HONBRIDGE HOLDINGS LIMITED

(incorporated in the Cayman islands with limited liability)

(stock code: 8137)

VERY SUBSTANTIAL DISPOSAL IN RELATION TO SALE OF PUBLICATION BUSINESS

The Directors are pleased to announce that on 31 January 2011, the Company as the vendor and the Purchaser entered into the Agreement, pursuant to which, the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares at a consideration of HK$1,000,000.

As the applicable percentage ratios in respect of the Disposal under Rule 19.07 of the GEM Listing Rules represent more than 75%, the Disposal constitutes a very substantial disposal for the Company and is subject to the approval of the Shareholders at the EGM. As at the date of this announcement, Mr. Ng and his associates, being the 100% owner of the Purchaser, is beneficially interested in 8,227 Shares, representing about 0.0001% of the total issued capital of the Company. As the Purchaser is wholly-owned by Mr. Ng, Mr. Ng is considered having a material interest in the Disposal and Mr. Ng and his associates shall abstain from voting on the resolution to approve the Disposal at the EGM.

A circular, containing, among other things (i) further particulars of the Disposal; and (ii) the notice convening the EGM will be despatched to the Shareholders in accordance with the relevant requirements of the GEM Listing Rules.

As Completion is conditional upon fulfillment of certain conditions, the Shareholders and potential investors are advised to exercise caution in dealing in the Shares.

THE DISPOSAL

On 31 January 2011, the Company as the vendor and the Purchaser entered into the Agreement, pursuant to which, the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares at a consideration of HK$1,000,000.

The Agreement

Date: 31 January 2011

Parties: (1) Win Gain Investments Limited as the Purchaser

(2) the Company as the vendor

To the best of the directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined under the GEM Listing Rules).

Assets to be sold: the Sale Shares, being the entire issued share capital of Great Ready. Great Ready is a wholly-owned subsidiary of the Company.

Consideration: HK$1,000,000, 50% being paid upon signing of the Agreement and the balance payable on Completion.

Conditions precedent: Completion shall be conditional upon, among others:

(i) the approval by the Shareholders of the Company (other than those prohibited from voting under the GEM Listing Rules) in general meeting of the Disposal by the Company of the Sale Shares;

(ii) if applicable, the obtaining of all consents from government or regulatory authorities which are necessary or desirable in connection with the execution and performance of the Agreement and any of the transactions contemplated under the Agreement; and

(iii) the Company having complied fully with their obligations pursuant to the Agreement and under the GEM Listing Rules and/or Takeovers Code, if applicable.

Completion: Completion shall take place at 4:00pm on the date that the above conditions have been fulfilled (or such other time, date and place as the Parties may agree in writing).

Basis of consideration

The consideration was determined after arms' length negotiations between the Purchaser and the Company, taking into account of (i) the unaudited consolidated net liabilities of the Disposal Group as at 31 December 2010; (ii) scale and size of the Disposal Group; (iii) the losses, as set out in the paragraph headed "Information on the Disposal Group" and the future prospects of the Disposal Group; and (iv) the other factors as set out in the paragraph headed "Reasons for and Benefits of the Disposal".

Having considered that the management can focus more on the energy and resources sector business after the Disposal, and the Company will recognise a gain from the Disposal, the Directors consider that the Disposal is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

