

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting (“**AGM**”) of Fujian Zijin Mining Industry Co., Ltd. (the “**Company**”) for the year ended 31 December, 2003 will be held at 9:00 a.m. on 28 May, 2004 at the conference room on the 1st floor of the Company’s office building at Shanghang County, Fujian Province, the People’s Republic of China to consider, approve and authorise the following businesses:

ORDINARY RESOLUTIONS

1. to consider and approve:
 - 1.1 Report of the Board of Directors of the Company for 2003
 - 1.2 Report of Supervisory Committee of the Company for 2003
 - 1.3 audited financial statements and Report of the international auditors for the year ended 31 December, 2003;
2. to consider and approve the profit distribution proposal of the Company and the relevant declaration and payment of a final dividend for the year ended 31 December, 2003;
3. to approve the remuneration of the Directors and Supervisors of the Company for the year ending 31 December, 2003;
4. to consider and approve the annual remuneration proposal of the Directors and Supervisors of the Company for the year ended 31 December, 2004;
5. to consider and approve, the reappointment of Ernst & Young Hua Ming and Ernst & Young as the Company’s domestic and international auditors respectively for the year ending 31 December, 2004, and to authorise the Board of Directors to determine their remuneration;

SPECIAL RESOLUTIONS

To consider and if thought fit, to pass the following, as special resolutions:

6. to consider and approve:

There be granted to the Board of Directors of the Company, an unconditional general mandate to issue, allot and deal with additional shares in the capital of the Company, whether Domestic Shares or H Shares. Such unconditional general mandate can be exercised once or more than once during the Relevant Period, subject to the following conditions:

- (a) such mandate shall not extend beyond the Relevant Period save that the Board of Directors of the Company may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;

Notice of Annual General Meeting

- (b) the aggregate nominal amount of shares, whether Domestic Shares or H Shares, allotted issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with by the Board of Directors of the Company pursuant to such mandate, shall not exceed:
 - (i) 20 per cent of the aggregate nominal amount of Domestic Shares of the Company in issue; and
 - (ii) 20 per cent of the aggregate nominal amount of H Shares of the Company in issue, in each case as of the date of passing this Resolution; and
- (c) the Board of Directors of the Company shall only exercise its power under such mandate in accordance with the Company Law of the People's Republic of China ("PRC") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained;

For the purposes of this Resolution:

"Domestic Shares" means domestic invested shares in the share capital of the Company, of par value RMB 0.10 each, which are available for subscription in Renminbi by PRC investors and are fully-paid;

"H Shares" means the overseas listed foreign invested shares in the share capital of the Company with a par value RMB 0.10 each, and which are subscribed for and traded in Hong Kong Dollars;

"Relevant Period" means the period from the passing of this Resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this Resolution; or
- (b) the expiration of the 12-month period following the passing of this Resolution; or
- (c) the date on which the authority set out in this Resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting.

Notice of Annual General Meeting

7. to consider and approve the proposal for change of Company's names:

The name of the Company be changed and registered as:

The registered Chinese name of the Company: 紫金礦業集團股份有限公司

The registered English name of the Company : Zijin Mining Group Co., Ltd.

8. to consider and approve the proposal regarding issue of new shares by conversion of the surplus reserve fund:

An amount of RMB131,413,091 in the Company's surplus reserve fund will be converted into 1,314,130,910 shares of RMB0.1 each and on the basis of 1,314,130,910 shares in issue at the end of 2003, and the Company will issue additional new shares on the basis of 10 new shares for every 10 existing shares to shareholders.

9. to consider and approve each of the proposed amendments to certain provisions of the Articles of Association of the Company, which is independent and shall not affect the validity of others:

9.1. subject to the passing of resolution no. 7 above and the completion of necessary filing procedures with the relevant authority, Article 2 shall be amended as follows:

9.1.1 Article 2 of the Articles of Association be amended as:

"The registered Chinese name of the Company:

紫金礦業集團股份有限公司

The registered English name of the Company:

Zijin Mining Group Co., Ltd."

