

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.



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 PROPOSED ACQUISITION OF 138,350,000 SHARES OF NORTON GOLD

The Board is pleased to announce that the Company and Luminous Gold, its wholly owned subsidiary entered into the Agreement with Norton Gold on 25 July 2011 in relation to the proposed acquisition of an aggregate of 138,350,000 shares of Norton Gold. The total consideration is A\$27,670,000 (equivalent to approximately RMB193,158,736). The Transaction will be completed into two tranches in accordance with the terms of the Agreement.

As each of the applicable percentage ratios as defined in Chapter 14 of the Listing Rules, for the Transaction is less than 5%, this announcement is made on a voluntary basis.

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

The Board is pleased to announce that the Company and Luminous Gold, its wholly owned subsidiary entered into the Agreement with Norton Gold on 25 July 2011 in relation to the proposed acquisition of an aggregate of 138,350,000 shares of Norton Gold. The total consideration is A\$27,670,000 (based on the exchange rate A\$1 = RMB6.9808 which was disclosed by Bank of China on 22 July 2011, the conversion of consideration is equivalent to approximately RMB193,158,736) The Transaction will be completed into two tranches in accordance with the terms of the Agreement.

The principal terms of the Agreement are as follows:-

PRINCIPAL TERMS OF THE AGREEMENT

Date: 25 July 2011

Parties:

1. The Company, principally engaged in the mining, production, refining and sale of

gold and other mineral resources in the PRC;

2. Luminous Gold, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company, principally engaged in investment holding; and
3. Norton Gold, a company incorporated in Australia with limited liability and listed on the Australian Securities Exchange under the Code of NGF, principally engaged in the business of production of gold and exploration of the West Australian gold fields near Kalgoorlie in Australia.

To the best knowledge of the Directors, neither Norton Gold nor any of its respective ultimate beneficial substantial owners is a connected person (as defined in the Listing Rules) of the Company. The Company is currently interested in 5,900,000 shares of Norton Gold.

Subscription:

Luminous Gold has agreed to subscribe for, or the Company shall procure that one or more other nominees subscribes for the Subscription Shares.

The subscription for the Subscription Shares will be made in 2 tranches as follows:-

- a. the First Tranche Subscription Shares (being 72,100,000 shares of Norton Gold) for an aggregate subscription price of A\$14,420,000 (equivalent to approximately RMB100,663,136) in cash. Together with the 5,900,000 shares already owned by the Company, the Group will hold 78,000,000 shares in total and will be beneficially interested in approximately 9.96% of the enlarged issued shares of Norton Gold after the First Tranche Completion; and
- b. the Second Tranche Subscription Shares (being 66,250,000 shares of Norton Gold) for an aggregate subscription price of A\$13,250,000 (equivalent to approximately RMB92,495,600) in cash. The Group will hold 144,250,000 shares in total and will be beneficially interested in approximately 16.98% of the enlarged issued shares of Norton Gold after the Second Tranche Completion.

Conditions Precedent

First Tranche Completion is conditional on satisfaction of:
the Company receiving the valid approvals from the PRC government or its delegated authorities or the holding of the shares via ICBCCS QDII specific account.

Second Tranche Completion is conditional on satisfaction of the Second Tranche Conditions Precedent on or before 16 September 2011, or such other date as may be agreed by the Company and Norton Gold:-

1. shareholders of Norton Gold approving the issue of Second Tranche Subscription Shares pursuant to Rule 7.1 of the ASX Listing Rules;

2. (i) the Company receiving unconditional or conditional (provided that such conditions are acceptable to the parties of the Agreement) notice in writing issued by the Treasurer of Australia stating that there are no objections under the Australian Government's foreign investment policy to the acquisition by the Group of the Second Tranche Subscription Shares under the Agreement; or (ii) the Treasurer is not, or ceases to be, entitled to make an order under Part II of the Foreign Acquisitions and Takeovers Act 1975 (Cth) in respect of the acquisition of the Second Tranche Subscription Shares under the Agreement; and
3. the Company receiving the necessary Chinese regulatory approvals.

Consideration:

The total consideration for the Transaction is A\$27,670,000 (equivalent to approximately RMB193,158,736), at subscription price of A\$0.20 per Subscription Share of Norton Gold.

