



**Central China Goldfields plc
("Central China" or the "Company")
Strategic update on the Company**

15 October 2009

Chairman's Statement

Dear Shareholder,

Following my appointment as Non-Executive Chairman of Central China Goldfields plc (AIM: GGG) on 6 October 2009, the Board of Directors and I would like to update shareholders on our strategy and recent activities.

Our goal is to generate real shareholder wealth by creating a robust exploration and mining company, with the prime focus on building fundamental value. Using our technical strengths and available funds we are searching for and looking to acquire undervalued and underdeveloped projects, with the aim of advancing them to mining and cash flow.

To this end, led by Jun Angeles the Company's Technical Director, we have been actively reviewing a wide range of opportunities since the Company's AGM. Primarily we are seeking a flagship project into which we can inject momentum towards feasibility and project development over the next 12-18 months. We have not restricted ourselves geographically, but given our existing experience our initial focus has been in Southeast Asia (outside China). However, your Board are firmly of the view that the quality of the project is of greater importance than the geography, although our preference is for stable, mining-friendly jurisdictions.

In terms of commodity, we have been, and will continue to focus mainly on gold, copper and ferrous metals projects – metals that are underpinned by current Emerging Market urbanisation trends and present or future supply-demand deficits.

Timing-wise we are keen to make our move as quickly as possible but we will be constrained by the availability of the cash proceeds of the sale of our Chinese assets, expected to be released over the next six months.

We look forward to working with our shareholders to make this venture a success.

Best wishes

Peter Ruxton
Chairman

For Further Information:

Central China Goldfields plc

Dr. Jeffrey Malaihollo

Hanson Westhouse Limited

Tim Metcalfe / Martin Davison

Tel: 020 7621 0200

Email: info@ccgoldfields.com

www.ccgoldfields.com

Tel: 020 7601 6100

Alexander David Securities Limited

Nick Bealer / David Scott

Tel: 020 7448 9820