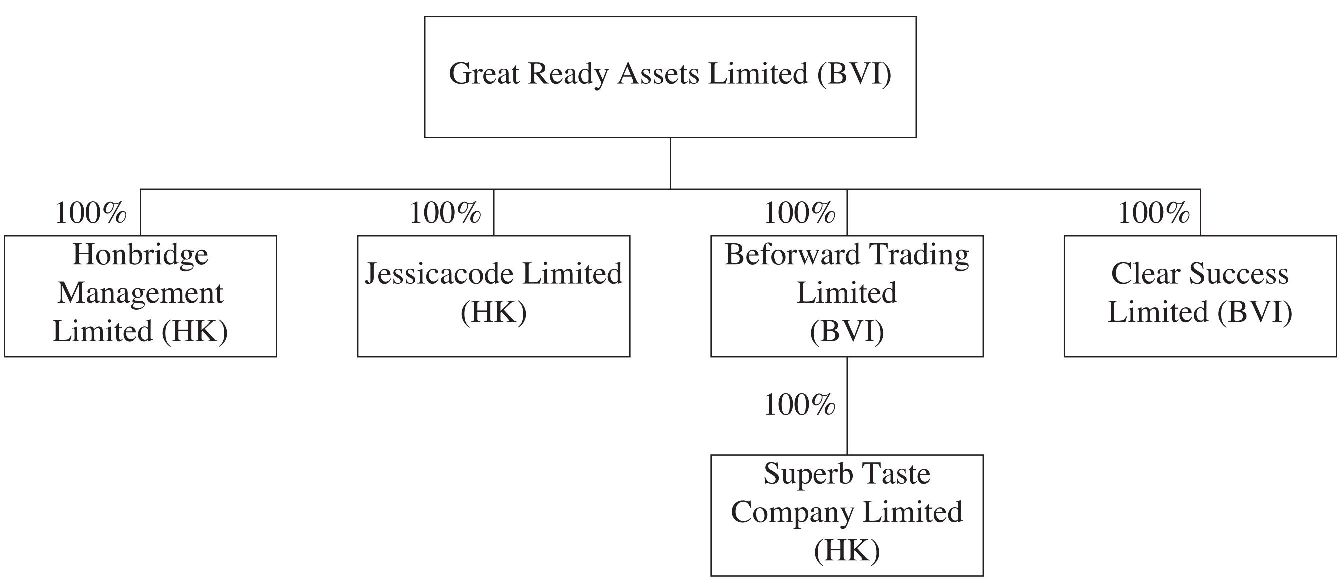
The proceeds from the Disposal, after deducting any related expenses, will be applied as general working capital of the Group for its existing businesses and for funding of investment as and when suitable opportunities arise.

INFORMATION ON THE DISPOSAL GROUP

Overview

Great Ready is a wholly-owned subsidiary of the Company. The Disposal Group is principally engaged in the business of publications of the magazines "Jessicacode" and "Lisa味道", both are published and sold in Hong Kong.

The Group structure of the Disposal Group is as follows:



Financial Information

The unaudited consolidated net loss (before and after taxation and extraordinary items) attributable to the Disposal Group for the year ended 31 December 2009 and 2010 was approximately HK$1.0 million and HK$1.6 million, respectively and the unaudited consolidated net liabilities of the Disposal Group as at 31 December 2010 was approximately HK$2.3 million.

REASONS AND BENEFITS OF THE DISPOSAL

The Company is principally engaging in mining activities, refining and trading of silicon and research and development of highly purified silicon for solar cells, magazine publishing and advertising activities.

The Group under the existing management plans to expand its business in the energy and resources sector and has been continuously looking for appropriate investment opportunities in this sector. To implement such strategy, the first move was the acquisition of Xianglan Brazil, a company engaged in the exploration of manganese resources in Brazil, as disclosed in the circular dated 24 February 2010. Xianglan Brazil has already cooperated with Mexican enterprises and identified iron ore storage centre at the port, namely Manzanillo, in order to acquire high grade iron ores from surrounding iron mines, which will be further cracked and processed. After testing the grading, the products will be shipped to the steel and iron enterprises or iron ores trading companies. Trial run of the above mentioned process will commence at the storage centre in the near future. Maximum processing capacity is up to 2 million tonnes per annum after the commencement of full operation. The Group is also seeking smaller scale iron ores leasing and mining sub-contract opportunities for the storage centre. The Company has considered the effect of the acquisition of Xianglan Brazil when performing the Disposal. The second step was the Acquisition as announced by the Company dated 16 April 2010 and detailed in the circular of the Company dated 5 November 2010 in relation to the development and mining activities of SAM. Further, the Company is actively identifying and looking for large steel conglomerates, mining companies and port operators, including the followings, to be involved in the further development of the Project:

(i) On 26 March 2010, the Company has entered into a strategic cooperation agreement with Xinwen in relation to the provision of technical support and financial resources to the Company and the investment in the Company.

(ii) On 16 June 2010 and 18 June 2010, SAM has entered into memorandum of understanding ("MOU") respectively with Minas Gerais and Bahia state governments in Brazil in relation to business cooperation. Under the MOU, the two state governments agreed to provide support and assistance to SAM during its implementation and operation, particularly with regard to the financing and licensing of the Project.

