval has been obtained from a Shareholder who holds more than 50% in nominal value of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve the Offer and Subscription. So far as the Directors are aware after making reasonable enquiries, no Shareholder is required to

abstain from voting if the Company were to convene a general meeting for the approval of the Offer and Subscription. The Company has obtained a written approval for the Offer and Subscription from its controlling Shareholder, CNNC Overseas, who held approximately 73.679% of the issued share capital of the Company as at the date of this announcement. Accordingly, no general meeting for the Shareholders' approval of the Offer and Subscription will be held by the Company.

A circular containing the details of the major transaction including those specified under Chapters 14 and 18 of the Listing Rules, in particular Rule 18.09 of the Listing Rules, will be dispatched to the Shareholders as soon as practicable and the Company will make further announcements as and when there is material progress on this matter.

8. RESUMPTION OF TRADING IN SHARES

At the request of the Company, trading in Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 26 March 2009 pending the publication of this announcement. Application has been made for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 15 April 2009.

WARNING: THE COMPLETION OF THE OFFER AND THE SUBSCRIPTION AGREEMENT WILL BE SUBJECT TO THE FULFILMENT OF CERTAIN CONDITIONS. THEREFORE, THE OFFER AND THE SUBSCRIPTION AGREEMENT MAY OR MAY NOT BE COMPLETED AND SHAREHOLDERS AND/OR POTENTIAL INVESTORS OF THE COMPANY ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Affiliate”	with respect to any person, any other person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such person, and includes any person in like relation to an affiliate; “control” as used with respect to any person, means the possession, directly or indirectly, of the power, in fact, to appoint the directors, management committee or similar managing body of such person, through the ownership of voting securities
“Applicable Securities Laws”	any and all securities laws including statutes, rules, regulations, by-laws, policies, guidelines, orders, decisions, rulings and awards, applicable in the jurisdictions in which the Subscription Shares will be offered, sold and issued
“Bid Circular”	the bid circular prepared by First Development in accordance with applicable Laws and to be mailed to each Holder of Common Shares as soon as reasonably practicable and, in any event, not later than 11:59 p.m. (Toronto time) on 15 April 2009 (equivalent to 11:59 a.m. (Hong Kong time) on 16 April 2009) or such later time as prescribed in the Support Agreement

“Business Day”	any day except a Saturday, Sunday or statutory holiday in Toronto, Ontario
“CAD\$”	Canadian dollars, the lawful currency of Canada
“CNNC Overseas”	CNNC Overseas Uranium Holding Limited, a company incorporated in Hong Kong with limited liability and the shareholder of the Company holding approximately 73.679% of the issued share capital of the Company
“Common Shares”	common shares of Western Prospector (including the common shares issued after the date of the Offer and prior to the Expiry Time on the exercise, surrender or cancellation of Options), together with the associated rights issued under the Shareholder Rights Plan
“Company”	CNNC International Limited, an exempted company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“Compulsory Acquisition”	an acquisition by First Development of Common Shares not tendered to the Offer utilizing the provisions of Part 9 — Division 6 of the <i>Business Corporations Act</i> (British Columbia)
“Conditions”	has the meaning as set out under the section headed “Conditions to Making of the Offer” in this announcement
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Directors”	directors of the Company
“Disclosure Letter”	the letter dated the same date as the date of the Support Agreement from Western Prospector to First Development delivered concurrently with the Support Agreement
“Effective Time”	the time that First Development shall have taken up the number of Common Shares sufficient to satisfy the Minimum Condition
“Enlarged Group”	the Group after the Completion of the Offer and Subscription
“Escrow Agent”	Stikeman Elliott LLP, a limited liability partnership established under the laws of the Province of Ontario
“Escrow Agreement”	an escrow agreement dated 25 March 2009 (Toronto time) entered into between First Development, Western Prospector and the Escrow Agent, pursuant to which First Development has deposited a sum of CAD\$3,000,000 into a Canadian dollar escrow account maintained by the Escrow Agent at the Canadian Imperial Bank of Commerce
“Expiry Date”	the date on which the Expiry Time occurs

