

Specific statement of the auditors in relation to the use of capital by major shareholders and guarantee provided to controlling shareholders and other connected parties

De Shi Bao (Shen) Zi (06) No.0016

To the board of director of Jiangxi Copper Company Limited:

We have been appointed to carry out the audit of the accompanying balance sheet of the Company and the Group as of 31 December 2005 and the related statement of income, profits appropriation and cash flows of the Company and the Group for the year of 2005 in accordance with independent Auditing Standards for Chinese Certified Public Accountants, and have issued the De Shi Bao (Shen) Zi (06) No. unqualified opinion audited report on 2006.

In accordance with the requirement of the Notice in relation to issue of the regulation of cash flow between listed companies and connected parties and external guarantees of listed companies as issued by China Securities Regulatory Commission and State-owned Assets Supervision and Administration Commission of the State Council, the Company has prepared the summary table regarding the use of capital by major shareholders as of 31 December 2005.

To truly prepare and disclose the summary table regarding the use of capital by major shareholders of the Company and other connected parties of the Company as of 31 December 2005 and to ensure their truthfulness, legality and completeness are the responsibility of the Company. We have cross examined the information set out in the summary table regarding the use of capital by major shareholders of the Company as of 31 December 2005 as well as those related contents of the accounting information as set out in the financial statement prepared by the Company's management for the year 2005 as reviewed by us. We found no inconsistencies therein in all material respects. Save as the relevant auditing procedures conducted in relation to the connected parties transactions with respect to the auditing of accounting statement of 2005 for the Company and the aforesaid cross examination procedure, we have not undertaken any additional auditing procedures for the information set out in the summary table regarding the use of capital by major shareholders of the Company and the summary table regarding the irregular guarantee provided to controlling shareholders and other connected parties of the Company as of 31 December 2005.

This letter is solely for the purpose of presentation to China Securities Regulatory Commission by the Company regarding the use of capital by major shareholders and guarantee provided to controlling shareholders and other connected parties of the Company for the year of 2005. It shall not be used for other purposes or distributed to others without our written consent.

Deloitte Touche Tohmatsu CPA Ltd.

Shanghai, China
19 April 2006

Appendix 1:

Jiangxi Copper Company Limited's summary of the funds used by controlling shareholders and other related parties as of 31 December 2005

