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江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

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CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Old Land Leasing Agreements entered into between the Company and JCC Group. Due to the dramatic change in the land leasing market since year of 1997, there is a big difference between the rent agreed in 1997 Land Leasing Agreement and the current guidance price of the PRC government as well as the fair trading market value. Furthermore, 2007 Land Leasing Agreement and 2008 Land Leasing Agreement expired on 31 December 2010 and 15 January 2011, respectively. For the purposes of fixing the rent at the fair value and protecting the normal operation of the Group, the Company and JCC Group entered into the New Land Leasing Agreement.

Reference is also made to the 2011 Announcement and the 2011 Circular in relation to, among other things, the Financial Services Agreement entered into between JCC Financial and JCC regarding the provision of certain financial services to the JCC Group by JCC Financial of which the transactions contemplated thereunder did not proceed as one of the conditions precedent, being the passing of a resolution by the shareholders of the Company was voted down at the extraordinary general meeting of the Company held on 6 December 2011.

JCC Financial and JCC have further negotiated the total outstanding balance of the loans of the Financial Services Agreement and entered into the Revised Financial Services Agreement on 27 March 2012, pursuant to which JCC Financial has agreed to provide the Financial Services to JCC Group based on revised terms subject to the terms and conditions provided therein.

As the A Shares of the Company are listed on the Shanghai Stock Exchange, the Company is also required to comply with the Shanghai Listing Rules. Notwithstanding that the maximum amount of the Proposed Caps under each of the New Land Leasing Agreement and Revised Financial Services Agreement does not exceed 5% of all the Percentage Ratios, they are still subject to the Independent Shareholders' Approval under the Shanghai Listing Rules. Furthermore, as the JCC Group and the Group will continue to enter into the continuing connected transactions under the Agreements on a regular basis, the Directors wish to seek the Independent Shareholders' approval for the Continuing Connected Transactions Subject to Approval under the Agreements and the Proposed Caps.

ELECTION OF DIRECTORS

According to Article 96 of the Articles of Association, the term of office of each of the Directors is three years. The current term of office of the fifth session of the Board is due to expire on the AGM. Under the Articles of Association, the appointment of the Directors requires the approval by Shareholders at the general meetings and shall commence on the date of their appointment. Each Director shall be eligible for re-election by Shareholders upon end of term provided that an independent non-executive Director shall not serve more than 6 years upon re-election.

The Company has received written notice from its substantial shareholder, JCC, nominating Mr. Li Yihuang, Mr. Li Baomin, Mr. Gan Chengjiu, Mr. Hu Qingwen, Mr. Gao Jianmin, Mr. Liang Qing , Mr. Shi Jialiang, Mr. Wu Jianchang, Mr. Gao Dezhu, all being retiring Directors, and Mr. Zhang Weidong and Mr. Deng Hui as candidates for the election as Directors for the term of office commencing from the date of the AGM to Next Term.

ELECTION OF SUPERVISORS

In accordance with Article 125 of the Articles of Association, the term of appointment of each Supervisor shall be three years and each of the Supervisors shall be eligible for re-election upon the end of term by Shareholders or staff and workers of the Company where appropriate.

The Company has received written notice from JCC nominating Mr. Hu Faliang, Mr. Wu Jinxing and Ms. Wan Sujuan, the retiring Supervisor as the candidates for election as Supervisor representing the Shareholders for the Next Term. Mr. Lin Jinliang and Mr. Xie Ming, the retiring Supervisors representing the staff and workers have been elected as the candidates for election as Supervisor representing the staff and workers for the Next Term at an association meeting held by the staff and workers of the Company.

ESTABLISHMENT OF NOMINATION COMMITTEE

The Company establishes the Nomination Committee on 27 March 2012. Mr. Li Yihuang is appointed as the chairman of the Nomination Committee while Mr. Wu Jianchang, Mr. Gao Dezhu, Mr. Tu Shutian and Ms. Zhang Rui are appointed as members of the Nomination Committee. Mr. Pan Qifang is appointed as the secretary to the Nomination Committee.

PROPOSED CHANGE OF MEMBERS OF AUDIT COMMITTEE, REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

Subject to the appointment of Mr. Deng Hui and Mr. Zhang Weidong as independent non-executive Directors, Mr. Zhang Weidong will be appointed to replace Ms. Zhang Rui as the chairman of the Audit Committee and as member of the Remuneration Committee and Nomination Committee while Mr. Deng Hui will be appointed to replace Mr. Tu Shutian as the chairman of the Remuneration Committee and as member of the Audit Committee and Nomination Committee.

PROPOSED CHANGE OF AUDITORS

E&Y and E&Y CPA will retire but not be re-appointed as the domestic auditor and overseas auditor of the Company commencing from the conclusion of the AGM, respectively.

The Board, as proposed by the Audit Committee, resolved to appoint Deloitte Touche Tohmatsu and Deloitte Touche Tohmatsu CPA Limited as the Company's domestic and overseas auditors for the year 2012 respectively and appoint Deloitte Touche Tohmatsu as the Company's internal control audit institution for the year 2012 and such appointments will only be confirmed until the approval of the Shareholders in the forthcoming AGM is obtained.

I. INTRODUCTION

Reference is made to the Old Land Leasing Agreements entered into between the Company and JCC Group in relation to the leasing of the land use right by JCC Group to the Group.

Reference is also made to the 2011 Announcement and the 2011 Circular in relation to, among other things, the Financial Services Agreement entered into between JCC Financial and JCC regarding the provision of certain financial services to the JCC Group by JCC Financial of which the transactions contemplated thereunder did not proceed as one of the conditions precedent, being the passing of a resolution by the shareholders of the Company was voted down at the extraordinary general meeting of the Company held on 6 December 2011.

JCC Financial and JCC have further negotiated the total outstanding balance of the loans of the Financial Services Agreement and entered into the Revised Financial Services Agreement on 27 March 2012, pursuant to which JCC Financial has agreed to provide the Financial Services to JCC Group based on revised terms subject to the terms and conditions provided therein.

II. THE NEW LAND LEASING AGREEMENT

The Company entered into the New Land Leasing Agreement on 27 March 2012 with JCC in relation to the leasing of the land use right of the Lands.

Date

27 March 2012

Parties

1. the Company; and
2. JCC.

Particulars of the New Land Leasing Agreement

Pursuant to the New Leasing Agreement, JCC agreed to let the land use right of the Lands covering an area of approximately 51,636,341.87 square meters to the Company for a term commencing from 1 January 2012 up to 31 December 2014 at a rate of RMB166,685,643.98 for year 2012 (equivalent to approximately HK\$205,812,696). The actual rate will be calculated in accordance with the actual area used by the Group and may be adjusted once annually. The actual adjustment to the rate shall be determined by JCC and the Company with reference to the market price each year, subject to a maximum annual increment of 10% of the rate of previous year. Such rate was arrived after arm's length negotiations between the Company and JCC with reference to (i) the rent under the Old Land Leasing Agreements; (ii) the guidance price of land leasing of local government in Jiangxi Province; and (iii) the recent fair trading price. The Group shall pay the rent to JCC annually.