(iii) On 21 October 2010, the Group has announced that through its wholly owned subsidiary in Shanghai, a non-exclusive distributor of steel products in China has been appointed to distribute with amounts not exceeding RMB300 million, RMB2,000 million and RMB2,100 million for each of the financial years ending 31 December 2010, 2011 and 2012 respectively. The steel products to be distributed are sourced by the afore-mentioned subsidiary in Shanghai from some steel products producers and traders in China and other overseas markets, which are independent third parties of the Company. Given that the Project involved steel trading at a later stage after the commencement of mining production by entering into the such arrangement, the Group can broaden its experience in the steel sector. The Directors consider that the such arrangement will enable the Group to be more familiarized with the steel market and to establish an extensive connection with the steel production enterprises and benefit from the established steel products network of the distributor for the future development of the Project.

The directors of the Company expect that the Acquisition will enlarge the business scope of the Company. The energy and resources sector, including the mining activities and silicon business, will be the Group's principal business in the near future. Although the Acquisition has not been completed as at the date of this announcement, the Company has been continuously taking necessary steps to fulfill the conditions contained in the Share Purchase Agreement in order to accomplish the completion of the Acquisition. As shown in various announcements dated 1 December 2010, 24 December 2010 and 17 January 2011 made by the Company in the recent months regarding the latest development of the Project, the Project has been making substantial progress and is within the original expected timetable as disclosed in the circular dated 5 November 2010. The intensive drilling program of SAM Iron Mine Project on Block 8 has already completed on 21 January 2011. A total of 459 drilling holes totaling 65,410 metres have been completed in the first and second stages of the drilling program. The resources quantity and resources category of Block 8 will be released after the technical adviser appointed by SAM, Golder Associates, updates the estimates. In this regard, the Directors are confident and optimistic on the potential of the Project and of the view that energy and resources sector will have higher earning potential. As such, the Directors consider that disposing the publication segment and retaining the energy and resources sector are in the interest of the Shareholders.

Besides, it is difficult for the existing management to manage effectively and efficiently two separate lines of businesses whose requirements for expertise, manpower, set up and control are distinctive of each other. In this regard, the Company decided to dispose of the business associated with magazine publishing and advertising activities. Comparing the scale of the energy and resources projects of the Group to the publication business and the expected long term yield generated from the energy and resources sector, the Group wishes to foster its resources in the energy and resources sector. The Disposal will enable the Group to focus on the energy and resources sector with better earning and growth potential. In addition, this enables the shareholders and investors of the Company to have a clearer picture on the Group's business strategy.

Although the Group will cease to have revenue generated from publication business with effect from Completion, the Group's silicon business stayed healthy and achieved significant growth in 2010. As disclosed in the published third quarterly report 2010 of the Company dated 8 November 2010, the Group's silicon business achieved a record high nine-month turnover of HK$33.0 million during the period, representing approximately 13.4 times the turnover of the same period in 2009. The high growth rate of the Company's silicon business indicated that there is a great demand for silicon products. Segment loss of the silicon business for the period was merely due to the fact that the Company has not yet reached the optimal scale of production. The Directors consider that the Company's silicon business is healthy and the silicon industry is of growth potential.

The Directors, including the independent non-executive Directors, consider that the terms of the Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

GAIN/LOSS ON THE DISPOSAL

Had the Disposal been completed on 31 December 2010, the Group will recognize a gain on disposal of the Disposal Group of approximately HK$3.3 million. The gain is computed based on the consideration of HK$1,000,000 and the aggregated unaudited consolidated net liabilities of the Disposal Group of approximately HK$2.3 million as at 31 December 2010.

Upon Completion, the Company will cease to hold any equity interest in Great Ready and Great Ready will cease to be the subsidiary of the Company.

INFORMATION ON THE COMPANY

The Company is an investment holding company with its shares listed on the GEM. The Company is principally engaging in mining activities, refining and trading of silicon and research and development of highly purified silicon for solar cells, magazine publishing and advertising activities.

INFORMATION ON THE PURCHASER

The Purchaser is an investment holding company incorporated in the British Virgin Islands and is wholly-owned by Mr. Ng.

IMPLICATION UNDER THE LISTING RULES

As the applicable percentage ratios in respect of the Disposal under Rule 19.07 of the GEM Listing Rules represent more than 75%, the Disposal is classified as a very substantial disposal for the Company and is subject to the approval of the Shareholders at the EGM.