Unit: RMB'0000

Category of Appropriator	Appropriator	Relation of the Company	Appropriation method	Increase in the year 2005 (excluding 2005 (excluding 2005 (excluding		Appropriation Interest in 2005	Decrease in the year 2005	Balance as at		Appropriation reason	Nature	Note
				1 January 2005	Interest)			31 December 2005	31 December 2005			
Controlling shareholder, actual controller and its affiliates	JCC	Controlling shareholder	Other receivables	19	—	—	19	—	Reimbursed expenses	Non-operating Purpose	Free	
	JCC Yezi Copper Foil Company Limited	A subsidiary of the controlling shareholder	Other receivables	—	760	—	650	110	Reimbursed expenses	Non-operating Purpose	Free	
	JCC Import and Export Company	A subsidiary of the controlling shareholder	Other receivables	68	121	—	124	65	Purchase and sale	Operating Purpose	Free	
	Jiangtong Southern Company	A subsidiary of the controlling shareholder	Other receivables	1,973	8,074	—	8,962	1,085	Purchase and sale	Operating Purpose	Free	
	Jiangxi Copper Products Company Limited	A subsidiary of the controlling shareholder	Other receivables	—	60	—	—	60	Purchase and sale	Operating Purpose	Free	
	JCC Geological Prospecting Company	A subsidiary of the controlling shareholder	Other receivables	—	1	—	—	1	Purchase and sale	Operating Purpose	Free	
	JCC	Controlling shareholder	Accounts receivable	83	15,668	—	15,670	81	Purchase and sale	Operating Purpose	Free	
	JCC Guangqin Industrial Trade Company	A subsidiary of the controlling shareholder	Accounts receivable	8	2,325	—	2,332	1	Purchase and sale	Operating Purpose	Free	
	Operation Department of Shanghai Tongdu Materials Trade Company	A subsidiary of the controlling shareholder	Accounts receivable	—	—	—	—	—	Purchase and sale	Operating Purpose	Free	
	Jiangxi Copper Products Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	226	542	—	767	1	Purchase and sale	Operating Purpose	Free	
	Beijing Beijiang Copper Materials Business Centre	A subsidiary of the controlling shareholder	Accounts receivable	1	—	—	1	—	Purchase and sale	Operating Purpose	Free	
	JCC (Guixi) New Materials Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	29	6,970	—	6,999	—	Purchase and sale	Operating Purpose	Free	
	JCC Xinjiang Copper Products Company	A subsidiary of the controlling shareholder	Accounts receivable	48	2,638	—	2,616	70	Purchase and sale	Operating Purpose	Free	
	JCC Yezi Copper Foil Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	—	2,756	—	2,658	98	Purchase and sale	Operating Purpose	Free	
	Jiangxi JCC Sai'er Industrial Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	64	309	—	373	—	Purchase and sale	Operating Purpose	Free	
	Jiangtong Southern Company	A subsidiary of the controlling shareholder	Accounts receivable	—	24,653	—	24,653	—	Purchase and sale	Operating Purpose	Free	
	Guangqin Electric Equipment Factory	A subsidiary of the controlling shareholder	Accounts receivable	—	476	—	476	—	Purchase and sale	Operating Purpose	Free	
	JCC (Qianshan) Industrial Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	—	1,891	—	1,891	—	Purchase and sale	Operating Purpose	Free	
	JCC Power Milling Pharmaceutical Factory	A subsidiary of the controlling shareholder	Accounts receivable	—	66	—	66	—	Purchase and sale	Operating Purpose	Free	
	JCC Plastic (Qianshan) Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	—	27	—	27	—	Purchase and sale	Operating Purpose	Free	
	JCC Lane Construction Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	—	932	—	932	—	Purchase and sale	Operating Purpose	Free	
	JCC (Ruichang) Transportation Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	—	226	—	226	—	Purchase and sale	Operating Purpose	Free	
	JCC Wushan Mine Xinda Industrial Company	A subsidiary of the controlling shareholder	Accounts receivable	—	46	—	46	—	Purchase and sale	Operating Purpose	Free	
	JCC (Ruichang) Foundry Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	—	96	—	96	—	Purchase and sale	Operating Purpose	Free	
	JCC Metallurgy Chemical Engineering (Guixi) Company Limited	A subsidiary of the controlling shareholder	Accounts receivable	—	3,037	—	3,037	—	Purchase and sale	Operating Purpose	Free	
	JCC	Controlling shareholder	Prepayments	46	3,620	—	3,627	39	Customs, clearing fees, import tax	Operating Purpose	Free	
	JCC Import and Export Company	A subsidiary of the controlling shareholder	Prepayments	1,326	47,183	—	48,509	—	Prepayments	Operating Purpose	Free	
	JCC Smelting New Technology Company Limited	A subsidiary of the controlling shareholder	Prepayments	—	—	—	—	—	Prepayments	Operating Purpose	Free	
	Construction and Installation Branch of JCC Guixi Smelter Company	A subsidiary of the controlling shareholder	Prepayments	71	420	—	371	120	Prepayments	Operating Purpose	Free	
	Jiangxi Deqing Yicun Industrial Company Limited	A subsidiary of the controlling shareholder	Prepayments	4	32	—	36	—	Prepayments	Operating Purpose	Free	
	Shanghai Transportation Agency	A subsidiary of the controlling shareholder	Prepayments	—	7,104	—	6,409	695	Prepayments	Operating Purpose	Free	
	JCC (Qianshan) Industrial Company Limited	A subsidiary of the controlling shareholder	Prepayments	—	60	—	—	60	Prepayments	Operating Purpose	Free	
	JCC Metallurgy Chemical Engineering (Guixi) Company Limited	A subsidiary of the controlling shareholder	Prepayments	—	2,750	—	202	2,548	Prepayments	Operating Purpose	Free	
	JCC Construction Project Company Limited	A subsidiary of the controlling shareholder	Prepayments	—	154	—	—	154	Prepayments	Operating Purpose	Free	
	Jiangtong Southern Company	A subsidiary of the controlling shareholder	Prepayments	—	58,244	—	57,218	1,026	Prepayments	Operating Purpose	Free	
	Jiangxi Copper Products Company Limited	A subsidiary of the controlling shareholder	Notes Receivable	—	37,525	—	34,585	2,940	Purchase and sale	Operating Purpose	Free	
Total				3,966	228,766	—	223,578	9,154				

Note 1: The Company charged RMB 140,000 appropriation interest with annual rate of 5.85% in 2005.

Note 2: The former JCC Guixi Smelter (Huaxin Meta) Company Limited has now changed to JCC (Guixi) New Materials Company Limited.

Other Information

Appendix 2:

Jiangxi Copper Company Limited's summary of irregular guarantee

Company Code	Abbreviation	Guarantor (listed company / subsidiary of limited Company)	Object	Relationship with object	Amount	Commencing date	Ending date	Guarantee obligation	Remark	Means
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note: As of 31 December 2005, the Company did not provide any guarantee to the controlling shareholder and the associates.

Appendix 3:

Jiangxi Copper Company Limited's timetable of repayment proposals

Proposed repayment date	Mean	Amount (RMB'000)	Remark
Late March of 2006	In Cash	1,100	
Total		1,100	

The three tables above have been approved by the board of directors on 19 April 2006.