

CHINA NATURAL RESOURCES INC
Form 6-K
December 30, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of **December 2008**.

Commission File Number **0-26046**

China Natural Resources, Inc.

(Translation of registrant's name into English)

**Room 2205, West Tower, Shun Tak Centre,
200 Connaught Road Central, Sheung Wan, Hong Kong**

(Address of principal executive offices)

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Indicate by check mark whether the registrant files of will file annual reports under cover of Form 20-F or Form 40-F.
Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12b3-2(b) under the Securities Exchange Act of 1934.
Yes No .

If "Yes" is marked, indicated below the file number assigned to the registrant in connection with Rule 12b3-2(b):
82-_____.

Unaudited Results of Operations

Furnished herewith on behalf of China Natural Resources, Inc. are the following:

(a)

Unaudited Financial Statements:

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Condensed Consolidated Statements Of Operations And Comprehensive Income (Unaudited) For The Three and Six Months Ended June 30, 2008 and 2007.

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Condensed Consolidated Balance Sheets as of June 30, 2008 (Unaudited) and December 31, 2007

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Condensed Consolidated Statements Of Cash Flows (Unaudited) For The Six Months Ended June 30, 2008 and 2007

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Notes to Condensed Consolidated Financial Statements (Unaudited)

(b)

Management's Discussion and Analysis of Financial Condition and Results of Operations

Neither the foregoing financial information nor the press release furnished herewith shall be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, and is not incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibits

99.1

Press Release dated December 29, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHINA NATURAL RESOURCES, INC.

By:

/s/ LI FEILIE

Li Feilie

Chairman and Chief Executive Officer

Date: December 29, 2008

CHINA NATURAL RESOURCES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(UNAUDITED)

THREE AND SIX MONTHS ENDED JUNE 30, 2008 AND 2007

(Amounts in thousands, except share and per share data)

	Three Months Ended June 30.			Six Months Ended June 30.		
	2008 RMB	2007 RMB	2008 US\$	2008 RMB	2007 RMB	2008 US\$
NET SALES (Note 5)						
Related party	163,625		23,872	166,687		24,319
Others	79,850	33,070	11,650	115,457	58,962	16,844
	243,475	33,070	35,522	282,144	58,962	41,163
COST OF SALES	(197,445)	(10,205)	(28,806)	(229,095)	(17,991)	(33,423)
GROSS PROFIT	46,030	22,865	6,716	53,049	40,971	7,740
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES,	(11,696)	(2,673)	(1,706)	(25,435)	(5,738)	(3,711)
including share-based compensation expense of RMB13,008 (US\$1,898) for the six months ended 30 June 2008(2007: nil) and RMB6,504 (US\$949) for the three months ended 30 June 2008 (2007: nil)						
INCOME FROM OPERATIONS	34,334	20,192	5,010	27,614	35,233	4,029
INTEREST EXPENSE	(833)		(122)	(1,068)		(156)
INTEREST INCOME	372	424	54	1,120	843	163
OTHER INCOME (EXPENSE), NET	(698)	(34)	(102)	2,705	(41)	395
LOSS ATTRIBUTABLE TO INVESTMENT IN UNCONSOLIDATED INVESTEES	(2,306)		(336)	(4,437)		(647)

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INCOME BEFORE INCOME TAXES	30,869	20,582	4,504	25,934	36,035	3,784
INCOME TAXES	(8,114)	(3,267)	(1,184)	(8,748)	(5,798)	(1,277)
NET INCOME	22,755	17,315	3,320	17,186	30,237	2,507
OTHER COMPREHENSIVE LOSS						
Foreign currency translation adjustments	(3,504)	(360)	(511)	(15,753)	(564)	(2,298)
COMPREHENSIVE INCOME	19,251	16,955	2,809	1,433	29,673	209
INCOME PER SHARE:						
Basic	1.18	1.50	0.17	0.91	2.62	0.13
Diluted	0.99	1.29	0.14	0.77	2.23	0.11
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING						
Basic	19,323,416	11,548,416	19,323,416	18,982,757	11,548,416	18,982,757
Diluted	22,926,151	13,377,836	22,926,151	22,235,670	13,547,420	22,235,670

See notes to condensed consolidated financial statements

CHINA NATURAL RESOURCES, INC. AND SUBSIDIARIES**CONDENSED CONSOLIDATED BALANCE SHEETS****AS OF JUNE 30, 2008 AND DECEMBER 31, 2007**

(Amounts in thousands, except share and per share data)

		June 30, 2008 RMB (Unaudited)	December 31, 2007 RMB	June 30, 2008 US\$ (Unaudited)
	Notes			
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		323,362	483,689	47,177
Trade receivables		2,008	1,525	293
Bills receivable		24,720	13,000	3,606
Other receivables		73,515	967	10,725
Inventories	3	222,247	4,633	32,424
Prepaid assets		42,307		6,173
Due from related companies	5	33,118		4,832
TOTAL CURRENT ASSETS		721,277	503,814	105,230
INVESTMENT IN UNCONSOLIDATED INVESTEES	6	26,958	30,495	3,933
PROPERTY AND EQUIPMENT, NET	4	247,732	37,772	36,143
OTHER ASSETS		8,823	10,000	1,287
TOTAL ASSETS		1,004,790	582,081	146,593
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable		89,845	991	13,108
Advance from customers		5,206	2,169	760
Accrued liabilities		4,194	3,367	612
Taxes payable		4,269	5,593	623
Other payables		38,144	32,497	5,565
Dividends payable		170	170	25
Capital lease obligation - current portion	7	9,607		1,402
Due to related companies	5	243,552	2,221	35,532
TOTAL CURRENT LIABILITIES		394,987	47,008	57,626

NON CURRENT LIABILITIES

Capital lease obligation	non current portion	7	15,868	2,315
TOTAL LIABILITIES			410,855	