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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)

CONTINUING CONNECTED TRANSACTION

The Board of the Company announced that Xinjiang Ashele, a subsidiary of the Company, has entered into a Sales of Copper Concentrates Agreement dated 23 March 2012 with China Non-ferrous Metal Import and Export Xinjiang Company for a term from 1 March 2012 to 31 December 2012.

The Company is one of the substantial shareholders of Xinjiang Ashele, currently holds 51% equity interest of Xinjiang Ashele. Xinjiang Non-ferrous Metal Industry (Group) Company Limited currently holds 29% equity interest of Xinjiang Ashele. China Non-ferrous Metal Import and Export Xinjiang Company is now holding 5% equity interest of Xinjiang Ashele. China Non-ferrous Metal Import and Export Xinjiang Company is a wholly owned subsidiary of Xinjiang Non-ferrous Metal Industry (Group) Company Limited. China Non-ferrous Metal Import and Export Xinjiang Company is an associate of Xinjiang Ashele and a connected person to the Company (as defined in the Listing Rules). Therefore, under Chapter 14A of the Listing Rules, the transaction constitutes a continuing connected transaction of the Company.

The Continuing Connected Transaction, which is continuous in nature, was entered into in the ordinary course of business of the Company. As each of the applicable percentage ratios (other than the profit ratio) in relation to the transaction is, on an annual basis, more than 1% but less than 5%, the transaction constitutes a continuing connected transaction of the Company under 14A.34 of the Listing Rules with exemption on the approval from Independent Shareholders and is subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47.

The Board of the Company announced that Xinjiang Ashele, a subsidiary of the Company, has entered into a Sales of Copper Concentrates Agreement dated 23 March 2012 with China

Non-ferrous Metal Import and Export Xinjiang Company for a term from 1 March 2012 to 31 December 2012.

PRINCIPAL TERMS OF AGREEMENT

SALES OF COPPER CONCENTRATES AGREEMENT

Date: 23 March 2012

Parties: Seller:
Xinjiang Ashele is a subsidiary of the Company, a company incorporated in the PRC with limited liability, and is mainly engaged in the development of Ashele copper mine in Xinjiang Province.

Buyer:
China Non-ferrous Metal Import and Export Xinjiang Company is a wholly owned subsidiary of Xinjiang Non-ferrous Metal Industry (Group) Company Limited. China Non-ferrous Metal Import and Export Xinjiang Company is mainly engaged in:
Licensing business activities: sales of type II and III medical devices (the scope as specified in the permit).
General business scope: sales of different kinds of goods by itself and as agent; import and export of technology (do not attach import and export catalog, except for goods specifically for import and export as stipulated by the State and those that are prohibited to be imported and exported by the State); raw materials processing and "Three-plus-one" business; carry out counter trade and re-export; real estate leasing; storage and transportation agency.

Sales of product: Copper Concentrates

Pricing: 1. Price calculation for concentrates containing copper:
The settlement price of copper concentrates containing copper shall be determined according to the monthly arithmetic average settlement price of standard copper cathodes under spot contract in

Shanghai Futures Exchange for each trading day as a benchmark price multiplied a relevant price coefficient with reference to the mining district issuing for the month (as determined by the date of delivery of the goods; the 1st day to 31st day every month).

2. Price calculation for concentrates containing gold:

The settlement price of concentrates containing gold shall be determined according to the monthly arithmetic weighted average settlement price of AU99.95 gold in Shanghai Gold Exchange as a benchmark price multiplied a relevant price coefficient with reference to the mining district issuing for the month (the 1st day to 31st day every month).

3. Price calculation for concentrates containing silver:

The settlement price of concentrates containing silver shall be determined according to the monthly arithmetic average settlement price of No.3 Guobiao silver in Shanghai Huatong Market as a benchmark price multiplied a relevant price coefficient with reference to the mining district issuing for the month (the 1st day to 31st day every month).

4. Price will be deducted in accordance with the contract if other unspecified impurities found in the concentrates.

Term: from 1 March 2012 to 31 December 2012

Payment Term: 1. Full payment should be made by the buyer in advance according to the forecast grade, quantity and forecast price for the month as requested by the seller.
2. The principle of issuing goods and payment by both parties: until the buyer makes the full payment, no copper concentrates shall be delivered by the seller; the total price of goods shall be settled monthly on time.