The subscription price per Subscription Share represents an approximately 31% premium to the 15-day VWAP.

The consideration of the Transaction was arrived at after arm's length negotiations between the parties thereto and on normal commercial terms, by reference to, among other things, the market shares of Norton Gold.

The Group intends to pay the consideration in cash out of its internal resources and/or banking finance.

Other Rights

For a period of 6 months after the Second Tranche Completion, the Company will have a "top-up" right so that where shares of Norton Gold are issued to a third party, the Company will have the right to subscribe for shares on the same terms to ensure it can maintain its shareholding held prior to the shares being issued.

Subject to the Second Tranche Completion, the Company may nominate one person to be appointed as a director of Norton Gold in accordance with the terms and conditions of the Agreement.

General information of Norton Gold

Norton Gold is a company incorporated with limited liability in Australia and ASX-listed under the Code of NGF, it principally engaged in mining and exploration of gold in Australia. Paddington gold mines and Mount Morgan project are the main assets of Norton Gold in Australia. For the year ended 30 June 2010, Norton Gold produced approximately 140,000 ounces of gold (approximately 4.35 tonnes).

Paddington gold mines locate near Kalgoorlie in Western Australia and it was formed by several gold deposits. Homestead underground mine and the Navajo Chief open cut are the mines in production. The Paddington operations include a 3.0 Mt pa processing facility. Norton Gold has 1,050 square km mining rights and exploration rights in Kalgoorlie.

Mount Morgan project locates in Queensland, Australia and Norton Gold obtained all relevant statutory approvals for this project.

For more information, please visit the website of Norton Gold: www.nortongoldfields.com.au.

Mineral Resources owned by Norton Gold

A. Paddington Global Mineral Resource Inventory

Resource category	Million tonnes	Grade (g/t)	Gold (koz)
Measured	0.14	1.58	7
Indicated	49.76	1.87	2,986
Inferred	38.09	2.06	2,526
Total Mineral Resource	88.00	1.95	5,519

Notes:

- a. information source: Annual Report 2010 of Norton Gold.
- b. According to the Annual Report 2010 of Norton Gold, above information is compiled by Peter Ruzicka, a member of the Australian Institute of Mining and Metallurgy and a fulltime employee of Norton Gold, and Andrew Bewsher, a member of the Australian Institute of Geoscientists and a fulltime employee of BM Geological Services PL, a consulting group to Norton Gold.
- c. Based on the conversion rate 1 troy ounce = 31.1035g, Paddington mines contain gold metal: measured 0.22 tonne, indicated 92.88 tonnes, inferred 78.56 tonnes, in total 171.66 tonnes.

B. Mount Morgan Global Mineral Resource Inventory

Resource category	Million tonnes	Grade (g/t)	Gold (koz)
Measured	—	—	—
Indicated	2.49	1.59	0.127
Inferred	5.86	1.07	0.199
Total Resource	8.35	1.23	0.326

Notes:

- a. information source: Annual Report 2010 of Norton Gold.
- b. According to the Annual Report 2010 of Norton Gold, above information is prepared in accordance with the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ by Troy Lowien, Resource Geologist, of consultants Coffey Mining Pty Ltd, who is a member of the Australasian Institute of Mining and Metallurgy.
- c. Based on the conversion rate 1 troy ounce = 31.1035g, Mount Morgan Mineral Resource Inventory contains gold metal: indicated 3.95 tonnes, inferred 6.19 tonnes, in total 10.14 tonnes.

