



**Central China Goldfields plc
(‘GGG’ or ‘the Company’)**

**COPPER OXIDE RECOVERY
AT GANGJIANG AREA**

LONDON – 16 December 2008 – Central China Goldfields plc (AIM: GGG) and its partner the Sichuan Bureau of Metallurgy and Geological Exploration are pleased to report copper oxide recovery results at the Gangjiang exploration licence area, Nimu Copper-Molybdenum Project (“Nimu”).

Highlights:

- Following the identification of significant copper oxides at both the Guqing and Gelong-East Nading prospects, the Company has now conducted analyses of the recoverable oxide copper (Cu) on a selection of drill holes and trenches to determine the amount of acid soluble leachable copper.
- The aim of these tests is to establish the potential for applying off the shelf low-cost solvent extraction/electrowinning (SX/EW) technologies. These technologies have the potential to deliver earlier cashflows than is usually the case with copper sulphides.
- At the Guqing prospect, the currently identified copper oxide zone measures circa 400 metres long by 60 metres wide and up to 55 metres thick, starting from the surface, and is open to the north.
 - Notable intercepts are:
 - Hole GJ14 - 0.72% soluble Cu over 14.3 metres and 0.90% soluble Cu over 6 metres
 - Hole GJ13 – 0.51% soluble Cu over 22 metres and 0.48% soluble Cu over 12.5 metres
 - Trench GJT01 – 0.55% soluble Cu over 46 metres and 0.41% soluble Cu over 12 metres
 - Trench GJT02 – 0.62% soluble Cu over 34.5 metres
 - Trench GJT03 – 0.54% soluble Cu over 12 metres and 0.49% soluble Cu over 12 metres.
- At the Gelong-East Nading prospect, the current identified copper oxide zone measures circa 250 metres by 250 metres and is up to 32 to 46 metres thick and is open to the north, east and southeast.
 - Notable intercepts are:
 - Hole GJ19 – 0.91% soluble Cu over 7.2 metres
 - Hole GJ21 – 0.53% soluble Cu over 16 metres and 0.69% soluble Cu over 3.3 metres.
- All of the copper oxide zones also contain substantial amounts of molybdenum.

Jeff Malaihollo, Managing Director of Central China Goldfields plc, comments:

“During the 2008 drill season we identified two large distinct areas of copper oxide in the Gangjiang Licence area. Both these areas remain open but particularly the northern Gelong-East Nading prospect, which is open on multiple sides.

The acid soluble copper analyses testing show that above 60% of the copper content in the oxide zone is soluble. In places, this rises to 97% of the copper content and on average approximately 80% of the copper content is soluble and easily recovered.

These results therefore further indicate the potential for an initial low cost SX/EW process to be used to recover the surface copper oxides ahead of the much larger copper sulphide bodies at Gangjiang.”

COPPER OXIDE ASSAY RESULTS:

Besides hypogene sulphide copper-molybdenum mineralisation, copper oxide zones have been delineated in both Guqing and Gelong-East Nading prospects at the Gangjiang exploration licence area. To confirm possibility for the low-cost solvent extraction/electrowinning (SX/EW) copper recovery process, samples within the Cu oxide zone were analysed for soluble copper using the sulphuric acid digest and atomic absorption spectrometry (AAS) method.

Two holes in the Guqing prospect intersected a substantial thickness of copper oxides at the surface (Table 1). Hole GJ14, drilled to the east, intersected 62.3 metres of 0.44% soluble Cu from 1.7 metre down hole including 0.72% soluble Cu over 14.3 metres and 0.90% over 6 metres. Hole GJ13 was collared in the same site as hole GJ14 but drilled in the opposite direction to the west. It intersected 62.5 metres of 0.38% soluble Cu including 0.48% soluble Cu over 12.5 metres and 0.51% soluble Cu over 22 metres. Trenches GJT03, GJT01 and GJT02, located at holes GJ13 and GJ14 and up to 400 metres to the southwest also returned appreciable copper in the oxide zone (Table 2). The best intercepts are 0.55% soluble Cu over 46 metres at trench GJT01, 0.62% soluble Cu over 34.50 metres at trench GJT02 and 0.54% soluble Cu over 12 metres at trench GJT03. The copper oxide zone at Guqing is approximately 400 by 60 metres in dimension and is still open to the north. The thickness at GJ13-GJ14 site is about 55 metres starting at the surface.

