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Prosperity International Holdings (H.K.) Limited

昌興國際控股（香港）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 803)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached announcement released in the London Stock Exchange plc. today by Prosperity Minerals Holdings Limited, which is a direct 52.35%-owned subsidiary of the Company and whose shares are admitted to trading on the AIM market of the London Stock Exchange plc.

By order of the board of directors

Prosperity International Holdings (H.K.) Limited

Wong Ben Koon

Chairman

Hong Kong, 16 August 2010

As at the date of this announcement, the executive directors of Prosperity International Holdings (H.K.) Limited are Mr. Wong Ben Koon (Chairman), Mr. Sun Yong Sen (Deputy Chairman), Dr. Mao Shuzhong (Chief Executive Officer), Mr. Kong Siu Keung, Mr. Johannes Petrus Mulder and Ms. Gloria Wong. The independent non-executive directors are Mr. Mo Kwok Choi, Mr. Yuen Kim Hung, Michael and Mr. Yung Ho.

** for identification purpose only*

16 August 2010

Prosperity Minerals Holdings Limited
("Prosperity", or "the Company" or "the Group")

Further Announcement in relation to the Guangzhou Properties Agreement

Prosperity Minerals Holdings Limited (AIM: PMHL.L) is an iron ore trading business serving the People's Republic of China ("PRC") and also a holder of investments in entities involved in the manufacture and sale of cement and clinker and specialty real estate development properties in the same market.

Further to the announcements released on 1 June 2010 and 30 July 2010, the Company today announces that it has been informed by its majority shareholder, Prosperity International Holdings (H.K.) Limited ("PIHL"), that the Guangzhou Properties Agreement was approved by PIHL's independent shareholders at a Special General Meeting of PIHL held on 16 August 2010.

The Company is pleased to announce the completion of the Guangzhou Properties Agreement ("Completion") and that the balance of the consideration of HK\$630 million (approximately £52 million) was paid today following the conclusion of PIHL's Special General Meeting. In addition, as previously announced on 30 July 2010, should there be any adjustment to the Bliss Hero Loan amount (of which HK\$408.5 million (approximately £33.7 million) was outstanding as at 31 March 2010) at Completion, it will be paid as soon as practicable following agreement of the adjustment but not later than 60 days after Completion. Unless otherwise specified, the capitalised terms used in this announcement shall have the same meaning as those defined in the announcement dated 1 June 2010.

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Notes to Editors:

Prosperity (AIM: PMHL) is:

- an iron ore trading business serving the PRC;
- involved in the manufacture and sale of cement and clinker in the same market; and
- an investor in specialty real estate development projects.

Prosperity recently disposed of its cement business in the PRC but retained its 33.06% interest in Anhui Chaodong Cement Company Limited ("ACC"). ACC is located in Anhui Province in eastern PRC. The designed sellable output capacity of clinker** and cement at ACC is 3.4 million tonnes per year. Prosperity is also in the process of acquiring a 25% equity interest in Liaoning Changqing Cement Co. Limited ("Liaoning Changqing"). Liaoning Changqing recently completed construction of a cement and clinker production line in

Liaoning, PRC with a production capacity of 2 million tonnes per annum. Trial production commenced on 28 April 2010, the start of normal production is expected in September 2010.

The iron ore trading business has been operating since 1992 and sources iron ore, for shipment and use in the PRC, from major international iron ore producers in South Africa, Brazil and Australia, as well as from South East Asia, Thailand and Malaysia in particular. The majority of the Company's iron ore is sold to the large steel manufacturers in the PRC and, in the fiscal year ended 31 March 2009, Prosperity shipped 4.4 million tonnes of iron ore. This volume increased to 7.9 million tonnes in the fiscal year ended 31 March 2010.

The PRC is the World's third largest economy (behind the US and Japan) and the largest producer and consumer of cement and the biggest buyer of iron ore.

As from 1 February 2010, Prosperity also has a real estate investment and development division and has recently entered into a number of agreements designed to build up a portfolio of PRC property and development assets.

***Clinker is a complex calcium alumino-silicate material produced by the calcinations of limestone and clays. It is then ground and mixed with gypsum to form cement or, more correctly, Portland Cement.*