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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 (1) Xinyi City Shihuadi hydro-power plant against the Company, Xinyi Zijin, Xinyi Baoyuan, and other 4 defendants in relation to the claim of compensation for loss of property; and (2) Xinyi City Qianfeng hydro-power plant against the Company, Xinyi Zijin, Xinyi Baoyuan, and other 4 defendants in relation to the claim of compensation for loss of property, a summary of the writs of the relevant civil proceedings is as follows:

1. Shihuadi hydro-power plant’s writ of civil proceedings:

On 21 September 2010, the collapse of Xinyi Zijin’s Yinyan Tin Mine tailing pool dam at Gaoqiling totally ruined plaintiff’s Shihuadi hydro-power plant and led to a huge financial loss to the plaintiff. The plaintiff would not be able to receive expected returns generated by the construction of the hydro-power plant. The defendants should compensate the plaintiff for all the loss. The plaintiff reserves the right to claim the defendants for the loss of expected economic returns and rights deriving from the hydro-power plant.

The following orders were sought to be granted by the People’s Court against the defendants: 1. to order the defendants to pay to the plaintiff for a total amount of RMB13,000,000, being the compensation for loss of the damaged hydro-power plant; 2. to order that Xinyi Zijin, Xinyi Baoyuan and the Company are jointly liable for the compensation for loss; 3. to order that the costs of the proceedings be borne by the defendants.

2. Qianfeng hydro-power plant’s writ of civil proceedings:

On 21 September 2010, the collapse of Xinyi Zijin’s Gaoqiling tailing pool dam at Qianpai Town, Xinyi City, Guangdong, led to the damage of pressure pipes, booster station, and workers quarters in Qianfeng hydro-power plant. Although the main dam of the hydro-power plant had not been broken, it had been severely damaged. Since the dam has become the third category of dam with serious hidden safety risk, it has been demolished by the commanding unit of three defenses in Xinyi City. Therefore, the whole hydro-power plant has been totally ruined with no residual value.

According to the relevant provisions of the Company Law, General Rules of Civil Law, Property Rights Law, Tort Law, and on the basis of acknowledgement by relevant department of the relevant liability in relation to the collapse of the dam, the plaintiff sought the People's Court's order to, in relation to the loss of property resulting from the collapse of the dam, the defendants to jointly make a compensation of a total amount of RMB19,960,000 to the plaintiff and bear all costs of the proceedings.

The Company considers that the Company should not be held liable merely for the fact that it is a shareholder of Xinyi Zijin. Professionally qualified examination institutions should be appointed by the court to conduct scientific, fair, open and just examinations on the feasibility study, approval, design, construction, supervision, inspection, operation management and safety standard of two hydro-power plants and the real reasons of their damage. The Company will defend the legal proceedings as the proceedings progress, and will defend against further allegations to be made by the plaintiffs in order to protect its legal right under the law.

Xinyi Zijin and Xinyi Baoyuan will appoint lawyers to defend the legal proceedings in accordance with the law.

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

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

26 April 2011 Fujian, the PRC

**The English names are for identification purpose only*