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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)

ANNOUNCEMENT

Subscription of Convertible Bonds issued by Glencore Finance (Europe) SA

The Board wishes to announce that on 23 December, 2009, Golden Lake Mining (BVI) Limited, a wholly owned subsidiary of the Company, as one of the subscribers entered into an investment agreement with Glencore Finance (Europe) S.A., Glencore International AG and Glencore AG (the "Investment Agreement"), pursuant to which the Company agreed to subscribe and pay for US\$200 million in aggregate principal amount of 5% convertible bonds due 2014 guaranteed by Glencore International AG and Glencore AG (the "Bonds").

Completion of the Investment Agreement by the Company is subject to receipt of the PRC governmental approvals by the Company.

Investors and shareholders are advised to exercise caution when dealing in the shares of the Company.

This announcement is made on the voluntary basis of the Company.

BACKGROUND

The Board wishes to announce that on 23 December, 2009, Golden Lake Mining (BVI) Limited, a wholly owned subsidiary of the Company, as one of the subscribers entered into an investment agreement with Glencore Finance (Europe) S.A., Glencore International AG and Glencore AG (the "Investment Agreement"), pursuant to which the Company agreed to subscribe and pay for US\$200 million in aggregate principal amount of 5% convertible bonds due 2014 guaranteed by Glencore International AG and Glencore AG (the "Bonds").

THE PRINCIPAL TERMS OF THE INVESTMENT AGREEMENT

The principal terms of the Investment Agreement are summarized as follows:

Date: 23 December 2009

Parties:

1. Glencore Finance (Europe) S.A., is a company incorporated in Luxembourg (the "Issuer"). The Issuer's purpose is to act as a funding vehicle to the Glencore Group. In that respect, the Issuer's current activity is to issue bonds and to lend the proceeds to the Glencore Group.

2. Glencore International AG, a company incorporated in Switzerland under Swiss law, which is principally engaged in the business of mining, smelting, refining, processing, and marketing of metals and minerals, energy products and agricultural products; and Glencore AG, a company incorporated in Switzerland under Swiss law, which is principally engaged in the business of mining, smelting, refining, processing, and marketing of metals and minerals, energy products and agricultural products (each a “Guarantor” and together the “Guarantors”).
3. Golden Lake Mining (BVI) Limited (the “Subscriber”), a wholly owned subsidiary of the Company, where the Company’s business is principally in the mining, production, refining and sale of gold and other mineral resources in the PRC.

To the best of the Company directors’ knowledge, information and belief having made all reasonable enquiries, neither the Issuer, the Guarantor, other subscribers for the Bonds nor any of its respective ultimate beneficial owner are connected persons (as defined in the Listing Rules) of the Company.

The Bonds are unsecured and unsubordinated obligations of Glencore Finance (Europe) S.A., guaranteed by Glencore International AG and Glencore AG.

Set out below is the summary of the principal terms and conditions of the Bonds:

Issue Price:	At Par
Interest:	5% per annum, payable semi-annually
Maturity Date:	31 December 2014
Conversion:	The Bonds may be convertible into the shares of Glencore Holdco by reference to, among other factors, the initial valuation of US\$35 billion in the event of the qualifying public offering, or upon other pre-determined qualifying events subject to the terms of the Bond Conditions.
Redemption:	Subject to certain early redemption events, any outstanding Bonds will be redeemed at the maturity date in accordance with the terms of the Bond Conditions.
Lock-up period:	The Company is subject to an initial lock up period for up to three years and following the Company’s conversion into the shares (if any), a further lock up period for up to 90 days, subject to certain exceptions, as documented in the Bond Conditions and the Investment Agreement.

Conditions Precedent to the Investment Agreement

Completion is conditional upon obtaining of the PRC governmental approval by the Company. At completion, the Company will pay the consideration in return for the certificate of the Bonds.

The consideration of US\$200 million has been determined at arm’s length basis and by reference to the face amount of the Bonds.

INFORMATION ON GLENCORE GROUP

The Glencore Group is one of the world's largest suppliers of commodities and raw materials to industrial consumers. Customers around the world, in industries such as automotive, power generation, steel production and food processing, rely upon Glencore Group's established global network of operations as a source of metals and minerals, crude oil and oil products, coal and agricultural products. These commodities originate either from Glencore Group's owned production assets, are secured from third parties, or benefit from the refining, processing or marketing expertise of Glencore Group. Glencore Group also provides financing, logistics and other supply chain services to producers and consumers of commodities.

Glencore International AG is a privately held company owned by its management and employees. Headquartered in Baar, Switzerland, Glencore Group employs over 2,000 people in its global marketing operations in some 50 offices in over 40 countries. In its industrial operations, Glencore Group employs over 50,000 people at 15 plants in 13 countries. Additionally, Glencore Group has interests in various publicly listed companies including 34.5% in Xstrata, 44% economic (39% voting) in Century Aluminum, 70.6% in Minara Resources, 72.2% in Katanga Mining and 32.2% in Recylex. Glencore International AG is currently owned by Glencore Holding AG as to 85% and Glencore L.T.E. AG as to 15%. Both Glencore Holding AG and Glencore L.T.E. AG are wholly owned by the key employees and management of Glencore Group.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION OF BONDS

The Company is principally engaged in the mining, production, refining and sale of gold and other mineral resources in the PRC. As a result of the transaction, the Company has an opportunity to make an overseas investment in mining assets through investment in Glencore Group. Therefore, the Directors including the independent non-executive directors of the Company consider that the transaction and the terms of the agreement are in ordinary course of business and on normal commercial terms and fair and reasonable and in the interest of the Company and its shareholders as a whole.

GENERAL

This announcement is made on the voluntary basis of the Company.

Investors and shareholders are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, unless otherwise indicated in the context, the following expressions have the meaning set out below:

“Bond Conditions”	The terms and conditions of the Bonds as constituted by the trust deed signed by, among other parties, the Issuer and the Guarantors
“Board”	the board of Directors of the Company
“Company”	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
“Director(s)”	the director(s) of the Company

“Glencore Group”	Glencore International AG, Glencore Holding AG (currently holding 85% interest in Glencore International AG) and Glencore L.T.E. AG (currently holding 15% interest in Glencore International AG) and their respective subsidiaries (including the Issuer)
“Glencore Holdco”	such other entity within the Glencore Group as determined in accordance with the Bond Conditions
“Golden Lake Mining (BVI) Limited”	Golden Lake Mining (BVI) Limited (金湖礦業(BVI)有限公司), a wholly owned subsidiary of the Company and a limited company incorporated in the British Virgin Islands
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC”	The People’s Republic of China, but for the purpose of this announcement, excludes Hong Kong, Macau SAR and Taiwan
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Luo Yingnan, Liu Xiaochu, Lan Fusheng, Huang Xiaodong, and Zou Laichang as executive directors, Mister. Peng Jiaqing as non-executive director, and Messrs. Su Congfu, Chen Yuchuan, Lin Yongjing, and Wang Xiaojun as independent non-executive directors.

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

23 December, 2009 Fujian, PRC

** The Company’s English name is for identification purpose only*