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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 Commencement of Currency Risk Management Transactions in 2018

On 23 January 2018, Zijin Mining Group Co., Ltd.* (the "Company") convened the first extraordinary meeting in 2018 of the sixth term of the board of directors (the "Board"), at which the Resolution in relation to Commencement of Currency Risk Management Transactions in 2018 was considered and approved. In view of an expansion of the Company's global business and the Company's need of production and operation, the Company proposes to commence foreign exchange derivative transactions for the purposes of mitigating currency risk or interest rate risk arising from the Company's assets and liabilities denominated in foreign currencies, reducing the impacts of fluctuations in exchange rate and interest rate on the Company's profits, and taking advantage of the changes in foreign exchange market. Details of the proposed transactions are as follows:

1. Scope of the foreign exchange derivative transactions

The foreign exchange derivative transactions which the Company intends to commence include but are not limited to forwards, swaps, options, currency swaps and interest rate swaps, etc. The duration of the transactions should be not more than 3 years, otherwise the transactions should be reported to the Financial Business Guiding Team of the Company for approval.

2. Maximum amount and authorised period of the foreign exchange derivative transactions

The Company will commence foreign exchange derivative transactions on the premises of fulfilling daily production and operational requirements, meeting the need of overseas mergers and acquisitions, and mitigating interest rate risk and currency risk. Having regard to the scale of risk exposure of the Company's assets and liabilities denominated in foreign currencies, and based on the principle of prudent estimation, the Company expects the maximum transaction amount of non-trade foreign exchange derivative positions during the authorised period to be not more than USD500 million or the equivalent amount in other foreign currencies. Since the maximum transaction amount accounts for approximately 11.5% of the audited net assets attributable to owners of the parent in 2016, approval of the Company's shareholders' general meeting is not required. In respect of the trade transactions, currency risk control will be carried out based

on the actual conditions of trading business. The authorised period is from 1 January 2018 to the time when new authorisation is granted for the next year.

3. Analysis on the risks of commencing foreign exchange derivative transactions

1) Market risk: In the event of substantial deviation of actual exchange rate and interest rate movements from the Company's expectation, the expense to be incurred by the Company as a result of marking to a fixed exchange rate or interest rate may exceed the expense to be incurred otherwise, thereby causing potential losses.

2) Internal control risk: Given the technicality and complexity of foreign exchange derivative transactions, risks may arise from the deficiencies in internal control mechanism.

3) Risk of disparity between actual and estimated repayment: The Company usually carries out payment and repayment forecast based on procurement orders, customers' orders and expected orders. However, adjustments made by suppliers or customers to their actual orders and forecasts may cause inaccuracy in the Company's repayment forecast, and accordingly expose the Company to risks of delayed settlement in the foreign exchange derivatives which it has entered into.

4) Legal risk: In the event of changes in the relevant governing laws and regulations, or counterparties breaching the relevant governing laws and regulations, the Company may suffer losses due to the inability to carry out contractual obligations.

4. Risk control of foreign exchange derivative transactions

1) The Company will not engage in foreign exchange derivative transactions for the purpose of speculation. All foreign exchange derivative transactions will be carried out on the basis of ensuring normal production and operation and avoiding or mitigating currency risk or interest rate risk.

2) The Company has formulated the "Capital Management Policy", "Foreign Currency Trading Management Policy of Zijin Mining Group Capital Investment Company Limited" and "Foreign Currency Trading Operational Rules of Zijin Mining Group Capital Investment Company Limited", which contain detailed provisions on the risk control, approval procedures and subsequent management of foreign exchange derivative transactions, to effectively guard against the risks arising from foreign exchange derivative transactions.

3) The Financial Business Guiding Team of the Company makes decisions in relation to foreign exchange derivative transactions under the scope of authorisation of the Board. The Financial Planning Department of the Company is responsible for supervising and guiding foreign exchange derivative transactions. Zijin Mining Group Capital Investment Co., Ltd., a wholly-owned subsidiary of the Company, is responsible for

implementing foreign exchange derivative transactions and hedging against the currency risk exposure from non-trade items.

4) The Company only carries out foreign exchange derivatives transactions with qualified large commercial banks. It will closely monitor the laws and regulations in the relevant areas to avoid possible legal risks.

5) Independent directors and supervisory committee of the Company have the right to supervise and inspect the foreign exchange derivative transactions and, if necessary, engage professional institutions for auditing.

5. Accounting policies and the basis of accounting

The Company will account for its foreign exchange hedging business and make disclosures accordingly pursuant to the relevant rules and regulations, including the Accounting Standards for Business Enterprises and their guidelines.

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

The announcement is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail over its English version.

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), Lan Fusheng, Zou Laichang, Lin Hongfu, Fang Qixue, and Ms. Lin Hongying as executive directors, Mister. Li Jian as non-executive director, and Messrs. Lu Shihua, Zhu Guang, Sit Hoi Wah, Kenneth, and Cai Meifeng as independent non-executive directors.

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

Fujian, the PRC, 23 January 2018

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