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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, 2005 of RMB0.08 (equivalent to approximately HK\$0.0775) 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 of 18 April, 2006. Holders of H Shares who are entitled to both the payment of the final dividend and the Conversion H Shares shall receive the same on 16 June, 2006 by ordinary post at their own risk. Dealing in the Conversion H Shares are expected to commence on 19 June, 2006.

Reference is made to the results announcement for the year of 2005 made by the Company on 30 March, 2006 (the “**Announcement**”) and a further announcement on the resolutions passed at the annual general meeting of the Company held on 18 May, 2006 (the “**AGM**”), of which include, among other matters, the approval of the payment of final dividend and the issue of new shares by the conversion of the surplus reserve fund.

**PAYMENT OF FINAL DIVIDEND**

Zijin Mining Group Co., Ltd. (the “**Company**”) paid a final dividend of Renminbi (“**RMB**”) 0.08 (equivalent to approximately HK\$0.0775) per share, for the year ended 31 December 2005, on 16 June, 2006. 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 of 18 April, 2006. Dividends payable to holders of H shares of the Company (“**H Share(s)**”) have been paid in Hong Kong dollars (“**HK\$**”). The conversion rate of RMB to HK\$ is calculated upon the average of the mean exchange rate of the conversion of RMB to HK\$ announced by Bank of China one calendar week preceding 18 May, 2006, and it is RMB1.03214 to HK\$1.00.

Accordingly, the amount of final dividend payable for each H Share is HK\$0.0775. 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 16 June, 2006.

## **ISSUE OF NEW SHARES BY CONVERSION OF THE SURPLUS RESERVE FUND**

As stated in the Announcement, an amount of RMB525,652,364 in the Company's surplus reserve fund has been converted into 5,256,523,640 shares of RMB0.1 each in the registered capital of the Company ("**Conversion Shares**") on the basis of 5,256,523,640 shares in issue as at 31 December, 2005. Pursuant to a special resolution passed at the AGM held for the purpose of approving, among other matters, 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 of 18 April, 2006, among which, 1,602,176,000 H Shares of RMB0.1 each ("**Conversion H Shares**") have been issued to the holders of H Shares.

### **Ranking of shares**

The Conversion Shares, being domestic shares of the Company ("**Domestic Shares**"), shall rank pari passu in all respects with the existing Domestic Shares; and the Conversion 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 the permission to deal in, the Conversion H Shares, on the Stock Exchange. Subject to the approval of 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 sent to those entitled thereto by post at their own risk on 16 June, 2006. In the case of joint shareholdings, the certificates for the Conversion H Shares have been sent to the address of the member whose name first appears 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 19 June, 2006 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 Rao 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, 16 June, 2006

*\* for identification purpose only*

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