The Company has a preferential right to renew the New Land Leasing Agreement by giving JCC a written notice within 6 months before the expiration of the New Land Leasing Agreement.

Annual Caps

The amount of the rent under the Old Land Leasing Agreements for each of the three financial years ended 31 December 2011 were RMB44.33 million, RMB39.43 million and RMB40 million respectively (equivalent to approximately HK\$54.74 million, HK\$48.69 million and HK\$49.39 million).

The proposed Caps regarding the New Land Leasing Agreement for each of the three financial years ending 31 December 2012, 31 December 2013 and 31 December 2014 will not exceed RMB166,685,643.98, RMB183,354,208.38 and RMB201,689,629.22, respectively (equivalent to approximately HK\$205,812,696, HK\$226,393,965 and HK\$249,033,362 respectively). The Proposed Caps of the New Land Leasing Agreement will be less than 5% under the Percentage Ratios, however, it is subject to Independent Shareholders' approval under the Shanghai Listing Rules.

Conditions

The transactions contemplated under the New Land Leasing Agreement will be subject to the fulfillment of the following conditions:

- (i) the relevant authority of JCC approving the execution of the New Land Leasing Agreement;
- (ii) the directors or shareholders of the Company approving the execution of the New Land Leasing Agreement in accordance with its articles and relevant regulations; and
- (iii) the relevant land administration authority approving or consenting to the leasing of the land use right under the New Land Leasing Agreement or the relevant legal prerequisites for the leasing of the land use right having been satisfied.

The 1997 Land Leasing Agreement shall be terminated and ceased to have any effect upon fulfillment of the above conditions.

Reasons for and benefits of the entering into of the New Land Leasing Agreement

Since 1997, there is a dramatic change in the land leasing market. Therefore, there is a big difference between the rent agreed in 1997 Land Leasing Agreement and the current guidance price of the PRC government as well as the fair trading market value. Furthermore, 2007 Land Leasing Agreement and 2008 Land Leasing Agreement expired on 31 December 2010 and 15 January 2011 respectively. For the purposes of fixing the rent at the fair value and protecting the normal operation of the Group, the Company and JCC Group entered into the New Land Leasing Agreement.

The entering into of the New Land Leasing Agreement is basically similar to the Old Land Leasing Agreements and therefore it will not increase the additional burden to the Company. In addition, it will benefit the reasonable allocation and full utilization of the existing assets of the parties thereto so as to realize the resources sharing between the parties and to complement the advantages for each party as well as to enhance the sustainability of stabilization and development of the operation of the Company. The entering into of the New Land Leasing Agreement can also avoid the repetition of investment and save the expenditure of the Company and therefore enhance the consolidated efficiency of the Company.

The Directors have also confirmed that the terms of the New Land Leasing Agreement have been determined after arm's length negotiation between the parties thereto and will be no less favourable than the terms and conditions the Group can otherwise obtain in the market, if applicable. The Directors (excluding the independent non-executive Directors whose views will be based on the opinion of the independent financial adviser) are of the view that the terms of the New Land Leasing Agreement are fair and reasonable so far as the Independent Shareholders are concerned and that the New Land Leasing Agreement is on normal commercial terms and in the interest of the Company and its Shareholders as a whole.

III. THE REVISED FINANCIAL SERVICES AGREEMENT

JCC Financial, a subsidiary of the Company, entered into the Revised Financial Services Agreement on 27 March 2012 with JCC in relation to the provision of the Financial Services to the JCC Group. The Revised Financial Services Agreement was entered into in the ordinary course of business of JCC Financial and on normal commercial terms.

Other than the proposed caps for credit service contemplated under the Revised Financial Services Agreement, other material terms of the Financial Services Agreement remain unchanged. The terms of the Revised Financial Services Agreement are summarised as follows:

Date

27 March 2012

Parties

1. JCC Financial; and
2. JCC.

Particulars of the Revised Financial Services Agreement

Pursuant to the Revised Financial Services Agreement, JCC Financial agreed to provide the Financial Services to the JCC Group on an ongoing basis. Such services include:

- a. cash deposit services;
- b. settlement services;
- c. credit services; and
- d. other financial services.

Cash deposit Services

Under the Revised Financial Services Agreement, JCC Financial has agreed to accept deposits from JCC Group at interest rates with reference to the standard rates quoted by the PBC. In the event the rates quoted by PBC are not applicable, JCC Financial shall pay JCC Group interest at the rate not higher than those of similar industry as quoted by other independent financial institutions (including banks and credit unions but excluding other financial companies) nor higher than the rate quoted by JCC Financial to other independent third parties. Since the deposit of cash with JCC Financial is for the benefit of the Group on normal commercial terms or even more favourable where no security over the assets of the Group is granted, the Company is exempt from all reporting, announcement and independent shareholders' approval requirement under Rule 14A.65 of the Listing Rules. In the view of the fact the provision of the cash deposit services is exempt under Rule 14A.65(4) of the Listing Rules, the interest to be payable by JCC Financial for the provision of cash deposit services to JCC Group will also be exempt under Rule 14A.65(4) of the Listing Rules.

Settlement services

JCC Financial has agreed to provide JCC Group with settlement services approved by CBRC and PBC. The service fees will be payable by the JCC Group to JCC Financial on a quarterly basis and are charged with reference to the applicable rates set by the PRC government.

Given that JCC Financial will not itself advance any amount to settle the payables of JCC Group and the funding used for settlement purposes will only be deducted from the cash deposit received by JCC Group to settle any amount payable to a third party by JCC, only the fees chargeable by JCC Financial for provision of settlement services will be subject to the relevant requirements under Chapter 14A of the Listing Rules.

