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福建紫金礦業股份有限公司
Fujian Zijin Mining Industry Co., Ltd.*

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

EXERCISE OF THE OVER-ALLOTMENT OPTION

On 23rd December, 2003, China Everbright Securities (HK) Limited fully exercised the Over-allotment Option to require the Company to issue and the Vendors to sell an aggregate of 52,244,000 additional H Shares at HK\$3.30 per H Shares.

The Directors announce that the Over-allotment Option referred to in the Prospectus was exercised in full by China Everbright Securities (HK) Limited on 23rd December, 2003 in respect of 52,244,000 additional H Shares (including 47,494,546 additional new H Shares to be issued by the Company and 4,749,454 additional Sale H Shares to be sold by the Vendors) (the “Over-allotment Shares”), being all of the H Shares issuable under the Over-allotment Option, to cover over-allocations in the Placing. The Over-allotment Shares, representing about 4.12% of the existing issued share capital of the Company and about 3.98% of the issued share capital of the Company as enlarged by the Over-allotment Shares, will be issued and allotted by the Company at HK\$3.30 per H Share, being the Offer Price. The Over-allotment Shares are expected to be issued and listed on the Stock Exchange on 30th December, 2003.

The shareholding structure of the Company immediately prior to and after the issue of the Over-allotment Shares is as follows:

	Immediately prior to the exercise of the Over-allotment Option		Immediately after the exercise of the Over-allotment Option	
	Number of Shares	Approximately percentage of holding	Number of Shares	Approximately percentage of holding
Shareholders				
<i>Domestic Shares:</i>				
Minxi Xinghang State-owned Assets Investment Company Limited	425,643,587	33.61%	421,090,212	32.04%
Xinhuadu Industrial Company Limited	172,900,000	13.65%	172,900,000	13.16%
Shanghang County Jinshan Trading Company Limited	171,095,000	13.51%	171,095,000	13.02%
Fujian Xinhuadu Engineering Company Limited	66,500,000	5.25%	66,500,000	5.06%
Xiamen Hengxing Constriction & Decoration Materials Company Limited	47,500,000	3.75%	47,500,000	3.61%
Fujian Xinhuadu Department Store Company Limited	16,368,500	1.29%	16,368,500	1.25%
Fujian Gold Group Company Limited	15,234,493	1.20%	15,071,521	1.15%
Fujian Minxi Geologist	3,094,784	0.24%	3,061,677	0.23%
<i>H Shares:</i>				
Public	348,300,000	27.5%	400,544,000	30.48%
Total	1,266,636,364	100.00%	1,314,130,910	100.00%

The net proceeds of about HK\$151 million from the Over-allotment Shares will, as disclosed in the Prospectus, be utilised for acquisition of additional gold resources in the central and western parts of the PRC.

By order of the Board
Chen Jinghe
Chairman

Hong Kong, 23rd December, 2003

* *for identification only*

Please also refer to the published version of this announcement in The Standard.