Financial information of Norton Gold

The financial year of Norton Gold commences on 1 July and ends on 30 June. Its financial statements were prepared in accordance with the Australian Accounting Standards. As of 30 June 2010, some major financial data extracted from the audited financial statement 2010 of Norton Gold are set out below:

A\$

	2010	2009
Revenue	177,416,000	161,939,000
Gross profit	21,380,000	36,939,000
Total comprehensive loss for the year attributable to owners of parent entity	-25,404,000	-1,003,000
Loss per share	-0.063	-0.042
Total assets	279,619,000	209,937,000
Net assets	77,906,000	45,122,000

Note:

- a. information source: Annual Report 2010 of Norton Gold

For details, please refer to the Annual Report 2010 of Norton Gold, which is available at its website: www.nortongoldfields.com.au.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Company is principally engaged in the mining, production, refining and sale of gold and other mineral resources in the PRC. The Australian mining market is developed among global mining markets. As a result of the Transaction, the Company will have an opportunity to invest in an Australian mining company, which is in line with the Company’s development strategy towards globalization. In addition, the

Paddington gold mine project under Norton Gold is a matured mine in production stage and it has substantial resource reserves and prospects for further exploration. The Transaction is helpful in boosting the gold resource reserves of the Company and enhancing the competitiveness and sustainable development capacity of the Company. The amount payable under the Transaction will be RMB193,158,736, which would not have a material effect on the financial position of the Company.

Therefore, the Directors consider that the Transaction and the terms of the Transaction are in the ordinary course of business and on normal commercial terms, and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

THE INVESTMENT RISKS

Foreign exchange risk

The consideration of the Transaction will be paid in Australian dollars. There are therefore associated foreign exchange risks as a result of the volatility of foreign exchange rates.

Operational risk

Operational cost is high in Norton Gold. If such cost cannot be reduced effectively, there may be a possible risk of investment loss to the Company as a result of the possible continuous operational deficit of Norton Gold.

Please note that the above risk factors are not exhaustive and that it is possible that there are other risk factors and uncertainties that the Company is unaware of or investment factors that the Company considers insignificant at this stage.

GENERAL

As each of the applicable percentage ratios as defined in Chapter 14 of the Listing Rules for the Transaction is less than 5%, this announcement is made on a voluntary basis.

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

In relation to this transaction Lincoln Crowne & Company is acting as financial advisor and Allens Arthur Robinson is acting as legal counsel to the Group. Hopgood Ganim is acting as legal counsel to Norton Gold.

DEFINITIONS

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

“A\$”	Australian dollars, the lawful currency of Australia
“Agreement”	a share subscription agreement executed by the Company, Luminous Gold and Norton Gold dated 25 July 2011 in relation to the Transaction
“ASX”	the Australian Securities Exchange
“ASX Listing Rules”	the listing rules of the Australian Securities Exchange
“Australia”	the Commonwealth of Australia
“Board”	the board of Directors
“Company”	Zijin Mining Group Co., Ltd.*, a joint stock limited company incorporated in the People’s Republic of China with limited liability
“Director(s)”	the director(s) of the Company
“First Tranche Conditions Precedent”	conditions precedent to the First Tranche Completion as more particularly described in the Agreement

“First Tranche Completion”	completion of the issue and allotment of the First Tranche Subscription Shares and payment of the subscription price in respect of the First Tranche Subscription Shares in accordance with the Agreement
“First Tranche Subscription Shares”	72,100,000 shares of Norton Gold to be allotted and issued on the First Tranche Completion in accordance with the terms of the Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Luminous Gold”	Luminous Gold Limited, a limited company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Norton Gold”	Norton Gold Fields Limited, a company incorporated in Australia and listed on the Australian Securities Exchange under the Code of NGF
“PRC”	The People’s Republic of China, but for the purpose of this announcement, excludes Hong Kong, Macau SAR and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Second Tranche Conditions Precedent”	conditions precedent to the Second Tranche Completion as more particularly described in the Agreement
“Second Tranche Completion”	completion of the issue and allotment of the Second Tranche Subscription Shares and payment of the subscription price in respect of the Second Tranche Subscription Shares in accordance with the Agreement
“Second Tranche Subscription Shares”	66,250,000 shares of Norton Gold to be allotted and issued on the Second Tranche Completion in accordance with the terms of the Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Shares”	the First Tranche Subscription Shares and the Second Tranche Subscription Shares
“subsidiary”	has the meaning ascribed to it by the Listing Rules
“Transaction”	subscription of the Subscription Shares by the Group in accordance with the terms of the Agreement
“15-day VWAP”	the volume weighted average price per share of Norton Gold traded on the Australian Securities Exchange for the last 15 trading days up to and including

22 July 2011

“%”

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

25 July 2011, Fujian, PRC

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