9.2 subject to the passing of resolution no. 8 above, the registered share capital and the share capital structure of the Company shall be changed and Articles 16 and 19 shall be amended as follows:

9.2.1 Article 16 of the Articles of Association be amended as:

"The current structure of the Company's share capital is as follows: the total number of issued ordinary shares of the Company is 2,628,261,820 shares of par value of RMB0.10 each, of which:

- 842,180,424 shares are held by Minxi Xinghang State-owned Assets Investment Company Limited, representing 32.04% of the total issued ordinary shares of the Company;

Notice of Annual General Meeting

- 345,800,000 shares are held by Xinhua Industrial Company Limited, representing 13.16% of the total issued ordinary shares of the Company;
- 342,190,000 shares are held by Shanghang County Jinshan Trading Company Limited, representing 13.02% of the total issued ordinary shares of the Company;
- 133,000,000 shares are held by Fujian Xinhua Engineering Company Limited, representing 5.06% of the total issued ordinary shares of the Company;
- 95,000,000 shares are held by Xiamen Hengxing Construction & Decoration Materials Company Limited, representing 3.61% of the total issued ordinary shares of the Company;
- 32,737,000 shares are held by Fujian Xinhua Department Store Company Limited, representing 1.25% of the total issued ordinary shares of the Company;
- 30,143,042 shares are held by Fujian Gold Group Company Limited, representing 1.15% of the total issued ordinary shares of the Company;
- 6,123,354 shares are held by Fujian Minxi Geologist, representing 0.23% of the total issued ordinary shares of the Company; and
- 801,088,000 shares are held by holders of Overseas Listed Foreign Shares, representing 30.48% of the total issued ordinary shares of the Company.®

9.2.2 Article 19 of the Articles of Association be amended as:

“The registered capital of the Company is RMB262,826,182.”

9.3 in order to facilitate the Company's flexibility in seeking investment opportunities, the Board of Directors proposed to amend the investment authorisation of the Directors under Article 94 as follows:

9.3.1 Paragraph 4 of Article 94 of the Articles of Association, “The authorisation to the board of directors for the application of the Company's assets in risk management and investment will be limited to not more than RMB 10 million” be deleted.

9.3.2 Paragraph 5 of Article 94 of the Articles of Association be amended as:

“The authorisation to the board of directors for the application of the Company's assets for investment will be subject to the provisions of the Listing Rules as amended from time to time and the applicable laws, rules and regulations.”

Notice of Annual General Meeting

9.4 in order to comply with certain amendments made to the Listing Rules relating corporate governance issues effective on 31 March, 2004, the Board of Directors proposed to amend the relevant provisions of Articles of Association as follows:

9.4a The revised Listing Rules provide that any vote of shareholders at a general meeting to approve certain transactions must be taken on a poll. In order to reflect this requirement, Articles 63, 71 and 74 be amended as follows:

9.4a.1 Article 63 of the Articles of Association be amended as:

“Any member of the Company entitled to attend and vote in the general meeting, shall be entitled to appoint one or more persons as his proxy(ies) to attend and vote instead of him. A proxy need not be a member of the Company. Under the appointment by the shareholder, the proxy may exercise the following rights:

- (1) the right to speak at the general meeting;
- (2) the right to vote by poll.”

9.4a.2 Article 71 of the Articles of Association be amended as:

“Voting at shareholders’ general meeting shall be taken on a poll.”

9.4a.3 Article 74 of the Articles of Association be amended as:

“In the case of an equality of votes, the chairman of the meeting shall have a casting vote.”

9.4b Pursuant to the revised Listing Rules, the articles of association of a listed company shall specify that if a shareholder is restricted from voting under the Listing Rules, any votes casted by or on behalf of such shareholder in contravention of such restriction or requirement shall not be counted. As such, Article 70 be amended as follows:

9.4b.1 Article 70 of the Articles of Association be amended as:

“A Shareholder (including proxy) when voting at a shareholder’s general meeting may exercise his voting rights in accordance with the number of shares carrying the voting right and each share shall have one vote. Pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), if any shareholder (including proxy) is required to abstain from voting on any particular resolution, or restricted from voting only for or only against any particular resolution, any vote casted by such shareholder or his proxy in contravention of such requirement or restriction shall not be counted.”

