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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

Reference is made to the announcements of Zijin Mining Group Co., Ltd.* (the “**Company**”) in relation to the sale of equity interest of a non-wholly owned subsidiary dated 25 September 2009, 2 December 2009 and 21 May 2010, respectively (the “**Announcements**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

Termination of the proposed transaction

The Board hereby announces that the Company’s wholly owned subsidiary, Best Ground Group Limited (域佳集團有限公司) (“**Best Ground**”) entered into a deed of termination with, amongst other parties, Marigold Time International Limited (金盞時代國際有限公司) (“**Marigold Time International**”) on 6 January 2011 (the “**Termination Deed**”) to terminate, in accordance with the terms and conditions thereof, the Principal Agreement entered into by the same parties on 25 September 2009 (as amended by the First Supplemental Agreement dated 1 December 2009 and Second Supplemental Agreement dated 21 May 2010) in relation to the disposal of shares representing 70% equity interest in China Gold Development Group (H.K.) Limited (中國黃金開發集團(香港)有限公司) (“**China Gold**”) held and owned by Best Ground.

Pursuant to the Termination Deed, Best Ground will repurchase the shares representing 70% equity interest in China Gold and refund the amount received from Marigold Time International in relation to this transaction (after deducting the expenses incurred by Best Ground) in accordance with the terms and conditions thereof.

As at the date of this announcement, China Gold currently holds 50.05% equity interest of Shandong Guoda Gold Company Limited (山東國大黃金股份有限公司) (“**Guoda Gold**”), a jointly-controlled entity which is the only substantive asset owned by China Gold. Guoda Gold is principally engaged in gold smelting business in Shandong Province, the PRC.

The Board considers that it is in the interests of the Company and the Shareholders as a whole to terminate the proposed transaction and the termination of the proposed transaction has no material adverse impact of the existing business and financial position of the Company.

The terms of the Termination Deed was arrived at after arm’s length negotiations amongst the parties thereto.

Information of the companies

Best Ground is a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company. Best Ground is principally engaged in investment holding.

Marigold Time International is a company incorporated in the British Virgin Islands with limited liability. Marigold Time International is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Marigold Time International and its ultimate beneficial owner are not connected persons (as defined in the Listing Rules) of the Company as at the date of this announcement.

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

Fujian, the PRC, 6 January 2011

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