The terms of the Sales of Copper Concentrates Agreement were arrived at after arm's length negotiation between the Xinjiang Ashele and China Non-ferrous Metal Import and Export Xinjiang

Company.

ANNUAL CAP

The Company proposes that the maximum amounts (“Annual Cap”) of the Sales of Copper Concentrates Agreement for the year ended 31 December 2012 will be RMB400 million.

The 2012 Annual Cap of the Sales of Copper Concentrates Agreement was determined by reference to the production plan of Xinjiang Ashele and the planned requirement of China Non-ferrous Metal Import and Export Xinjiang Company. It is estimated that the Company will sell copper concentrates containing not more than 6,000 tonnes copper metal to China Non-ferrous Metal Import and Export Xinjiang Company in 2012. The breakdown of the transaction value is as follows:

		Year 2012 (March to December) (Annual Cap) RMB
1.	Sales of copper concentrates to China Non-ferrous Metal Import and Export Xinjiang Company	400,000,000

CONNECTION BETWEEN THE PARTIES IN THE TRANSACTION

The Company is one of the substantial shareholders of Xinjiang Ashele, currently holds 51% equity interest of Xinjiang Ashele. Xinjiang Non-ferrous Metal Industry (Group) Company Limited currently holds 29% equity interest of Xinjiang Ashele. China Non-ferrous Metal Import and Export Xinjiang Company is now holding 5% equity interest of Xinjiang Ashele. China Non-ferrous Metal Import and Export Xinjiang Company is a wholly owned subsidiary of Xinjiang Non-ferrous Metal Industry (Group) Company Limited. China Non-ferrous Metal Import and Export Xinjiang Company is an associate of Xinjiang Ashele and a connected person to the Company (as defined in the Listing Rules). Therefore, under Chapter 14A of the Listing Rules, the transaction constitutes a continuing connected transaction of the Company.

REASONS FOR THE PROPOSED TRANSACTION

The Company is principally engaged in the mining, production, refining and sales of gold and other

mineral resources in the PRC. The sale of copper concentrates from the Company to China Non-ferrous Metal Import and Export Xinjiang Company can broaden sales channels in Xinjiang. Therefore, the Directors including the independent non-executive directors consider that the terms of the agreement are in ordinary course of business and on normal commercial terms and fair and reasonable and in the interest of the Company and its Shareholders as a whole.

MATERIAL INTEREST

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Director has a material interest in the transaction and is required to abstain from voting at the Board meeting approving the transaction.

GENERAL

The Continuing Connected Transaction, which is continuous in nature, was entered into in the ordinary course of business of the Company. As each of the applicable percentage ratios (other than the profit ratio) in relation to the transaction is, on an annual basis, more than 1% but less than 5%, the transaction constitutes a continuing connected transaction of the Company under 14A.34 of the Listing Rules with exemption on the approval from Independent Shareholders and is subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Company”	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 PRC
“Continuing Connected Transaction”	the connected transaction contemplated under the Sales of Copper Concentrates Agreement which was entered into between the Company's subsidiary, Xinjiang Ashele and China Non-ferrous Metal Import and Export Xinjiang Company on a continuing basis
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Shareholders”	any Shareholder of the Company that is not required to abstain from voting at a general meeting to approve a connected transaction
“China Non-ferrous Metal Import and Export Xinjiang Company”	China Non-ferrous Metal Import and Export Xinjiang Company, a wholly owned subsidiary of Xinjiang Non-ferrous Metal Industry (Group) Company Limited and a company incorporated in the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Xinjiang Ashele”	Xinjiang Ashele Copper Holding Company Limited, a company incorporated in the PRC with limited liability, the Company currently holds 51% of its equity interest, it is a subsidiary of the Company
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, Macau SAR and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Sales of Copper Concentrates Agreement”	the agreement entered into between the Company’s subsidiary, Xinjiang Ashele and China Non-ferrous Metal Import and Export Xinjiang Company on 23 March 2012 in relation to, <i>inter alia</i> , the sales of copper concentrates from the Company’s subsidiary, Xinjiang Ashele to China Non-ferrous Metal Import and Export Xinjiang Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	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

23 March 2012, Fujian, PRC

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