Table 1. Drill intercepts in copper oxide zones at Guqing & Gelong-East Nading prospects.

Prospect	Hole No.	From (m)	To (m)	Width (m)	% Total Cu	% Soluble Cu	% Mo	% Cu-Eq
Guqing	GJ13	1.50	64.00	62.50	0.59	0.38	0.014	0.72
	<i>incl.</i>	3.50	16.00	12.50	0.53	0.48	0.011	0.63
	<i>incl.</i>	26.00	48.00	22.00	0.80	0.51	0.018	0.96
	GJ14	1.70	64.00	62.30	0.53	0.44	0.027	0.77
	<i>incl.</i>	1.70	16.00	14.30	0.85	0.72	0.021	1.03
	<i>incl.</i>	50.00	56.00	6.00	1.03	0.90	0.008	1.10
Gelong-East Nading	GJ19	16.30	54.00	37.70	0.39	0.36	0.034	0.70
	<i>incl.</i>	30.60	37.80	7.20	1.01	0.91	0.034	1.31
	GJ21	21.50	75.20	53.70	0.38	0.36	0.011	0.47
	<i>incl.</i>	38.00	54.00	16.00	0.58	0.53	0.012	0.69
	GJ21	72.00	75.20	3.20	0.71	0.69	0.009	0.79

Table 2. Trench intercepts in the Guqing copper oxide zone

Trench No.	From (m)	To (m)	Width (m)	% Total Cu	% Soluble Cu	% Mo	% Cu-Eq
GJT01	0.00	46.00	46.00	0.74	0.55	0.020	0.92
GJT01	64.00	76.00	12.00	0.60	0.41	0.024	0.82
GJT02	2.00	36.50	34.50	0.69	0.62	0.028	0.94
GJT02	52.50	66.60	14.10	0.39	0.30	0.041	0.76
GJT02	76.60	87.90	11.30	0.42	0.30	0.001	0.43
GJT03	0.00	12.00	12.00	0.65	0.54	0.018	0.81
GJT03	36.70	48.70	12.00	0.68	0.49	0.014	0.81
GJT03	82.00	106.00	24.00	0.41	0.33	0.008	0.48

Note: % Cu Equivalent (% Cu Eq) = % Cu + 9 × % Mo assuming metallurgical recovery for both Cu and Mo is 100%

At Gelong-East Nading, two holes drilled to the east along one drill fence intersected thick section of copper oxide (Table 1). Hole GJ19 intersected 37 metres of 0.36% soluble Cu including 0.91% soluble Cu over 7.2 metres. While hole GJ21, located 200 metres east of hole GJ19, intersected 53.7 metres of 0.36% soluble Cu including 0.53% soluble Cu over 16 metres and 0.69% soluble Cu over 3.2 metres. The copper oxide zone at the Gelong-East Nading is approximately 250 by 250 metres in dimension and is open to the north, east and southeast. It is about 32 to 46 metres thick and is about 14 to 18 metres below the surface.

SAMPLING & ANALYTICAL DETAILS:

The drill core samples (PQ and HQ core diametre sizes) and trench channel samples were processed and analysed by Intertek Testing Service Ltd. Shanghai, China. Sample preparation was done by their Kunming branch office while chemical analysis was done by their Beijing office. The pulp samples were digested in hydrochloric/perchloric acids for total copper while sulphuric acid was used for soluble copper. Both were analysed by atomic absorption spectrometry (AAS). Routine international-standard QA/QC procedures were used by Intertek. The detection limit for total copper is 2 parts per million (ppm), while for soluble copper, it is 10 ppm.

CHANGE OF DIRECTORS

The Company also announces that John Merfyn Roberts has tendered his resignation as a director of the company with effect from the 30th December 2008.

Merfyn was recently appointed as a director of Agnico-Eagle Mines Limited, a \$4.5bn market capitalised Canadian company and due to time constraints has informed the directors that he wishes to retire from the board of Central China Goldfields plc as of the 30th December 2008.

The Board would like to thank Merfyn for all his valuable input since the inception of the Company and looks forward to his continuing support.

Technical information in the Company news releases has been reviewed and approved by Ciceron "Jun" Angeles (MSc. FAusIMM, CPGeo) the Company's Vice President for Exploration. He is qualified as a Competent Person under the Code for the Reporting Mineral Exploration Results, Mineral Resources and Mineral Reserves, 2004 ("The Reporting Code") prepared by the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

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