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Xinjiang Xinxin Mining Industry Co., Ltd.*

新疆新鑫礦業股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 3833)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors of the Company that the financial results of the Group for the six months ended 30 June 2011 are expected to decrease significantly as compared to those for the six months ended 30 June 2010.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Xinjiang Xinxin Mining Industry Co., Ltd. (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that the financial results of the Group for the six months ended 30 June 2011 are expected to decrease significantly as compared to those for the six months ended 30 June 2010.

The Company considers that the significant decrease in the financial results of the Group for the six months ended 30 June 2011 was mainly attributable to the fact that the Kalatongke Copper-nickel Mine of the Company has completed technology renovation and expansion project by stages, among which, the smelting part has commenced test and trial run and commissioning in the first half year of 2011, leading to a significant decrease of self-produced water hardening and nickel matte (which is the raw material for refining of nickel cathode and copper cathode) of the Company in the first six months of 2011 as compared to those in the first six months of 2010, which results in a decline in production volume of nickel cathode and copper cathode products, an increase in production costs and a large amount of stock of self-produced mining materials in the first six months of 2011.

As at the date of this announcement, the smelting process of the technology renovation and expansion project of the Kalatongke Copper-nickel Mine of the Company has basically completed test and trial run and commissioning, and the production of which has achieved normal operating condition.

The Company is in the process of finalising the results of the Group for the six months ended 30 June 2011. The information contained in this announcement is only a preliminary assessment made by the management of the Company which is based on the unaudited consolidated management accounts of the Group and such information has not been audited or reviewed by the Company's auditors. The unaudited results of the Group for the six months ended 30 June 2011 are expected to be published in August 2011.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Xinjiang Xinxin Mining Industry Co., Ltd.
Yuan Ze
Chairman

Xinjiang, the PRC, 20 July 2011

As at the date of this announcement, the executive directors of the Company are Mr. Yuan Ze, Mr. Shi Wenfeng, Mr. Zhang Guohua and Mr. Liu Jun; the non-executive directors of the Company are Mr. Zhou Chuanyou and Mr. Niu Xuetao; and the independent non-executive directors of the Company are Mr. Chen Jianguo, Mr. Wang Lijin and Mr. Ng Yuk Keung.

* *For identification purpose only*