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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)

**PAYMENT OF FINAL DIVIDEND AND
ISSUE OF NEW SHARES BY CONVERSION OF THE SURPLUS RESERVE FUND**

The board of directors of the Company announces that the Company distributed a final dividend for the year ended 31 December, 2004 of RMB0.1 (equivalent to approximately HK\$0.09426) per share and 10 new shares for every 10 existing shares of the Company to Shareholders whose names appeared on the register of members of the Company on the Record Date 3 May, 2005. Holders of the H Shares who are entitled to the payment of final dividend and the Conversion H Shares should receive the same on 23 June, 2005 by ordinary post at their own risk. Dealing in the Conversion H Shares are expected to commence on 27 June, 2005.

Reference is made to the announcement of results for 2004 made by the Company on 8 April, 2005 (the “**Announcement**”) and a further announcement on the resolutions passed at the annual general meeting of the Company held on 31 May, 2005 (the “**AGM**”), which include, among others, the approval on the payment of final dividend and the issue of new shares by conversion of the surplus reserve fund.

PAYMENT OF FINAL DIVIDEND

Zijin Mining Group Co., Ltd. (the “**Company**”) paid a final dividend of Renminbi (“**RMB**”) 0.1 (equivalent to approximately HK\$0.09426) per share, for the year ended 31 December 2004, on 23 June, 2005. The payment have been made to the shareholders of the Company (the “**Shareholders**”) whose names appeared on the register of members of the Company on the Record Date 3 May, 2005. Dividends payable to holders of H shares of the Company (“**H Share(s)**”) have been paid in Hong Kong dollars (“**HK\$**”). The conversion of RMB to HK\$ have been calculated on the average price of the middle price of the conversion of RMB to HK\$ announced by the People’s Bank of China one calendar week preceding 10 May, 2005, which is RMB1.06092 to HK\$1.00.

Accordingly, the amount of final dividend payable for each H Share is HK\$0.09426. Such final dividend have been paid by Bank of China (Hong Kong) Trustees Limited, the Company’s receiving agent in Hong Kong, and have been mailed by Computershare Hong Kong Investor Services Limited to the holders of H Shares who are entitled to receive the same by ordinary post at their own risk on 23 June, 2005.

ISSUE OF NEW SHARES BY CONVERSION OF THE SURPLUS RESERVE FUND

As stated in the Announcement, an amount of RMB262,826,182 in the Company's surplus reserve fund has been converted into 2,628,261,820 shares of RMB0.1 each in the registered capital of the Company ("**Conversion Shares**") on the basis of 2,628,261,820 shares in issue as at 31 December, 2004. Pursuant to a special mandate granted at the AGM for approval of the Conversion Shares, the Company issued additional new shares on the basis of 10 new shares for every 10 existing shares to Shareholders whose names appeared on the register of members of the Company on the Record Date 3 May, 2005. In which, 801,088,000 H Shares of RMB0.1 each ("**Conversion H Shares**") have been issued to the holders of H Shares.

Ranking of shares

The Conversion Shares, where as to domestic shares of the Company ("**Domestic Shares**") shall rank pari passu in all respects with the existing Domestic Shares, and where as to H Shares, shall rank pari passu in all respects with the existing H Shares.

Listing and dealings

Application has been made to the listing committee of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") for listing of, and permission to deal in, the Conversion H Shares, on the Stock Exchange. Subject to the granting of approval by the Stock Exchange, the Conversion H Shares shall be accepted as eligible securities by Hong Kong Securities Clearing Company Limited ("**HKSCC**") for deposit, clearance and settlement in the Central Clearing and Settlement System established and operated by HKSCC ("**CCASS**"). All necessary arrangement shall be made for the Conversion H Shares to be admitted into CCASS. All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time.

Certificates for the Conversion H Shares have been posted to those entitled thereto at their own risk on 23 June, 2005. In the case of joint shareholdings, the certificates for the Conversion H Shares have been posted to the address of the first named member on the register of members of the Company in respect of such joint shareholding.

Dealings in the Conversion H Shares are expected to commence on 27 June, 2005 and shall be subject to Hong Kong stamp duty.

LIST OF DIRECTORS OF THE COMPANY

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Liu Xiaochu, Luo Yingnan, Lan Fusheng, and Roa Yimin as executive directors, Mr. Ke Xiping as non-executive director, and Messrs. Yang Dali, Yao Lizhong, and Loong Ping Kwan as independent non-executive directors.

By order of the board of directors
Zijin Mining Group Co., Ltd.*
Chen Jinghe
Chairman

Fujian, China, 23 June, 2005

** for identification purpose only*

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