A circular, containing, among other things (i) further particulars of the Disposal; and (ii) the notice convening the EGM will be despatched to the Shareholders in accordance with the relevant requirements of the GEM Listing Rules. As at the date of this announcement, Mr. Ng and his associates, being the 100% owner of the Purchaser, is beneficially interested in 8,227 Shares, representing about 0.0001% of the total issued capital of the Company. As the Purchaser is wholly-owned by Mr. Ng, Mr. Ng is considered having a material interest in the Disposal and Mr. Ng and his associates shall abstain from voting on the resolution to approve the Disposal at the EGM.

As Completion is conditional upon fulfillment of certain conditions, the Shareholders and potential investors are advised to exercise caution in dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite them below:

"Acquisition"	the acquisition by the Company of the SAM Shares as disclosed in the announcement dated 16 April 2010 and the circular dated 5 November 2010;
"Agreement"	the sale and purchase agreement dated 31 January 2011 entered into between the Company and the Purchaser in relation to the Disposal;
"associate(s)"	has the meaning ascribed to it in the GEM Listing Rules;
"Beforward"	Beforward Trading Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company;
"Clear Success"	Clear Success Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company;
"Company"	Honbridge Holdings Limited, a company incorporated in the Cayman Islands with limited liabilities, the Shares of which are listed on the GEM;
"Completion"	completion of the Disposal pursuant to the Agreement;
"Directors"	the directors of the Company;
"Disposal"	the proposed disposal of the Sale Shares;
"Disposal Group"	Great Ready and its subsidiaries, namely Beforward, Clear Success, Honbridge Management, Jessicacode and Superb Taste;
"EGM"	the extraordinary general meeting of the Company to be convened to approve the Disposal;
"GEM"	the Growth Enterprise Market of the Stock Exchange;
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM;
"Great Ready"	Great Ready Assets Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company;
"Group"	the Company and its subsidiaries;

"Hill Talent"	Hill Talent Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company;
"Honbridge Management"	Honbridge Management Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Jessicacode"	Jessicacode Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
"Mr. Ng"	Mr. Ng Hung Sang, the sole shareholder of the Purchaser;
"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan;
"Project"	an integrated mine-pipeline-port project designed by SAM to produce 25 million tons per annum of pellet feed with a life of mine of at least 20 years;
"Purchaser"	Win Gain Investments Limited, a company incorporated in the British Virgin Islands with limited liability;
"SAM"	Sul Americana de Metais S.A., a company incorporated in Brazil and an indirect wholly-owned subsidiary of Votorantim Novos Negocios Ltda.;
"Sale Shares"	the entire issued share capital of the Great Ready;
"Share(s)"	the share(s) of HK$0.01 each in the issued share capital of the Company;
"Shareholder(s)"	the holder(s) of Shares;
"Share Purchase Agreement"	the share purchase agreement dated 5 March 2010 entered into between Lit Mining Cooperatief U.A. and Votorantim Novos Negócios Ltda. as the sellers, Esperento S.à r.l. and Mineral Ventures Participações Ltda., Infinite Sky Investments Limited as the buyer, New Trinity Holdings Limited, and the Company in relation to the Acquisition;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Superb Taste"	Superb Taste Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
"Xianglan Brazil"	Xianglan Do Brasil Mineração Ltda, a company incorporated in Brazil and currently owned as to 66% by Hill Talent;

"Xinwen"	新汶礦業集團有限責任公司 (Xinwen Mining Group Co., Ltd*), a PRC state-owned enterprise, which is principally engaged in mining activities;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong; and;
"RMB"	Renminbi, the lawful currency of the PRC
"%"	per cent.

On behalf of the Board
Honbridge Holdings Limited
LIU Wei, William
Director and CEO

* *For indentification purpose only*

Hong Kong, 31 January 2011

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

As at the date of this announcement, the Board comprises Mr. He Xuechu, Mr. Liu Wei, William and Mr. Shi Li Xin as executive directors; Mr. Ang Siu Lun, Lawrence and Mr. Yan Weimin as non-executive directors and Mr. Chan Chun Wai, Tony, Mr. Fok Hon and Mr. Ma Gang as independent non-executive directors.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the website of the Company at www.8137.hk.