Notice of Annual General Meeting

9.4c Pursuant to the revised Listing Rules, a notice relating to nomination of directors by shareholders shall be lodged not earlier than the date after the despatch of the notice of the meeting and no later than 7 days prior to the date the meeting is held. As such, paragraph 1 of Article 92 shall be amended as follows:

9.4c.1 Paragraph 1 of Article 92 of the Articles of Association be amended as:

“The directors shall be elected at a general meeting of shareholders for a term of 3 years, and may be re-elected upon the expiry of such term. Nomination of candidates for directors shall be delivered in writing to the Company not earlier than the date the notice convening the meeting is issued and not later than 7 days prior to the date the meeting is held. Candidates shall serve notices to the Company expressing their intention to participate in the election.”

9.4d In order to strengthen the corporate governance of the Company, Articles 76, 122 and 125 shall be amended as follows:

9.4d.1 Article 76 of the Articles of Association be amended as:

“The following matters shall be resolved by a special resolution at a shareholders’ general meeting:

- (i) the increase or decrease of share capital and the issue of shares of any class, warrants and other similar securities;
- (ii) the repurchase of shares of the Company;
- (iii) the issuance of debentures of the Company;
- (iv) the division, merger, dissolution and liquidation and material acquisitions or disposal;
- (v) amendments to these Articles of Association;
- (vi) any matter considered at the shareholders’ general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company, shall be adopted by a special resolution; and
- (vii) other matters as required by the “Listing Rules”.

9.4d.2 Insert the following paragraph as paragraph 6 after the paragraph 5 of Article 122 of the Articles of Association:

“(vi) Any person who will be deemed as Associates to such directors, supervisors, managers or other senior management officers pursuant to the “Listing Rules”.

Notice of Annual General Meeting

9.4d.3 Article 125 of the Articles of Association be amended as:

“Where a director, supervisor, manager or other senior management officer of the Company has, directly or indirectly, a material interest in a contract, transaction or arrangement entered into or proposed to be entered into by the Company (other than the contract of employment of a director, supervisor, manager or other senior management officer), he shall declare the nature and extent of his interest to the board of directors as soon as practicable, whether or not the matters in question are otherwise subject to the approval of the board of directors under normal circumstances.

A director shall abstain from voting in relation to contracts, transactions or arrangements in which he or his Associates (as defined in the “Listing Rule”) have a material interest and shall not be counted in the quorum.

Unless a director, supervisor, manager or other senior management officer with an interest makes a disclosure to the board of directors in the manner as described in the preceding paragraph in this Article and the matter is approved by the Board at a meeting at which he was not counted in the quorum and did not vote, the Company may rescind that contract, transaction or arrangement except as against a bona fide party acting in good faith and without knowledge of the breach of obligation by such director, supervisor, manager or other senior management officer.

When the related parties and Associates of a director, supervisor, manager or other senior management officer of the Company have an interest in a contract, transaction or arrangement, such director, supervisor, manager or other senior management officer is also deemed to be interested.”

9.5 As a result of the aforesaid amendments to the Articles of Association, Articles 6 and 179 shall be amended as follows:

9.5.1 Article 6 of the Articles of Association be amended as:

“In accordance with the provisions of the Company Law, the Special Regulations and the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “**Mandatory Provisions**”) and other PRC laws and administrative regulations and the shareholders’ resolutions of the Company, these Articles of Association were adopted by the Company (the “**Articles of Association**” or “**these Articles of Association**”).

The Articles of Association has been passed in the annual general meeting held on 28 May, 2004 and was effective from the date as approved by the relevant authority.