Credit Services

Pursuant to the Revised Financial Services Agreement, JCC Financial will provide loans and financing services to JCC Group. Under the Revised Financial Services Agreement, JCC Financial has agreed to accept deposits from JCC at interest rates with reference to the applicable rates quoted by the PBC. In the event the applicable rates quoted by PBC are not applicable, JCC Financial shall pay interest at the rate not lower than that quoted by other independent financial institutions (including banks and credit unions but excluding other financial companies). In addition, JCC Financial and JCC agreed that the total outstanding balance of the loans and financing services to JCC Group shall not exceed the total amount of deposits from members of the JCC Group. JCC Financial is entitled to use such deposits to offset borrowings by JCC Group in the event of default. JCC also agreed to provide credit guarantee to JCC Financial for all the loans and financing services provided to JCC Group. The amount of credit services provided to JCC Group by JCC Financial shall in no event exceed the proposed annual cap. Interest rates for such loans charged by JCC Financial will be payable by the JCC Group on a monthly or quarterly basis depending on the terms of the loan agreements to be entered into between the parties and are subject to the relevant guidelines and regulations of PBC. To comply with such guidelines and regulations, JCC Financial will set its interest rates in accordance with standard rates promulgated by the PBC from time to time. The Directors believe that such interest rates offered by JCC Financial to JCC Group shall be comparable to those offered by other independent financial institutions or credit unions in the PRC.

Annual Caps

The historical maximum daily balance of outstanding loans, guarantees and discounted notes owing by JCC Group to JCC Financial for the period from 2009 AGM to 31 December 2009 and for the two years ended 31 December 2010 and 2011 were RMB432,136,400, RMB1,100,359,700 and RMB1,237,949,000 respectively (equivalent to approximately HK\$533,574,189, HK\$1,358,653,274 and HK\$1,528,539,678 respectively).

The Proposed Caps, that is the maximum daily balance of outstanding loans, guarantees and discounted notes to be maintained by JCC Group with JCC Financial for the period from the date of AGM to 31 December 2012 and each of the two financial years ending 31 December 2013 and 31 December 2014 will not exceed RMB1,350,000,000, RMB1,530,000,000, and RMB1,800,000,000 respectively (equivalent to approximately HK\$1,666,893,035, HK\$1,889,145,440 and HK\$2,222,524,046 respectively).

In arriving at the above annual caps, the Directors have considered the business development plan, funding requirements, the historical and future expected deposit level of JCC Group with JCC Financial, the intended source of funding of each member of the JCC Group, the amount of relevant transactions under 2009 Financial Services Agreement and the interest rate under the credit service. The Directors are of the view that the Group has sufficient funds for provision of such loan and financing services to the JCC Group as the proposed annual cap for the period from the date of AGM to 31 December 2014 would not exceed the amount of deposits maintained by members of the JCC Group. The provision of loan and financing services by JCC Financial to JCC Group is subject to the requisite Independent Shareholders' approval; and the compliance with the relevant internal control measures, procedures and guidelines of JCC Financial, details of which are set out in the section headed "Risk control measures for all financial services under the Revised Financial Services Agreement to JCC Group" below.

The Percentage Ratios of the Proposed Caps in respect of the credit services under the Revised Financial Services Agreement are expected to be less than 5%, however, it is subject to Independent Shareholders' approval under the Shanghai Listing Rules.

Other Financial Services

Pursuant to the Revised Financial Services Agreement, JCC Financial has agreed to provide JCC Group with other financial services which are subject to approval by CBRC from time to time, including, inter alia, providing financial and financing consultancy services such as advising on corporate finance matters, acquisitions and financial management systems. The fees for provision of other financial services will be charged upon provision of such services, at rates which are not lower than those charged by other independent financial institutions in the PRC.

The applicable percentage ratios pursuant to the Listing Rules in respect of the service fees under the settlement services and the other financial services in aggregate are expected to be less than 0.1% on an annual basis. Therefore, the provision of such settlement services and other financial services by JCC Financial will constitute de minimis continuing connected transactions exempt from all the reporting, announcement and Independent Shareholders' approval requirements under Rules 14A.45 to 14A.48 of the Listing Rules.

Conditions

The transactions contemplated under the Revised Financial Services Agreement will be subject to the fulfillment of the following conditions:

- (i) the obtaining of approvals from the Independent Shareholders at the AGM to approve the Revised Financial Services Agreement and the transactions contemplated thereunder and the relevant Proposed Caps (as set out below), in which JCC and its associates will abstain from voting; and
- (ii) the Shanghai Stock Exchange not indicating any objection to the transactions contemplated under the Revised Financial Services Agreement.

The Revised Financial Services Agreement shall become effective immediately after the approval by the Independent Shareholders at the AGM.

Risk control measures for all financial services under the Financial Services Agreement to JCC Group

The Company and JCC Financial believe the following key measures will serve to minimise the possible financial exposures resulted from the provision of financial services to JCC Group:

- (i) The establishment of JCC Financial as a non-bank financial institution was authorised by CBRC, which carries out on-going stringent supervision over the businesses of JCC Financial. JCC Financial is required to provide regulatory report to CBRC on a monthly basis;
- (ii) Under the guidance and supervision of CBRC, JCC Financial has established comprehensive risk management system and internal control policies which effectively control risks associated with loans and protect the assets of JCC Financial;
- (iii) The audit committee of the Company has incorporated the risk management polices of JCC Financial in its overall risk management framework and will oversee the compliance of such policies and operations of the risk management committee and credit approval committee of JCC Financial, including a detailed annual assessment;
- (iv) The credit approval committee will adopt as part of its standard approval procedures to ensure that the total outstanding balance of loans and financing services to JCC Group shall not exceed the total amount of deposits from members of the JCC Group and the proposed annual cap has not been exceeded for all loan approvals related to JCC Group;
- (v) The risk management committee will conduct risk assessments for all financial service transactions at various stages of the transactions — prior to the transactions, during the course of the transactions and post transactions and subject to regular review by the audit committee;
- (vi) JCC Financial will give priority to providing loans to the Company, and will ensure that all the Company's financing needs are met first before it grants any loan to the JCC Group;

- (vii) JCC Financial will provide loan services, guarantees and purchase of discounted notes only to companies within JCC Group which are under sound management, with solid financial position, good business operations and positive outlook of business development;
- (viii) JCC warrants to JCC Financial that JCC will provide a blanket corporate guarantee for all loans made to the JCC Group companies;
- (ix) The Company will ensure strict adherence of JCC Financial to comprehensive internal guidelines and procedures in force regarding the control of financial risks and ensure strict adherence to all applicable laws and regulations;
- (x) The review and approval process of the risk management committee and the credit approval committee will not be subject to any influence from JCC and JCC Group for the following reasons:
 - (a) Laws and regulatory supervision — the carrying out of JCC Financial’s loan approval process and internal controls are subject to CBRC’s review and supervision. CBRC requires JCC Financial to observe independence when approving loans. Failure to do so is a breach of PRC rules and regulations with severe penalties involved. Each individual involved in the loan approval process will be held personally liable for any failure to comply strictly with the relevant rules and regulations;
 - (b) Independence of credit approval committee members — the existing seven members appointed to the credit approval committee are independent from the JCC Group. The credit approval committee is headed by two of the senior management of JCC Financial whose appointment was approved by CBRC which required that they are independent from JCC Group;
 - (c) Guidelines and procedures regarding loans to JCC Group which are approved and regularly reviewed by the audit committee will be strictly followed by JCC Financial; and
 - (d) Operations of the risk management committee and the credit approval committee are subject to review by audit committee.

