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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

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED

30 JUNE 2013

The board of directors (the "Board") of Zijin Mining Group Co., Ltd.* (the "Company") announces the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2013 (the "reporting period"). This announcement has been reviewed and passed by the Board and the audit committee.

The following unaudited consolidated financial information was prepared in accordance with China Accounting Standards for Business Enterprises ("CAS") and the related laws and regulations.

1. GROUP'S FINANCIAL STATEMENTS (AS PREPARED IN ACCORDANCE WITH CAS)

In this report, unless otherwise indicated in the context, the currency is RMB.

CONSOLIDATED BALANCE SHEET

For the six months ended 30 June 2013

| <u>ASSETS</u> | <u>30 June 2013</u> (Unaudited) RMB | <u>31 December 2012</u> (Audited) RMB |
|-----------------------------------|---|---|
| Current assets | | |
| Cash and cash equivalents | 5,924,598,444.07 | 7,473,400,807.00 |
| Held-for-trading financial assets | 686,775,434.48 | 670,943,265.00 |
| Bills receivable | 414,128,600.72 | 575,499,815.00 |
| Trade receivables | 1,360,259,021.08 | 841,494,264.00 |
| Prepayments | 1,123,772,280.27 | 957,976,115.00 |
| Other receivables | 1,655,821,442.72 | 1,524,884,888.00 |
| Inventories | 9,987,329,794.86 | 11,602,493,132.00 |
| Other current assets | 669,436,916.85 | 687,006,618.00 |
| | <u>21,822,121,935.05</u> | <u>24,333,698,904.00</u> |
| Total current assets | | |
| Non-current assets | | |
| Available-for-sale investments | 329,041,159.56 | 576,013,498.00 |
| Held-to-maturity investments | | |
| Long-term equity investments | 4,514,860,192.12 | 4,410,652,450.00 |
| Investment properties | 48,070,339.35 | 49,065,516.00 |
| Fixed assets | 16,507,914,093.33 | 15,595,461,755.00 |
| Construction in progress | 9,785,338,394.29 | 8,394,603,506.00 |
| Construction materials | 198,005,271.51 | 136,501,422.00 |
| Intangible assets | 8,518,508,441.36 | 8,535,917,880.00 |
| Goodwill | 496,758,705.00 | 496,758,705.00 |
| Long-term deferred assets | 1,008,500,535.73 | 800,104,702.00 |
| Deferred tax assets | 665,882,561.21 | 574,768,328.00 |
| Other non-current assets | 3,295,234,708.90 | 3,450,874,375.00 |
| | <u>45,368,114,402.36</u> | <u>43,020,722,137.00</u> |
| Total non-current assets | | |
| Total assets | <u>67,190,236,337.41</u> | <u>67,354,421,041.00</u> |

| <u>LIABILITIES AND OWNERS' EQUITY</u> | <u>30 June 2013</u> (Unaudited) RMB | <u>31 December 2012</u> (Audited) RMB |
|---|---|---|
| Current liabilities | | |
| Short-term borrowings | 4,915,466,459.86 | 6,399,851,000.00 |
| Held-for-trading financial liabilities | 7,013,311,552.05 | 6,521,435,369.00 |
| Bills payable | 98,957,980.59 | 313,152,032.00 |
| Trade payables | 2,846,831,292.18 | 4,174,006,563.00 |
| Advances from customers | 1,067,009,702.93 | 937,554,916.00 |
| Employee benefits payable | 239,721,789.20 | 318,116,747.00 |
| Taxes payable | 1,130,309,509.32 | 1,692,027,264.00 |
| Dividends payable | 2,195,146,052.19 | 57,397,500.00 |
| Other payables | 1,938,496,244.84 | 2,029,208,186.00 |
| Current portion of non-current liabilities | 1,068,122,915.40 | 535,867,957.00 |
| Other current liabilities | | |
| Total current liabilities | <u>22,513,373,498.56</u> | <u>22,978,617,534.00</u> |
| Non-current liabilities | | |
| Long-term borrowings | 8,213,792,500.36 | 6,654,629,747.00 |
| Bonds payable | 2,951,831,219.26 | 2,987,766,076.00 |
| Long-term payables | 164,048,951.29 | 169,472,564.00 |
| Provision | 156,101,119.69 | 167,021,572.00 |
| Deferred tax liabilities | 438,467,582.14 | 447,085,685.00 |
| Other non-current liabilities | <u>581,376,734.93</u> | <u>366,862,124.00</u> |
| Total non-current liabilities | <u>12,505,618,107.67</u> | <u>10,792,837,768.00</u> |
| Total liabilities | <u>35,018,991,606.23</u> | <u>33,771,455,302.00</u> |
| EQUITY | | |
| Share capital | 2,181,196,365.00 | 2,181,196,365.00 |
| Capital reserve | 7,593,784,326.48 | 7,770,714,175.00 |
| Special reserve | 122,707,582.05 | 98,196,798.00 |
| Surplus reserve | 1,319,401,104.00 | 1,319,401,104.00 |
| Retained earnings | 15,951,018,762.09 | 17,034,164,960.00 |
| Exchange differences arising on translation of financial statements denominated in foreign currencies | <u>(301,096,869.40)</u> | <u>(222,084,649.00)</u> |
| Equity attributable to owners of the parent | <u>26,867,011,270.22</u> | <u>28,181,588,753.00</u> |
| Non-controlling interests | <u>5,304,233,460.96</u> | <u>5,401,376,986.00</u> |
| Total equity | <u>32,171,244,731.18</u> | <u>33,582,965,739.00</u> |
| Total liabilities and owners' equity | <u>67,190,236,337.41</u> | <u>67,354,421,041.00</u> |

