



China Metro-Rural Holdings Limited

FOR IMMEDIATE RELEASE

**CNR Partners with Hero Key Ltd.
In Connection with CNR's Shandong Project**

NEW YORK, NY, December 29, 2010 (MARKETWIRE) -- China Metro-Rural Holdings Limited (NYSE Amex: CNR) announced that it has partnered with Hero Key Limited (“Hero Key”), a company owned by Mr. Wong Choi Hing, chairman of Howard Group Co., Ltd., a prominent group with businesses across China, in connection with the joint development of CNR’s Dezhou project located in Shandong, Northern China. The joint development project will be operated through a holding company that is 85% owned by CNR and 15% owned by Hero Key.

Director and Chairman of the Board of CNR, Mr. Cheng Chung Hing, Ricky, said, “Our partner in the Dezhou project is one of the influential leaders in agricultural and small industrial logistic industries with sound financial background, prominent business reputation and in-depth experience in market operations and development. We expect that our combined strength will form the foundation of the future success of the Dezhou project.

Our other project, Northeast Logistics City, contributed revenue of approximately HK\$337.7 million and net profit attributable to the Company of approximately HK\$186.7 million in the fiscal year ended March 31, 2010. The Northeast Logistics City is an integrated and multi-functional project that facilitates trading, exhibiting, information sharing, warehousing, distributing and even monetary clearing. It is a large-scale, professional, high-end, modernized trade and exhibition centre for agricultural and small industrial materials.

Combined with the Northeast Logistics City, our new partnership with Hero Key in connection with the Dezhou Project, will further our objectives in establishing a firm substantial presence in Northern China and elsewhere in China as a leader in integrated agricultural logistics and trade platform.”

ABOUT CHINA METRO-RURAL HOLDINGS LIMITED

China Metro-Rural Holdings Limited is one of the leading developers and operators of large scale, integrated agricultural logistics and trade centers in Northeast China that facilitate a relationship between sellers and buyers of agricultural commodities and small appliances, provide relevant physical platform and timely marketing information and intelligence, provide a transparent and competitive market price discovery mechanism and provide infrastructure to enhance the living standards of those from the rural area.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are, by their nature, subject to risks and uncertainties. This Act provides a “safe harbor” for forward-looking statements to encourage companies to provide prospective information about themselves so long as they identify these statements as forward-looking and provide meaningful cautionary statements identifying important factors that could cause actual results to differ from the projected results. All statements, including statements regarding industry prospects and future results of operations or financial position, made in this press release are forward looking.

Words such as “continue”, “believe”, “consider”, “probably”, “strive” and similar expressions may identify forward-looking statements. These forward-looking statements include, without limitation, statements relating to: the Company’s future performance, the Company’s expansion efforts, the state of economic conditions, the Company’s market and the governmental policy. These forward-looking statements are based on assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes to be appropriate in particular circumstances. However, whether actual results and developments will meet the Company’s expectations and predictions depends on a number of known and unknown risks and uncertainties and other factors, any or all of which could cause actual results, performance or achievements to differ materially from the Company’s expectations, whether expressed or implied by such forward-looking statements.

The discussion of our acquisition, turnover and net profit should be read in conjunction with the financial statements and the notes thereto included elsewhere in this release and Form 20-F which can be obtained on the Company’s website on www.chinametrorural.com. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. The Company will not publicly release any revisions to these forward-looking statements after the date hereof. Readers are urged, however, to review the factors set forth in reports that the Company files from time to time with the Securities and Exchange Commission.

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