Reasons for and benefits of the Financial Services Agreement

Based on the Group's internal study on future business opportunities of financial business industry, the Directors consider the provision of financial services by JCC Financial to JCC Group is in the interests of the Company and its Shareholders as a whole, after taking into consideration the following factors:

(i) Make full use of a restricted customer base at relatively low additional risk

Under the relevant PRC regulations, JCC Financial can only provide financial services primarily to those companies where JCC holds at least 20% shareholding interests or in which JCC has control and companies within the Group, except that JCC Financial is allowed to participate in interbank lending.

As such, JCC Financial's client base is restricted to two groups; namely, the Group and the JCC Group. If JCC Financial is unable to provide financial services to the JCC Group, its client base will be substantially reduced, thereby affecting JCC Financial's future business development and profitability.

Under the Revised Financial Services Agreement, the parties agreed that the total outstanding balance of the loans and financing services to JCC Group shall not exceed the amount of deposits from members of the JCC Group and JCC Financial can use such deposits to offset borrowings by JCC Group in the event of default. JCC also agreed to provide credit guarantee to JCC Financial for all the loans and financing services provided to JCC Group. As such, the risk exposure arising from the financing provided to the JCC Group are sufficiently covered and safeguarded by the deposits from members of the JCC Group and the guarantee provided by JCC.

The Directors are of the view that it is common for group companies in the PRC to set up and maintain a finance company to provide financial services to the group. Apart from JCC Financial, JCC Group does not have any other finance company of the same nature as approved by the CBRC. This is because of the fact that current PRC regulations governing finance companies in the PRC make it difficult for a group of companies to have more than one finance company within the same group. In this connection, JCC Financial is in a unique position to provide the various financial services JCC Group may require from a finance company.

(ii) Access to a broad base of quality clients within the JCC Group

The Directors consider that many of the companies of the JCC Group are well established and well managed with good performance and will continue to benefit from various government policies. The Directors believe that providing financial services to these selected quality companies within the JCC Group would allow the Company to utilize its financial resources more efficiently at relatively lower credit risk.

(iii) Improvement of financial performance

The Directors are of the view that, through the Revised Financial Services Agreement, JCC Financial will benefit from economies of scale and the flexibility to better utilize a larger pool of funds as a result of the provision of financial services to the JCC Group, which will improve JCC Financial's financial performance and thus benefits the Company and its Shareholders as a whole.

(iv) Diversification of operation risks

The Directors believe that a well-developed financial services business within the Group would help the Group to diversify its operation risks since the provision of financial services is different in nature from the Group's copper businesses. In particular, (a) financial services business normally has a different cyclical pattern compared to that of the copper sector; (b) it usually serves the function as pooling of capital to mitigate financial risk encountered by individual companies; and (c) by securitization of financial assets, the Group will be able to quickly convert its financial assets such as loans receivables into liquid assets.

(v) Experienced management team

JCC Financial has built up a management team with extensive professional knowledge and experience, as well as sound management experiences with comprehensive risk control system in financial business operations. The Directors believe that provision of financial services to the JCC Group will help to further strengthen the management team with even wider exposure in financial business operations. This in turn benefits the Group in terms of lower risks and higher returns from its financial business operations.

IV. CONTINUING CONNECTED TRANSACTIONS

JCC is a substantial shareholder holding approximately 38.77% of the total issued share capital of the Company and therefore JCC is a connected person of the Company under the Listing Rules.

The entering into of the Continuing Connected Transactions Subject to Approval contemplated under the Agreements shall constitute continuing connected transactions of the Company and will therefore be subject to the requirements under Chapter 14A of the Listing Rules. The Directors (excluding the independent non-executive Directors whose views will be based on the opinion of the independent financial adviser) are of the view that the continuing connected transactions contemplated under the Agreements are entered into in the ordinary and usual course of business of the Company and on normal commercial terms and are fair and reasonable so far as the Shareholders are concerned.

As the A Shares of the Company are listed on the Shanghai Stock Exchange, the Company is also required to comply with the Shanghai Listing Rules. Notwithstanding that the maximum amount of the Proposed Caps of the Continuing Connected Transactions Subject to Approval contemplated under each of the New Land Leasing Agreement and Revised Financial Services Agreement does not exceed 5% of all the Percentage Ratios, they are still subject to the Independent Shareholders' Approval under the Shanghai Listing Rules. If during the period ending 31 December 2014, the aggregate annual value of the Continuing Connected Transactions Subject to Approval contemplated under the Agreements exceed the Proposed Caps or there is material change to the Agreements, the Company will take necessary steps to ensure compliance with all applicable rules under Chapter 14A of the Listing Rules.

The transactions contemplated under the New Land Leasing Agreement and the credit services contemplated under the Revised Financial Services Agreement will be subject to obtaining of approvals from the Independent Shareholders at the AGM to approve, inter alia, the Agreements and the transactions contemplated thereunder and the Proposed Caps for the Agreements (as set out below), in which JCC and its associates will abstain from voting.

As disclosed above, the Company proposed to set the Proposed Caps for the transactions under the Agreements as follows:

Agreement	Proposed Caps		
	for the period from the date of AGM to 31 December 2012 RMB	for the year ending 31 December	
	2013 RMB	2014 RMB	
New Land Leasing Agreement (<i>note 1</i>)	166,685,644	183,354,208 (<i>note 2</i>)	201,689,629 (<i>note 2</i>)
Credit services contemplated under the Revised Financial Services Agreement	1,350,000,000	1,530,000,000	1,800,000,000

Notes:-

- (1) Figures are round up to RMB;
- (2) Amount is calculated based on the assumption that an upward adjustment of 10% of the rental of the previous year is exercised.

The amount of the transactions to be received or payable by the relevant parties under each of the Agreements will not be netting off.

Before the AGM is being held, the relevant parties will continue to enter into the transactions under 1997 Land Leasing Agreement.

V. PROPOSED CHANGES IN BOARD COMPOSITION, RETIREMENT AND ELECTION OF DIRECTORS AND SUPERVISORS

Election of Directors

The Board currently consists of eleven Directors, including seven executive Directors namely Mr. Li Yihuang, Mr. Li Baomin, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Gan Chengjiu, Mr. Hu Qingwen and Mr. Shi Jialiang and four independent non-executive Directors namely Mr. Wu Jianchang, Mr. Tu Shutian, Ms. Zhang Rui and Mr. Gao Dezhu.

