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Zijin Mining Group Co., Ltd.*

紫金礦業集團股份有限公司

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

(Stock code: 2899)

Announcement in relation to the acquisition of 70% equity interest in Luoyang Kunyu Mining Co., Ltd.

1. Overview of the transaction

Zijin Mining Group Co., Ltd.* (the "Company") entered into a share transfer agreement (the "Transfer Agreement") in relation to the transfer of 70% equity interest in Luoyan Kunyu Mining Co., Ltd. with China Molybdenum Co., Ltd. ("China Molybdenum", a A+H listed company, stock code: 603993 (A shares) and 03993 (H shares)) on 15 April 2014. The Company will pay a sum of RMB700,000,000 to acquire 70% equity interest in Luoyan Kunyu Mining Co., Ltd. ("Kunyu Mining") held by China Molybdenum. The transaction price was determined after arm's length negotiation between the two parties and with reference to Kunyu Mining's net assets value, historical financial position, annual results, and operation and future prospects of the gold mines owned by Kunyu Mining.

The board of directors of the Company considered and approved the above-mentioned transaction unanimously on 15 April 2014. Shareholders' approval at general meeting was not required for this transaction.

2. Information of the transaction party

China Molybdenum Co., Ltd.

For the details of China Molybdenum, please refer to the website of the Shanghai Stock Exchange and the website of China Molybdenum.

To the best of the directors' knowledge, information and belief of the board after making all reasonable enquiries, China Molybdenum and its ultimate beneficial owners are independent third parties of the Company and its connected persons (as defined in the Listing Rules).

3. Target of the transaction

- (1) Name: Luoyan Kunyu Mining Co., Ltd.
- (2) Company nature: a limited company
- (3) Place of registration: Xingningzhong Road, Luoning County, Luoyang
- (4) Legal representative: Xie Fengxiang
- (5) Registered capital: RMB531,226,252.46
- (6) Principal business: Mining, buying, selling and processing of mineral products
- (7) Shareholding structure: 70%, 25% and 5% equity interest in Kunyu Mining are held by China Molybdenum, Luoning Funiu Mineral Development Centre and China National Gold Henan Company respectively.
- (8) The gold mines owned by Kunyu Mining are all located in Luoning County, Henan Province, which are in production with a complete set of relevant licenses, completed necessary registrations and equipped with complete set of production and living facilities. Kunyu Mining produced 1,440kg of gold in total in 2013 and the current production scale of its processing plants is 2,850t/d.
- (9) Kunyu Mining currently owns 5 mining rights of gold mine covering total area of 50.66 square kilometers; 1 exploration right of gold mine covering total area of 5.04 square kilometers. There is no restriction of rights or circumstance of dispute for those mining/exploration rights. According to the 2013 annual report of China Molybdenum, as at 31 December 2013, the five Luoning gold mines of Kunyu Mining had 56.92 tonnes of gold resources with average grade of 4.3g/tonne; 3,787.33kg of gold reserves with average grade of 3.92g/tonne.
- (10) Major financial indicators of Kunyu Mining for the year ended 2013 and (Jan to Mar) 2014:

	31 Mar 2014 /Jan - Mar 2014	31 Dec 2013 /Year ended 2013
Total assets (RMB)	836,846,878.33	782,080,826.32
Net assets (RMB)	598,407,558.14	591,189,901.54
Operating income(RMB)	94,057,944.92	419,626,423.65
Net profits (RMB)	6,267,136.35	21,969,755.74

4. Major terms of the Transfer Agreement

- (1) Transfer price: the transfer price of 70% equity interest in Kunyu Mining is RMB700,000,000.
- (2) Other two shareholders of Kunyu Mining have expressed clearly to waive the pre-emptive rights.
- (3) Payment method
 - 1- The Company shall make the initial transaction payment of RMB450,000,000 within 10

working days upon signing of the Transfer Agreement to the account specified by China Molybdenum.

2- The Company shall make the second transaction payment of RMB250,000,000 within 10 working days upon the completion of the change of business registration for share transfer to the account specified by China Molybdenum.

(4) The Transfer Agreement becomes valid after both parties' legal representatives or their assignees signed and affixed the official seals.

5. Reasons for the proposed transaction and the impacts to the Company

The board of directors of the Company considers that China Molybdenum disposed its 70% equity interest in Kunyu Mining due to restructuring of assets structure. The production licences and facilities of Kunyu Mining's gold mines are complete, the amount of resources owned is relatively large, the mining areas are located at an area with better minerogenic geological conditions, and have a good prospect for exploration. In addition, the project is adjacent to the mining area of the Company's Huatai Mining Luyuangou gold mine project which has a good prospect to form a large-scale gold mining field, which is beneficial to the overall planning and large-scale development. To summarize, acquisition of the gold mine project is in-line with the Company's development strategy. If the acquisition is successful, it will increase the amount of gold reserves and the production volume of the Company and consolidate the Company's position in the industry, which are in the interests of the Company and the shareholders as a whole.

6. Warning of risks

The risk of this acquisition is mainly associated with the future movement of gold price. High level of volatility in gold price in the future may bring higher uncertainty to the profitability of the project.

Implications under the listing rules

As all the relevant percentage ratios (as defined under Rule 14.07 of the Listing Rules) of the Transfer Agreement are less than 5% for the Company, the transaction does not constitute a discloseable transaction to the Company. Since China Molybdenum and its ultimate beneficial owners are independent third parties of the Company and its connected persons, this transaction does not constitute a connected transaction to the Company.

This announcement is made by the Company on a voluntary basis.

Investors and shareholders are advised by the board of directors to exercise caution

when dealing in the shares of the Company.

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Wang Jianhua, Qiu Xiaohua, Lan Fusheng, Zou Laichang, and Lin Hongfu as executive directors, Mister. Li Jian as non-executive director, and Messrs. Lu Shihua, Ding Shida, Jiang Yuzhi, and Sit Hoi Wah, Kenneth as independent non-executive directors.

By Order of the Board of Directors
Zijin Mining Group Co., Ltd.*
Chen Jinghe
Chairman

Fujian, the PRC, 15 April 2014

*The Company's English name is for identification purpose only