“Expiry Time”	the time at which the Offer initially expires, that is (i) not earlier than 5:00 p.m. (Toronto time) on the 36th day after the day that the Bid Circular is mailed to Holders of Common Shares, subject to the right of First Development to extend from time to time the period during which Common Shares may be deposited under the Offer and (ii) not later than the Outside Date
“First Development”	First Development Holdings Corporation, an indirect wholly-owned subsidiary of the Company incorporated in the British Virgin Islands
“Fully-Diluted Basis”	with respect to the number of outstanding Common Shares at any time, such number of Common Shares calculated assuming that all Options are exercised for Common Shares
“Governmental Authority”	(a) any domestic, federal, state, provincial, territorial, municipal, local, foreign or supranational regulatory authority or government department or agency, commission, ministry, office, court, tribunal, Crown corporation, stock exchange, central bank, or any other similar entity, (b) any subdivision or authority thereof or (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above
“Group”	the Company and its subsidiaries from time to time
“Guarantee”	the unconditional and irrevocable guarantee dated the same date as the Support Agreement given by the Company as guarantor in favour of Western Prospector for the prompt payment and performance of all of the obligations of First Development (including obligations of indemnification) under and pursuant to the Support Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Holders of Common Shares”	the registered or beneficial holders of the issued and outstanding Common Shares from time to time
“Laws”	all applicable laws, statutes, bye-laws, rules, regulations, orders, codes, policies, notices and directions and judicial, arbitral, administrative, ministerial or departmental judgments, awards, or other requirements of any Governmental Authority, court or other authority having jurisdiction over the First Development or Western Prospector
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Material Adverse Change”	any change, effect, event or occurrence that is, or would reasonably be expected to, individually or in the aggregate with any other change, effect, event or occurrence, (a) be material and adverse to the business, affairs, properties, operations, claims, rights privileges, results of operations, liabilities (including contingent liabilities) or financial condition of Western Prospector and its subsidiaries, taken as a whole, or on the ownership, leasehold, mineral rights-holding or concession-holding status of any property of Western Prospector or its subsidiaries, (b) prevent Western Prospector from performing its obligations under the Support Agreement in any material respect, or (c) result in an impairment on the ability of First Development and its subsidiaries to continue operating the business of Western Prospector and its subsidiaries after the Effective Time in substantially the same manner as it was operated immediately prior to the date of the Support Agreement; provided, however, that any change, effect, event or occurrence (i) relating to general political, economic or financial conditions in Canada or Mongolia (provided that Western Prospector is not disproportionately affected by such changes), (ii) relating to the state of securities markets in general (provided that the state of the markets does not affect Western Prospector in a manner that is disproportionate to others in the industry in which Western Prospector operates, having regard to the relative size of Western Prospector as compared to others in its industry), (iii) relating to conditions affecting the Mongolian uranium mining industry as a whole (provided that Western Prospector is not disproportionately affected by such conditions), (iv) relating to any change in the market price of uranium or the taxes or royalties relating thereto (provided that Western Prospector is not disproportionately affected by such changes), (v) relating to any action or inaction taken by Western Prospector or its subsidiaries at the written request of First Development, or (vi) relating to ongoing litigation including the Western Prospector and Adamas Mining Co. Ltd.; shall be deemed not to constitute a “Material Adverse Change” and shall not be considered in determining whether a “Material Adverse Change” has occurred
“Minimum Condition”	has the meaning as set out in paragraph (a) in the section headed “Conditions to Making of the Offer” in this announcement
“Offer”	has the meaning as set out under the section headed “Subject of the Offer” in this announcement
“Options”	the options granted through the Stock Option Plan through which options may be granted to directors, officers and employees for the purchase of Common Shares
“Outside Date”	30 June 2009 (Toronto time), or such later date as may be agreed to in writing by the parties of the Support Agreement