According to Article 96 of the Articles of Association, the term of office of each of the Directors is three years. The current term of office of the fifth session of the Board is due to expire on the AGM. Under the Articles of Association, the appointment of the Directors requires the approval by Shareholders at the general meetings and shall commence on the date of their appointment. Each Director shall be eligible for re-election by Shareholders upon end of term provided that an independent non-executive Director shall not serve more than 6 years upon re-election.

Since Mr. Tu Shutian and Ms. Zhang Rui, have served as an independent non-executive Director for approximately six years, they shall retire from their offices of independent non-executive Directors and the members of audit committee and remuneration committee of the Company on the date of AGM and shall not seek for re-election.

The Board wishes to take this opportunity to express its sincere gratitude to Mr. Tu Shutian and Ms. Zhang Rui for their past contribution towards the Group. Each of Mr. Tu Shutian and Ms. Zhang Rui has confirmed that he/she had no disagreement with the Board and there was no matter which has to be brought to the attention of the Shareholders or the Stock Exchange in connection with their retirement.

The Company has received written notice from its substantial shareholder, JCC, nominating Mr. Li Yihuang, Mr. Li Baomin, Mr. Gan Chengjiu, Mr. Hu Qingwen, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Shi Jialiang, Mr. Wu Jianchang, Mr. Gao Dezhu all being retiring Directors, and Mr. Zhang Weidong and Mr. Deng Hui (collectively, the “Directors Candidates”) as candidates for the election as Directors for the term of office commencing from the date of the AGM to the 2014 annual general meeting of the Company to be held in the year 2015 (“Next Term”).

The previous service contracts and/or appointment letters entered with the executive Directors and independent non-executive Directors will be of no effect upon the expiry of their term of office at the date of the AGM. Accordingly, a resolution will be proposed at the AGM to authorize the Board to enter into new service contract and/or appointment letter with each of the newly elected executive Directors and independent non-executive Directors respectively.

Election of Supervisors

The Supervisory Committee currently consists of five Supervisors, namely, Mr. Hu Faliang, Mr. Wu Jinxing, Ms. Wan Sujuan, Mr. Lin Jinliang and Mr. Xie Ming.

In accordance with Article 125 of the Articles of Association, the term of appointment of each Supervisor shall be three years and each of the Supervisors shall be eligible for re-election upon the end of term by Shareholders or staff and workers of the Company where appropriate.

The Company has received written notice from JCC nominating Mr. Hu Faliang, Mr. Wu Jinxing and Ms. Wan Sujuan, the retiring Supervisor as the candidates for election as Supervisor representing the Shareholders for the Next Term. Mr. Lin Jinliang and Mr. Xie Ming, the retiring Supervisors representing the staff and workers have been elected as the candidates for election as Supervisor representing the staff and workers for the Next Term at an association meeting held by the staff and workers of the Company.

Resolutions will also be proposed at the AGM to elect the Supervisors representing the Shareholders and to confirm the appointment of the Supervisors representing the staff and workers and to authorize the Board to enter into service contract or appointment letter with each of the newly elected Supervisors.

Particular of the candidates proposed to be elected as executive Directors, independent non-executive Director and Supervisors

Executive Directors

Mr. Li Yihuang, a professor-grade senior engineer, is the deputy to the 11th National People's Congress, a committee member of the 11th Jiangxi provincial Party Committee and the 5th Outstanding Youthful Entrepreneurs of Jiangxi Province. Mr. Li is currently the Chairman and General Manager of the Company. Mr. Li graduated from Northeast Industrial Institute as a bachelor with major in heavy smelting and from Central South University of Technology as a postgraduate. He had worked in Guixi Smelter of the Company, where he held the positions such as deputy director and director. Mr. Li had held the position of Deputy Manager of JCC. Mr. Li is experienced in smelting business and management.

Mr. Li Baomin, a senior economist, is the Secretary to the Party Committee, Vice Chairman and executive Director of the Company. He had held various management positions in JCC. Mr. Li had been appointed as the Supervisor of the Company before being appointed as the Director of the Company in April 2007. Mr. Li has extensive management experience. He graduated from the Faculty of History of Jiangxi Normal University, the Corporate Management College of Fudan University and postgraduate programme of economics of Jiangxi Provincial Party Committee College.

Mr. Gan Chengjiu, a senior accountant, is currently an executive Director and Chief Financial Officer of the Company. Mr. Gan graduated from Zhejiang Metallurgic and Economics Technical School majoring in accounting and graduated from Jiangxi University of Finance and Economics. He had been the Head of Financial Department of the Company and the Chief Accountant of JCC. Mr. Gan has extensive experience in finance, accounting and assets management.

Mr. Hu Qingwen, a university postgraduate, is currently the Chairman of the Labour Union and executive Director of the Company. Mr. Hu has served as chief of departments of the Company including General Planning, Human Resources, Organization and Management Departments, as well as the Secretary to the Party Committee of Guixi Smelter. He has abundant experience in general management.

Mr. Gao Jianmin, graduated from Qinghua University, has been a Director of the Company since its incorporation. Mr. Gao is also a director and general manager of International Copper Company Limited, a director of Qingling Motors Co. Ltd and a director and general manager of Silver Grant International Industries Limited. He has substantial experience in finance, industrial investment and development.

Mr. Liang Qing, appointed as a Director of the Company in June 2002, is currently a director and General Manager of China Minmetals H.K. (Holdings) Limited. He has abundant experience in international trading and investment.

Mr. Shi Jialiang, a professor-grade senior engineer, is currently an executive Director of the Company. He is a university graduate and graduated from Beijing Iron and Steel Institute with a major in industrial automation. He has served as the vice chairman, general manager, chairman and secretary to the Party Committee of Xinyu Iron & Steel Co., Ltd.

Independent Non-executive Directors

Mr. Wu Jianchang, a professor-grade senior engineer, was appointed as an independent non executive Director of the Company since June 2008. He holds a bachelor's degree. He is currently a Consultant of China Iron and Steel Association (中國鋼鐵工業協會). Mr. Wu graduated from the Hengyang Mining College (衡陽礦業學院) with a major in smelting of non-ferrous metal in 1964. He had held a number of positions, including Deputy General Manager and General Manager of Non-Ferrous Metals Industrial Corporation (有色金屬工業總公司), Deputy Director of Metallurgical Department (冶金部), Deputy Director of Metallurgical Bureau (冶金局), Communist Party Secretary and Deputy Chairman of the China Iron and Steel Association. Mr. Wu has been participating in the research on nonferrous technology intelligence and has issued a number of intelligence journals and papers. He has extensive experience in industrial management.

