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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 in relation to the progress of Guangdong Xinyi 9.21 incident civil proceedings

On 21 September 2010, the collapse of Yinyan Tin Mine Gaoqiling tailing pool dam of Xinyi Zijin Mining Company Limited (“Xinyi Zijin”) was affected by the extreme weather brought by typhoon “Fanapi”, and the collapse of the main dam of Shihuadi hydropower plant in Qianpai Town, Xinyi City, resulting in casualties and property damage downstream. The local government and the affected people sued several defendants including Xinyi Zijin in Xinyi City People’s Court. The Company has been publishing announcements continuously to disclose the progress of the legal proceedings.

On 8 March 2012, the Company received a mediation agreement. On 7 March 2012, under the auspices of the Xinyi City People’s Court, Xinyi Zijin reached the mediation agreement with the plaintiffs in relation to 15 claims ((2011) Xinfaminchuzidi nos. 44-50, 52-54, 57-60, and 62) for damages resulting from the collapse of buildings in Shuanghe Village located in the downstream of Shihuadi hydropower plant. The total compensation payable by Xinyi Zijin to the plaintiffs is RMB4,745,738.71 (including the advance payment of RMB1,200,000). After the receipt of the above-mentioned compensation, the defendants settle the relevant disputes in the lawsuits and the plaintiffs could not bring any further lawsuits for the related claims. Xinyi Zijin will bear litigation cost of RMB75,792.

Xinyi Zijin settled the 15 claims of damages in relation to the collapse of buildings by way of mediation. This does not mean that Xinyi Zijin waived its right to request a judicial technical investigation into the cause of the collapse of the main dam at Shihuadi hydropower plant, to claim from the other defendants who should be liable in this accident. The Company also reckoned that it should not be held jointly and severally liable for Xinyi Zijin’s liabilities.

A proper settlement of the interests of the affected people is a major task for maintaining the stability and harmony of the society. To uphold a fair and transparent judicial system and protect investors' legal interests lays foundation for building a community with rule of law.

It represents the maximum sincerity and kindness of the Company and Xinyi Zijin by carrying out their corporate social responsibility to settle the claims resulting from 9.21 incident through mediation.

The Company and Xinyi Zijin sincerely hope that, based on facts and through the legal proceedings to define the liabilities, the mediation led by the local government or the court, other claims relating to the damages arising from the natural disaster and the issue about the prospect of the enterprises and their staff involved can be legally, fairly, reasonably and promptly solved.

On 5 March 2012, the General Charity Federation of Shanghang County of Fujian Province donated RMB4,745,739 to Qianpai Town, Xinyi City to assist the families of the casualties in 15 claims.

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.

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

9 March 2012, Fujian, PRC

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