

In 2006, the supervisory committee (“Supervisory Committee”) of Jiangxi Copper Company Limited (the “Company”) performed their duties in accordance with relevant provisions of the Company Law and the Articles of Association. The Supervisors attended 2 Board meetings. The Supervisory Committee convened three meetings to consider significant matters of the Company including the 2006 interim report and the 2005 annual results announcement, financial report, report of the Supervisory Committee and profit distribution plans. It implemented its supervision rights on the Company’s significant decisions and the operation of the Board.

## 1. Work of the Supervisory Committee

During the reporting period, the Supervisory Committee convened three meetings.

- (1) The Company held the 7th meeting of the third session of the Supervisory Committee on 19 April 2006. The meeting was presided over by Mr. Wang Maoxian, the Chairman of the Supervisory Committee. Five Supervisors should have attended the meeting and five Supervisors attended the meeting, which was in compliance with relevant requirements in the Company Law and the Articles of Association. At the meeting, the 2005 Annual Report and its Summary, 2005 Financial Report, Report of the Supervisory Committee for the year 2005, Profit Distribution Plan for the year 2005, remuneration and annual bonus of the Board of Directors, remuneration of the Supervisory Committee and bonus of the senior management were considered.
- (2) The 1st meeting of the fourth session of the Supervisory Committee of the Company was held on 10 June 2006. The meeting was presided over by Mr. Wang Maoxian, the Chairman of the Supervisory Committee. Five supervisors should have attended the meeting and five supervisors attended the meeting, which was in compliance with relevant requirements in the Company Law and the Articles of Association. At the meeting, Mr. Wang Maoxian was elected as the Chairman of the Supervisory Committee by show of hands.
- (3) The 2nd meeting of the fourth session of the Supervisory Committee of the Company was held on 22 August 2006. The meeting was presided over by Mr. Wang Maoxian, the Chairman of the Supervisory Committee. Five supervisors should have attended the meeting and five supervisors attended the meeting, which was in compliance with relevant requirements in the Company Law and the Articles of Association. At the meeting, the 2006 Interim Report and its summary, the 2006 Interim Financial Report and the 2006 Interim Report of the Supervisory Committee were considered and the proposal for no distribution of interim dividend for the first half of 2006 was considered and approved.



## 2. Independent Opinion of Supervisory Committee on Relevant Matters of the Company in 2006

The Supervisory Committee exercises its power in accordance with the provisions of the Company Law and the Articles of Association. During the reporting period, it diligently examined and supervised the Company's financial management, internal control, implementation of resolutions of shareholders' meetings, operational decisions and the decisions of the Board and the management, and the operating activities. The Supervisory Committee wishes to issue their independent opinion on the following matters:

- (1) Compliance of the Company's operations with the laws: During the reporting period, the Company implemented surveillance over its shareholders' meetings, the procedure for convening meetings of the Board of Directors, items to be resolved, execution of resolutions of shareholders' meetings by the Board of Directors, as well as the integrity, diligence and commitment of the Company's directors and senior management, in accordance with relevant provisions of Company Law and the Articles of Association of the Company. The Supervisory Committee is of the opinion that the Company's decision-making procedure is lawful and its operation is in strict compliance with the control system. No misappropriation of the Company's funds by connected parties was found, and the Company has not provided guarantee for any connected parties, other individuals or any third parties. Directors and senior management seriously carried out their commitments in respect of integrity and diligence and did not take any actions which were in violation of laws, regulations or the Company's Articles of Association nor detrimental to the Company's interests when discharging their duties.
- (2) Examination of financial status: The Supervisory Committee approved the examination and audit on the Company's financial status and financial structure and is of the opinion that the Company's financial status is sound without any significant risks. The financial reports without qualified opinions by the domestic and overseas accounting firms give an objective, fair and true view of the Company's financial status and operating results in 2006.
- (3) During the reporting period, the Company did not dispose of any assets, nor is there any indication of damage to minority shareholders' interests or dissipation of the Company's assets.
- (4) During the reporting period, the Company's procedure for entering into connected transactions for the year of 2006 complied with the relevant provisions of the Listing Rules. The disclosure of information on connected transactions was timely and sufficient. The execution of the contracts of connected transactions was reasonable and fair and was not detrimental to the interests of shareholders or the Company.

By Order of the Board  
**Wang Maoxian**  
*Chairman of the Supervisory Committee*

18 April 2007  
Jiangxi, the PRC