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2013

| | For the 6 months ended 30 June 2013 (Unaudited) RMB | For the 6 months ended 30 June 2012 (Unaudited) RMB |
|--|---|---|
| Operating income | 25,987,634,064.88 | 20,992,524,396.47 |
| Less: Operating costs | 21,509,706,763.41 | 15,530,386,362.51 |
| Taxes and surcharges | 257,861,290.81 | 232,458,328.85 |
| Selling expenses | 263,233,554.00 | 293,800,158.63 |
| Administrative expenses | 1,019,189,751.34 | 887,298,205.47 |
| Financial expenses | 584,662,530.64 | 327,823,100.87 |
| Impairment losses on assets | 332,096,005.28 | 375.00 |
| Add: Gains/(losses) on changes in fair value | 9,581,823.71 | (64,176,643.31) |
| Investment income | 86,443,676.99 | 247,959,419.06 |
| Including: Share of profits of associates and joint ventures | <u>62,759,501.37</u> | <u>121,606,792.29</u> |
| Operating profit | 2,116,909,670.10 | 3,904,540,640.89 |
| Add: Non-operating income | 72,288,477.42 | 48,127,181.88 |
| Less: Non-operating expenses | 104,830,439.19 | 108,671,386.37 |
| Including: Losses on disposal of non-current assets | <u>10,499,965.21</u> | <u>10,051,804.50</u> |
| Profit before tax | 2,084,367,708.33 | 3,843,996,436.40 |
| Less: Income tax expenses | <u>551,478,766.97</u> | <u>1,003,983,712.55</u> |
| Net profit | <u>1,532,888,941.36</u> | <u>2,840,012,723.85</u> |
| Including: Attributable to owners of the parent | 1,098,050,167.09 | 2,384,712,524.71 |
| Non-controlling interests | 434,838,774.27 | 455,300,199.14 |
| Proposed interim dividends | <u><u>-</u></u> | <u><u>-</u></u> |
| Earnings per share | | |
| Basic earnings per share | <u>0.050</u> | <u>0.109</u> |
| Other comprehensive income | <u>(147,749,598.75)</u> | <u>(6,309,161.75)</u> |
| Total comprehensive income | <u>1,385,139,342.61</u> | <u>2,833,703,562.10</u> |
| Attributable to: | | |
| Owners of the parent | <u>964,102,753.21</u> | <u>2,378,403,362.96</u> |
| Non-controlling interests | <u>421,036,589.40</u> | <u>455,300,199.14</u> |