“Person”	any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, corporation, limited liability company, unlimited liability company, governmental, regulatory or court authority, and a natural person in such person’s capacity as executor, administrator or other legal representative
“PRC”	the People’s Republic of China
“Probable Reserves”	has the meaning ascribed to it by the Canadian Institute of Mining, Metallurgy and Petroleum, as the Canadian Institute of Mining Definition Standards on Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining Council, which definition may be amended
“Proven Reserves”	has the meaning ascribed to it by the Canadian Institute of Mining, Metallurgy and Petroleum, as the Canadian Institute of Mining Definition Standards on Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining Council, which definition may be amended
“Regulator(s)”	(i) any governmental or public entity department, court, commission, board, bureau, agency or instrumentality; (ii) any quasi-governmental, self-regulatory or private body exercising any regulatory authority; and (iii) any stock exchange
“Right”	a right to purchase one Common Share, upon the terms and subject to the conditions set forth in the Shareholder Rights Plan
“Securities Act”	the Securities Act (Ontario) and the rules and regulations made thereunder, as now in effect and as they may be amended from time to time
“Securities Laws”	all applicable Canadian provincial securities laws
“Shareholder(s)”	holder(s) of the Shares
“Shareholder Rights Plan”	the shareholder rights plan of Western Prospector dated 25 April 2005 (Toronto time) entered into between Western Prospector and Computershare Investor Services Inc., which plan was duly reconfirmed by an ordinary resolution of the shareholders of Western Prospector at the annual and special meeting of shareholders of Western Prospector held on 19 June 2008 (Toronto time), and pursuant to which Western Prospector may grant the Right in accordance with the terms thereof
“Shares”	ordinary shares in the nominal value of HK\$0.01 each in the share capital of the Company

“State Reserve Committee”	the Mongolian governmental authority charged with approving mineral resource reports, among other functions
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Stock Option Plan”	collectively, the Stock Option Plan of Western Prospector approved by the shareholders of Western Prospector on 19 June 2008 (Toronto time), as amended, supplemented or replaced from time to time, and any other plan, agreement or arrangement which provides for the issuance of options to acquire Common Shares
“Subscription”	the subscription of Common Shares by First Development pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement entered into between First Development and Western Prospector dated 25 March 2009 (Toronto Time) whereby Western Prospector shall issue and First Development as subscriber shall irrevocably subscribe and offer to purchase, as soon as reasonably practicable after the take-up and payment of the Common Shares under the Offer subject to the conditions thereof, 5,371,350 Subscription Shares, representing approximately 10% of the issued and outstanding Common Shares (calculated on the basis of the Common Shares outstanding prior to the Offer) at a price of CAD\$0.56 per Common Share
“Subscription Completion”	the completion of the offer, sale and issuance of the Subscription Shares as contemplated by the Subscription Agreement
“Subscription Completion Date”	has the meaning as set out under the section headed “Subscription Completion” in this announcement
“Subscription Shares”	5,371,350 Common Shares irrevocably subscribed by First Development pursuant to the terms of the Subscription Agreement
“Subsequent Acquisition Transaction”	any proposed arrangement, amalgamation, merger, reorganization, consolidation, recapitalization or other transaction involving Western Prospector and/or its subsidiaries and First Development or an Affiliate of First Development which, if successfully completed, will result in First Development owning, directly or indirectly, all of the Common Shares and/or all of the assets of Western Prospector
“Support Agreement”	the support agreement dated 25 March 2009 (Toronto time) entered into between First Development and Western Prospector in relation to the Offer
“TSXV”	Toronto Stock Exchange Venture Exchange

“Western Prospector” Western Prospector Group Ltd., a company incorporated in Canada and governed by the laws of the Province of British Columbia, whose shares are listed on the TSXV

“%” per cent.

The figures in CAD\$ are converted into HK\$ at the rate of CAD\$1 to HK\$6.395 throughout this announcement, which is a rate quoted from the Hongkong and Shanghai Banking Corporation Limited as at the date of this announcement for indication purposes only.

All dates and times stated in this announcement refer to Hong Kong local time, except as otherwise stated.

By Order of the board of Directors
CNNC International Limited
中核國際有限公司*
Li Philip Sau Yan
Company Secretary

Hong Kong, 14 April 2009

As of the date of this announcement, the Board comprises non-executive director and chairman, namely, Mr. Qiu Jiangang, executive directors, namely, Mr. Han Ruiping and Mr. Xu Hongchao, non-executive director, namely, Mr. Huang Mingang and independent non-executive directors, namely, Mr. Cheong Ying Chew Henry, Mr. Cui Ligu and Mr. Zhang Lei.

* For identification purpose only