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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

Zijin Mining Group Co., Ltd.* (the “**Company**”), and its wholly-owned subsidiaries, Xinyi Zijin Mining Company Limited* (“**Xinyi Zijin**”) and Xinyi Baoyuan Mining Company Limited* (“**Xinyi Baoyuan**”) have recently received notices of response to proceedings issued by the Guangdong Province Xinyi City People’s Court (the “**People’s Court**”), notifying the Company, Xinyi Zijin and Xinyi Baoyuan that the People’s Court has determined that it will hear the proceedings commenced by the villagers of Datong Village and Shuanghe Village of Qianpai Town, Xinyi City against the Company, Xinyi Zijin and Xinyi Baoyuan in relation to compensation for casualties, summary of the contents of the writ of the relevant civil proceedings is as follows:

According to articles 17 and 18 of The Tort Law of the People’s Republic of China, an order be granted by the People’s Court against the Company, Xinyi Zijin and Xinyi Baoyuan for an amount of RMB11,678,317.33 being compensation for casualties resulting from the collapse of the defendants’ tailing pool dam and the wave of water and rocks to downstream which led to a total of 22 casualties in Datong Village and Shuanghe Village of Qianpai Town on 21 September 2010. All costs of the present proceedings be borne by the defendants.

The Company, Xinyi Zijin and Xinyi Baoyuan will appoint lawyers to defend the legal proceedings according to law.

The Company considered that there is no legal basis for the Company, a shareholder of Xinyi Zijin, to be listed as a defendant in these proceedings, and the Company will request the People’s Court to further investigate into and clarify the causes of the collapse of Kaoqiling tailing pool dam and the Shihuadi power plant dam causing casualties in Datong Village and Shuanghe Village, so as to identify liabilities.

The Company will provide further disclosure in relation to progress of the legal proceedings.

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

This announcement is made by the Company on a voluntary basis.

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

30 December 2010 Fujian, the PRC

**The English names are for identification purpose only*