Mr. Gao Dezhu, appointed as an independent non-executive Director of the Company in June 2009, is a senior economist. He had served as the deputy general manager of Bank of China and the vice minister of the State Nonferrous Metals Industry Administration (國家有色金屬工業局). He is currently the executive vice chairman of the China Nonferrous Metals Industry Association and a part-time professor of China Renmin University, the Graduate School of the People's Bank of China, Liaoning University, Central South University and Kunming University of Science and Technology. Mr. Gao has extensive experience in the management of non-ferrous metals industry.

Mr. Deng Hui, currently serves as a Dean, professor, and a tutor of PhD Programme of School of Law in Jiangxi University of Finance and Economics. Mr. Deng graduated from East China University of Political Science and Law in 1993 with a bachelor of laws degree; Jiangxi University of Finance and Economics in 1999 with Master of Economics degree and China University of Political Science and Law in 2003 with PhD in Civil Law. Mr. Deng has served as a committee member of the Jiangxi Provincial People's Congress Standing Committee; the member of Commission of Provincial Legislative Affairs; one of the Young and Middle-aged Academic Leaders in Colleges of Jiangxi Province (江西省高校中青年學科帶頭人), a member of All-China Youth Federation, deputy chairman of the Provincial Legislative Committee; an executive director of China Securities Law Research Institute as well as vice director of Nanchang Arbitration Committee. Mr. Deng was an independent director of Anyuan Industrial Co., Ltd., a company listed on the Shanghai Stock Exchange from February 2009 to January 2012. Mr. Deng is an independent director of Jiangxi Ganfeng Lithium Co., Ltd., a company listed on the Shenzhen Stock Exchange.

Mr. Zhang Weidong, currently serves as a Dean of School of Design in Jiangxi University of Finance and Economics, Director of the Master of Accounting Educational Center, professor and tutor of the PhD Programme in Accounting Studies. Mr. Zhang achieved Doctor of Management in the Huazhong University of Science and Technology in 2005 and Postdoctoral of Business Administration in the Economics and Management School of Wuhan University in 2008. Mr. Zhang has been selected as a candidate of “Hundred Talents Program of the Chinese Academy of Sciences” in Jiangxi Province, one of the Young and Middle-aged Academic Leaders in Colleges of Jiangxi Province (江西省高校中青年學科帶頭人) and an executive director of the Jiangxi Province Institute of Certified Public Accountants. Mr. Zhang was an independent director of Jiangxi Zhengbang Technology Joint-stock Co., Ltd., a company listed on the Shenzhen Stock Exchange from October 2006 to December 2010. Mr. Zhang is an independent director of Jiangxi Hongcheng Waterworks Co., Ltd., Jiangxi Hongdu Aviation Industry co., Ltd. and Jiangxi Zhong Jiang Real Estate Co., Ltd., companies listed on the Shanghai Stock Exchange and Jiangxi Huawu Brake Co., Ltd., a company listed on Shenzhen Stock Exchange.

Save as disclosed above, the Directors Candidates did not hold any position in other listed companies in the last three years. Save as disclosed above in respect of the positions held by the Directors Candidates in the Group and JCC group of companies, each of the Directors Candidates does not have any relationships with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company. Each of the Directors Candidates does not have any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Subject to the approval by the Shareholders at the AGM, the Company will enter into service contract or appointment letter with each of the Directors Candidates. The initial length of services will be from the date of AGM up to the date on which the annual general meeting of the Company for the year 2014 being held. The Company will seek approval from the Shareholders at the AGM for the authorization to the Board to determine the remuneration of each of the Directors Candidates and the authorization to any one Director to enter into service contract or appointment letter with them. Pursuant to the respective service contract or appointment letter to be entered into with each of the Directors Candidates, (i) each internal executive Director is entitled to receive basic annual remuneration based on the figures of his salary last year (tax inclusive), the remuneration committee of the Company will pursuant to the actual results of operation determine the annual adjustment rate, but in any event the upward or downward adjustment shall not be more than 30%; (ii) each external executive Director is entitled to receive annual remuneration of RMB200,000 (tax inclusive); and (iii) each independent non-executive Director is entitled to received annual allowance (or travel expense) of RMB100,000 (tax inclusive). The remuneration of the external Director (being nominated by the substantial shareholder of the Company following the recommendation of its ultimate controller) will be determined by the remuneration committee of the Company pursuant to applicable regulations and measures. For the year ended 31 December 2011, Mr. Li Yihuang, Mr. Li Baomin, Mr. Gan Chengjiu, Mr. Hu Qingwen, Mr. Shi Jialiang, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Gao Dezhu, Mr. Wu Jianchang, Ms. Zhang Rui and Mr. Tu Shutian received an annual salary of RMB975,520, RMB975,520, RMB975,520, RMB975,520, RMB50,000, RMB200,000, RMB200,000, RMB100,000, RMB100,000, RMB100,000 and RMB100,000, respectively.

The Board is not aware that there are any other matters that need to be brought to the attention of the Shareholders or the Stock Exchange in respect of the election of the Directors Candidates and there is no other information relating to the Directors Candidates which is required to be disclosed pursuant to any of the requirement of Rule 13.51(2) of the Listing Rules.

Supervisors representing the Shareholders

Mr. Hu Faliang, a senior economist, graduated from Zhejiang Metallurgy Economy Tertiary School with a major in planning and statistics. He is currently the Chairman of the Labour Union of the Company. Mr. Hu was appointed as the Supervisor of the Company since June 2003 and Chairman of Supervisory Committee of the Company since June 2008. Mr. Hu had been the Deputy Head of Yongping Mine and he has extensive experience in management.

Mr. Wu Jinxing, a senior accountant with a master degree, is currently the Assistant to General Manager of JCC and Supervisor of the Company. He had been the deputy head of the Production and Finance Division and the General Division of the Financial Department of JCC, the deputy head and head of the Financial Department of JCC Import and Export Company, deputy chief accountant and chief accountant of JCC Materials Equipment Company, the manager of the Financial Department of the Company, the Chief Accountant of Dexing Mine of the Company, and the Chief Financial Officer of the Company. Mr. Wu had served as executive Director and Chief Financial Officer of the Company

Ms. Wan Sujuan, a senior accountant, is currently a Supervisor of the Company. Ms. Wan served as chief accountant of Jiangxi Jiangzhong Pharmaceutical Factory (江中製藥廠), deputy general manager and chief accountant of Jiangxi Jiangzhong Pharmaceutical (Group) Co, Ltd. (江西江中製藥(集團)有限責任公司), and director of Jiangxi Zhongjiang Real Estate Co., Ltd. and Jiangzhong Pharmaceutical Co., Ltd..

Supervisors representing the staff and workers

Mr. Lin Jinliang, a senior economist, graduated from Central South University of Technology. He is currently in charge of the Corporate Management and Legal Affairs of the Company. Mr. Lin served as the Head of the Youth League, Labor and Payroll division, Diversified Business and Administration Section (多元化經營管理處) and Corporate Management Division of JCC respectively and also served as the General Legal Counsel of the Company. Mr. Lin has extensive experience in corporate management and legal practice.