Since the date of the Articles of Association coming into effect, the Articles of Association becomes a legally binding document which standardises the organisational structure and behavior of the Company, obligations and rights between the Company and the shareholders and between shareholders.”

Notice of Annual General Meeting

9.5.2 Article 179 of the Articles of Association be amended as:

“The right to interpret these Articles of Association belongs to the board of directors of the Company. Matters not stipulated in these Articles of Association shall be proposed and passed at the general meeting by the board of directors.”

10. with reference to the resolutions no. 6 to 9 above, the Board of Directors be authorised:
- (a) to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection therewith;
 - (b) to make such amendments to the Articles of Association of the Company as it thinks fit; and
 - (c) to make all necessary filings and registrations with the relevant PRC, Hong Kong and/or other authorities.
11. to consider and approve proposals (if any) put forward at the meeting by any shareholder(s) holding 5 per cent or more of the shares carrying the right to vote at such meeting.

By order of the Board of Directors

Wang Yuanheng

Company Secretary

Fujian, the PRC, 6 April, 2004

Notes:

- (A) The Company's register of H Shares members will be closed from Wednesday, 28 April, 2004 to Thursday, 27 May, 2004 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of H Shares whose names appear on the register of members at the close of business on Tuesday, 27 April, 2004, upon the completion of the registration procedures, will be entitled to attend the AGM and to vote in the meeting. To be entitled to attend the AGM and to vote in the meeting, their instruments of transfer must be delivered to the Registrar of H Shares of the Company no later than 4:00 p.m. on Tuesday, 27 April, 2004.

The address of the Registrar of H Shares of the Company is:

Computershare Hong Kong Investor Services Limited, Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong

Notice of Annual General Meeting

- (B) Holders of H Shares and Domestic Shares who intend to attend the AGM, must complete and return the return slip in writing to the Board secretariat of the Company twenty days before the convening of the AGM, that is Saturday, 8 May, 2004.

Details of the Office for the Secretary to the Board of the Company is as follows:

277 Beihuan Road
Shanghang County
Fujian Province
The PRC
Tel: (86) 597 384 1468
Fax: (86) 597 384 1468

- (C) Holders of H Shares who has the right to attend and vote at the AGM are entitled to appoint one or more proxies (whether or not a member) to attend and vote on his behalf. Shareholders who appoint over one proxies, such proxies can only exercise their voting rights by way of polls. Shareholders who intend to appoint one or more proxies should first read the Company's 2003 annual report.
- (D) The instrument appointing a proxy must be writing under the hand of the appointor or his attorney duly authorised in writing. In the event that such instrument is signed by an attorney of the appointor, an authorisation that authorised such signatory shall be notarized.
- (E) To be valid, a form of proxy (or if it is signed by his attorney duly authorised in writing, then together with such power of attorney or other authority) must be deposited at the Company's Registrar of H Shares of the Company - Computershare Hong Kong Investor Services Limited no later than 24 hours before the specified time for the holding of the AGM. The address is: Room 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (F) Holders of H Shares who has the right to attend and vote at the AGM are entitled to appoint one or more proxies (whether or not a member) to attend and vote on his behalf. Notes (C) and (D) are also applicable for holders of Domestic Shares, but to be valid, the relevant proxy forms or other authorisation documents must be delivered to the Board secretariat of the Company 24 hours before the specified time for the holding of the AGM, its address is set out in Note (B) above.
- (G) If a proxy is appointed to attend the AGM on behalf of a shareholder, the proxy must indicate its identification and the authorisation instrument with the date of issue and duly signed by the proxy and its legal representative, and in the case of legal representative of legal person shareholders, such legal representative must indicate its own identification and effective document to identify its identity as legal representative. If a legal person shareholder appoints a company other than its legal representative to attend the AGM, such representative must indicate its own identification and the authorisation instrument bearing the company chop of the legal person shareholder and duly authorised by its legal representative.
- (H) The AGM is expected to be for half a day, and shareholders attending the AGM will be responsible for their own travelling and accommodation expenses.