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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)

**MEMORANDUM OF UNDERSTANDING WITH LEPANTO
IN RELATION TO THE ACQUISITION OF AN INTEREST IN FAR
SOUTHEAST GOLD RESOURCES, INC.**

Reference is made to the announcement dated 8 November 2007 of the Company announcing that the Company entered into, on 8 November 2007, a MOU with Lepanto in relation to the acquisition of interest in FSGRI.

The Board wishes to announce the progress of the potential transactions as contemplated under the MOU.

This announcement is made on voluntary basis of the Company.

Reference is made to the announcement dated 8 November 2007 of Zijin Mining Group Co., Ltd.* (the "Company", together with its subsidiaries, the "Group") announcing that the Company entered into, on 8 November 2007, a memorandum of understand ("MOU") with Lepanto Consolidated Mining Company ("Lepanto") in relation to the acquisition of interest in Far Southeast Gold Resources, Inc. ("FSGRI").

The board of directors ("the Board") of the Company wishes to announce the progress of the potential transactions as contemplated under the MOU.

The Group has completed its initial assessment of the feasibility of developing the gold-copper porphyry deposit owned by FSGRI and is in the course of negotiating towards finalising the definitive agreements.

Such proposed acquisition is subject to execution of relevant definitive agreements satisfactory to both parties, approval of the boards of directors of both parties, and to any regulatory or other approvals that may be further required. Should the definitive agreement be executed, the Company will make further announcement, if required by the

Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

This announcement is made on voluntary basis of the Company.

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

Fujian, the PRC, 26 May 2008

**The English name of the Company is for identification purpose only*

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, Huang Xiaodong, and Zou Laichang as executive directors, Mr. Ke Xiping as non-executive director, and Messrs. Chen Yuchuan, Su Congfu, Lin Yongjing, and Loong Ping Kwan as independent non-executive directors.