Mr. Xie Ming, a senior economist, currently acts as the Deputy Secretary to the Discipline Committee and the Director of the Supervisory Office of the Company. Mr. Xie has served the Company for over 20 years, where he held the positions such as Deputy Director and Secretary to the Party Committee of Selection Plant of Dexing Copper Mine; Secretary to the Discipline Committee and Deputy Director of Dexing Copper Mine and Secretary to the Party Committee of Yinshan Mining Co., Ltd. He has extensive experience in mining organization management and efficacy supervision.

Save as disclosed above, Mr. Hu Faliang, Mr. Wu Jinxing, Ms. Wan Sujuan, Mr. Lin Jinliang and Mr. Xie Ming (collectively, the “Supervisors Candidates”) did not hold any position in other listed companies in the last three years. Save as disclosed above in respect of the positions held by the Supervisors Candidates in the Group and JCC group of companies, each of the Supervisors Candidates does not have any relationships with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company. Each of the Supervisors Candidates does not have any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Subject to the approval by the Shareholders at the AGM, the Company will enter into service contract or appointment letter with each of the Supervisors Candidates. The initial length of services will be from the date of AGM up to the date on which the annual general meeting of the Company for the year 2014 being held. The Company will seek approval from the Shareholders at the AGM for the authorization to the Board to determine the remuneration of each of the Supervisors Candidates and the authorization to any one Director to enter into service contract or appointment letter with them. Pursuant to the respective service contract or appointment letter to be entered into with the Supervisors Candidates, each Supervisors Candidates (except the external Supervisor who was being nominated by the substantial shareholder of the Company following the recommendation of its ultimate controller) is entitled to receive basic annual remuneration based on the figures of his/her salary last year (tax inclusive), the remuneration committee of the Company will pursuant to the actual results of operation determine the annual growth rate, but in any event the upward or downward adjustment shall not be more than 30%. The remuneration of the external Supervisor will be determined by the remuneration committee of the Company pursuant to applicable regulations and measures. For the year ended 31 December 2011, each of Mr. Hu Faliang, Mr. Wu Jinxing, Mr. Lin Jinliang and Mr. Xie Ming received an annual salary of RMB632,500 and Ms. Wan Sujuan received an annual salary of RMB50,000.

The Board is not aware that there are any other matters that need to be brought to the attention of the Shareholders or the Stock Exchange in respect of the election of the Supervisors Candidates and there is no other information relating to the Supervisors Candidates which is required to be disclosed pursuant to any of the requirement of Rule 13.51(2) of the Listing Rules.

VI. ESTABLISHMENT OF NOMINATION COMMITTEE

The Board is pleased to announce that a Nomination Committee has been established on 27 March 2012.

Mr. Li Yihaung has been appointed as the chairman of the Nomination Committee and Mr. Wu Jianchang, Mr. Gao Dezhu, Mr. Tu Shutian and Ms. Zhang Rui who are independent non-executive Directors have been appointed as the members of the Nomination Committee. Mr. Pan Qifang has been nominated as the secretary to the Nomination Committee.

VII. PROPOSED CHANGE OF MEMBERS OF AUDIT COMMITTEE, REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

Ms. Zhang Rui is currently the chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee while Mr. Tu Shutian is currently the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. As Ms. Zhang Rui and Mr. Tu Shutian will retire from their membership from the date of AGM, subject to the appointment of Mr. Deng Hui and Mr. Zhang Weidong as independent non-executive Directors, Mr. Zhang Weidong will be appointed to replace Ms. Zhang Rui as the chairman of the Audit Committee and as member of the Remuneration Committee and Nomination Committee while Mr. Deng Hui will be appointed to replace Mr. Tu Shutian as the chairman of the Remuneration Committee and as member of the Audit Committee and Nomination Committee.

VIII. PROPOSED CHANGE OF AUDITORS

According to the relevant regulations under a document no. 319 issued by the State-Owned Assets Supervision and Administration Commission of Jiangxi Province in 2006 (江西省國有資產監督管理委員會2006年【319】號文件), an intermediary institution should provide financial audit services to an enterprise for at least 2 consecutive years, but also not more than 5 consecutive years.

In view that E&Y and E&Y CPA have been appointed as the audit institution for 5 consecutive years, therefore, E&Y and E&Y CPA will retire but not be re-appointed as the domestic auditor and overseas auditor of the Company commencing from the conclusion of the AGM, respectively.

The Board, as proposed by the Audit Committee, resolved to appoint Deloitte Touche Tohmatsu and Deloitte Touche Tohmatsu CPA Limited as the Company's domestic and overseas auditors for the year 2012 respectively and appoint Deloitte Touche Tohmatsu as the Company's internal control audit institution for the year 2012 and such appointments will only be confirmed until the approval of the Shareholders in the forthcoming AGM is obtained.

E&Y and E&Y CPA have confirmed in writing that there are no matters in relation to their retirement which should be brought to the attention of the Shareholders. The Board is not aware of any matters in relation to the proposed change of auditors that need to be brought to the attention of the Shareholders. The Board and the Audit Committee have also confirmed that there are no disagreements or outstanding matters between the Company and E&Y and E&Y CPA.

The Company believes that the proposed change of auditors will not affect the publication of the annual results or annual report of the Company for the year ended 31 December 2011.

The Board would like to extend its sincere gratitude to E&Y and E&Y CPA for their professional services they provided to the Company in previous years.

IX. AGM

The AGM will be convened at which ordinary resolutions will be proposed to approve, among others, the Agreements, the transactions contemplated thereunder and the Proposed Caps, the re-election of Directors and Supervisors and the proposed change of auditors. A circular containing, among others, details of the Agreements, the re-election of Directors and Supervisors and the proposed change of auditors, a letter from the Independent Board Committee and a letter of advice from the independent financial adviser together with the notice of AGM will be despatched to the Shareholders within 15 business days after the date of this announcement. JCC and its associates will abstain from the voting in relation to the ordinary resolutions to be put forward at the AGM for the purpose of approving the Continuing Connected Transactions Subject to Approval contemplated under the Agreements.

X. GENERAL INFORMATION

The Company is a Sino-foreign joint venture joint stock limited company incorporated in the PRC on 24 January 1997. The Company's main scope of operations include: mining, milling, smelting, processing of non-ferrous metal and rare metals and relevant technology, smelting, rolling processing and further processing of non-ferrous metal ores, rare metal, nonmetallic ores, non-ferrous metal and related by-products; overseas futures business and related enquiry services and business. The principal product of the Company is Copper Cathode.

JCC is an integrated enterprise in non-ferrous metals industry in the PRC. The principal business of JCC covers copper mining, milling, smelting and processing operations. JCC also engages in the business of supply of copper raw materials, including Scrap Copper, Blister Copper and Copper Concentrate, which are the principal raw materials for the production of Copper Cathode.

JCC Financial is a non-bank financial company approved by CBRC. JCC Financial was established with a view to provide an efficient centralized financial management services for both the Group and the JCC Group. The Company held 45% equity interest of the JCC Financial. The JCC Financial is owned as to 80% by the Company and its wholly owned subsidiary, the Copper Product Company, and as to 20% by BOCGI. The operations of JCC Financial are subject to the on-going supervision of the People's Bank of China and the CBRC.

XI. DEFINITIONS

“1997 Land Leasing Agreement”	the leasing agreement entered into between the Company and JCC in respect of the leasing of the land use right of the land covering an area of approximately 46,436,898.74 square meters on 30 April 1997
“2007 Land Leasing Agreement”	the leasing agreement entered into between the Company and JCC in respect of the leasing of the land use right of the land covering an area of approximately 2,046,131.93 square meters on 10 December 2007
“2008 Land Leasing Agreement”	the leasing agreement entered into between the Company and JCC in respect of the leasing of the land use right of the land covering an area of approximately 6,003,877.89 square meters on 16 January 2008
“2009 AGM”	the annual general meeting of the Company held on 26 June 2009 whereby the Company obtained the Independent Shareholders’ approval for, among other things, its entering into of the 2009 Financial Services Agreement; and the transactions and the relevant annual caps contemplated thereunder for the period from 2009 AGM to 31 December 2009 and each of the two years ended 31 December 2011
“2009 Financial Services Agreement”	the agreement dated 24 April 2009 entered into between JCC and JCC Financial for, among others, the provision of Financial Services by JCC Financial to the JCC Group
“2011 Announcement”	announcement of the Company dated 30 September 2011
“2011 Circular”	circular of the Company dated 21 October 2011

“AGM”	an annual general meeting of the Company to be held on 19 June 2012 to consider the ordinary resolutions to be proposed to approve, inter alia, (i) the Agreements and the Proposed Caps; (ii) the proposed election of Directors and Supervisors; and (iii) proposed change of auditors
“Agreements”	New Land Leasing Agreement and Revised Financial Services Agreement
“Articles of Association”	the articles of association of the Company as amended from time to time
“A Shares”	Renminbi-denominated domestic shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	audit committee of the Company
“Blister Copper”	copper which has been cast after passing through a converter. Blister copper is approximately 98.5% copper and take its name from “blisters” that form on the surface
“Board”	the board of Directors
“BOCGI”	Bank of China Group Investment Limited, a company incorporated in Hong Kong with limited liability. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, BOCGI and its ultimate beneficial owner are third parties independent of the Company and its subsidiaries and connected persons of the Company and its subsidiaries
“CBRC”	China Banking Regulatory Commission

“Company”	Jiangxi Copper Company Limited, a Sino-foreign joint venture joint stock limited company incorporated in the PRC
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Continuing Connected Transactions Subject to Approval”	the credit service contemplated under the Revised Financial Services Agreement and those transactions contemplated under the New Land Leasing Agreement, being continuing connected transactions that require Independent Shareholders’ approval
“Copper Cathode”	copper sheet which contains 99.9% and above copper produced by either an electrolytic refining process or by electrowinning
“Copper Concentrate”	a product of the concentrator usually containing 20% to 30% copper. It is a raw material for smelting
“Directors”	director(s) of the Company
“E&Y”	Ernst and Young Hua Ming
“E&Y CPA”	Ernst and Young Certified Public Accountants
“Financial Services”	cash deposit services, settlement services, credit services and other financial services
“Financial Services Agreement”	the agreement dated 30 September 2011 entered into between JCC and JCC Financial for, among others the provision of Financial Services by JCC Financial to the JCC Group
“Group”	the Company and its subsidiaries from time to time

“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
“Independent Board Committee”	an independent committee of the Board established for the purpose of reviewing the Continuing Connected Transactions Subject to Approval contemplated under the Agreements
“Independent Shareholders”	Shareholders other than JCC and its associates
“Independent Third Party(ies)”	party(ies) who and whose ultimate beneficial owners are third parties independent of the Group and connected persons (as defined under the Listing Rules) of the Group
“JCC”	Jiangxi Copper Corporation, a substantial shareholder of the Company holding approximately 38.77% of the total issued share capital of the Company
“JCC Financial”	JCC Finance Company Limited (江西銅業集團財務有限公司), a subsidiary of the Company and a limited liability company established in the PRC on 8 December 2006
“JCC Group”	JCC and its subsidiaries (other than the Group) from time to time
“Land”	lands covering an area of approximately 51,636,341.87 square meters
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“New Land Leasing Agreement”	the leasing agreement entered into between the Company and JCC in respect of the leasing of the land use right of the Land
“Nomination Committee”	nomination committee of the Company
“Old Land Leasing Agreements”	1997 Land Leasing Agreement, 2007 Land Leasing Agreement and 2008 Land Leasing Agreement
“PBC”	the People’s Bank of China
“Percentage Ratios”	the percentage ratios under Rule 14.07 of the Listing Rules, other than the equity capital ratio and profits ratio
“PRC”	the People’s Republic of China
“Proposed Cap(s)”	the proposed maximum annual aggregate value(s) for (i) the credit service contemplated under the Revised Financial Services Agreement and (ii) the transactions contemplated under the New Land Leasing Agreement
“Revised Financial Services Agreement”	the agreement dated 27 March 2012 entered into between JCC and JCC Financial for, among others, the provision of Financial Services by JCC Financial to the JCC Group
“Remuneration Committee”	remuneration committee of the Company
“Scrap Copper”	the waste produced in the copper industry and/or industrial waste abandoned after being used with copper content
“Shanghai Listing Rules”	the rules governing the listing of securities on the Shanghai Stock Exchange

“Share(s)”	ordinary share(s) of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

By Order of the Board
JIANGXI COPPER COMPANY LIMITED
Li Yihuang
Chairman

27 March 2012, Jiangxi, the People’s Republic of China

Translation of Renminbi into Hong Kong dollars is based on the exchange of HK\$1.00 = RMB0.80989.

As at the date of this announcement, the executive directors of the Company are Mr. Li Yihuang, Mr. Li Baomin, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Gan Chengjiu, Mr. Hu Qingwen and Mr. Shi Jialiang; and the independent non-executive directors of the Company are Mr. Wu Jianchang, Mr. Tu Shutian, Ms. Zhang Rui and Mr. Gao Dezhu.