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2013

| Items | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|--|---|---|
| 1. Cash flows from operating activities: | | |
| Cash receipts from sale of goods and rendering of services | 25,561,531,586.03 | 21,236,708,130.88 |
| Refund of taxes | 21,233,730.34 | 15,443,033.24 |
| Other cash receipts relating to operating activities | 525,582,950.58 | - |
| Sub-total of cash inflows from operating activities | <u>26,108,348,266.95</u> | <u>21,252,151,164.12</u> |
| Cash payments for goods purchased and services received | 19,411,423,312.88 | 14,349,341,777.84 |
| Cash payments to and on behalf of employees | 1,200,140,865.60 | 1,072,719,524.68 |
| Payments of various types of taxes | 2,928,810,790.16 | 2,358,000,972.07 |
| Other cash payments relating to operating activities | 530,837,871.84 | 536,967,561.37 |
| Sub-total of cash outflows from operating activities | <u>24,071,212,840.48</u> | <u>18,317,029,835.96</u> |
| Net cash flow from operating activities | <u>2,037,135,426.47</u> | <u>2,935,121,328.16</u> |
| 2. Cash flows from investing activities: | | |
| Cash receipts from disposals of investments | 273,387,633.08 | 43,871,800.60 |
| Cash receipts from investment income | 111,422,555.00 | 29,812,289.29 |
| Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets | 60,769,232.57 | 3,896,646.75 |
| Net cash receipts from disposals of subsidiaries and other business units | 10,629,334.35 | 9,355,817.91 |
| Other cash receipts relating to investing activities | 1,054,012,462.91 | 442,471,314.84 |
| Sub-total of cash inflows from investing activities | <u>1,510,221,217.91</u> | <u>529,407,869.39</u> |
| Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets | 3,663,751,623.23 | 3,945,719,649.08 |
| Cash payments to acquire investments | 354,625,000.00 | 1,439,125,831.38 |
| Cash payments for acquisitions of subsidiaries and other business units | 0.00 | 73,350,000.00 |
| Other cash payments relating to investing activities | 981,422,723.46 | 689,888,619.47 |
| Sub-total of cash outflows from investing activities | <u>4,999,799,346.69</u> | <u>6,148,084,099.93</u> |
| Net cash flows used in investing activities | <u>(3,489,578,128.78)</u> | <u>(5,618,676,230.54)</u> |
| 3. Cash flows from financing activities: | | |
| Cash receipts from capital contributions | 116,250,000.00 | 131,007,000.00 |
| Cash receipts from borrowings | 8,453,398,920.24 | 7,607,418,614.75 |
| Other cash receipts relating to financing activities | 86,587,025.90 | 170,490,387.16 |
| Sub-total of cash inflows from financing activities | <u>8,656,235,946.14</u> | <u>7,908,916,001.91</u> |
| Cash repayments of borrowings | 7,336,207,028.71 | 3,532,137,347.28 |
| Cash payments for distribution of dividends or profits or settlement in interest expenses | 966,371,190.83 | 870,105,768.43 |
| Other cash payments relating to financing activities | 427,171,664.20 | 108,732,949.25 |
| Sub-total of cash outflows from financing activities | <u>8,729,749,883.74</u> | <u>4,510,976,064.96</u> |
| Net cash flow from financing activities | <u>(73,513,937.60)</u> | <u>3,397,939,936.95</u> |
| 4. Effects of foreign exchange rate changes on cash and cash equivalents | 36,518,620.13 | 15,480,802.22 |
| 5. Net increase in cash and cash equivalents | <u>(1,489,438,019.78)</u> | <u>729,865,836.79</u> |

| Items | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|---|--|--|
| Reconciliation of net profit to net cash flows from operating activities: | | |
| 1.Net profit attributable to owners of the parent | 1,098,050,167.09 | 2,384,712,524.71 |
| Add: Non-controlling interests | 434,838,774.27 | 455,300,199.14 |
| Less: Unrealised loss on investments | | |
| Add: Asset impairment provision | 332,096,005.28 | 375.00 |
| Depreciation of fixed assets | 736,256,913.84 | 643,529,442.83 |
| Amortisation of intangible assets and long-term deferred assets | 220,539,979.22 | 127,223,201.09 |
| Losses/(gains) on disposals of fixed assets, intangible assets and other long-term assets | 10,499,965.21 | 9,377,442.77 |
| Losses on changes in fair value | (9,581,823.71) | 64,176,643.31 |
| Financial expenses | 584,662,530.64 | 327,823,100.87 |
| Losses/(gains) on investments | (86,443,676.99) | (247,959,419.06) |
| Decrease/(increase) in deferred tax assets | (91,114,233.21) | (87,532,724.27) |
| Increase/(decrease) in deferred tax liabilities | 8,618,102.86 | (3,503,124.16) |
| Decrease/(increase) in inventories | 1,359,581,886.86 | (1,179,501,130.86) |
| Decrease/(increase) in receivables from operating activities | (419,775,310.59) | (1,729,112,488.06) |
| Increase/(decrease) in payables from operating activities | (2,285,957,106.39) | 2,098,302,107.61 |
| Others | 144,863,252.09 | 72,285,177.24 |
| Net cash flow from operating activities | <u>2,037,135,426.47</u> | <u>2,935,121,328.16</u> |
| 2.Non-cash investing and financing activities: | | |
| Conversion of debt into capital | | |
| Convertible bonds matured within 1 year | | |
| Finance leased fixed assets | | |
| 3.Net increase in cash and cash equivalents: | | |
| Closing balance of cash | <u>4,825,301,955.22</u> | <u>5,647,053,701.79</u> |
| Less: Opening balance of cash | 6,314,739,975.00 | 4,917,187,865.00 |
| Add: Closing balance of cash equivalents | | |
| Less: Opening balance of cash equivalents | | |
| Net increase in cash and cash equivalents | <u>(1,489,438,019.78)</u> | <u>729,865,836.79</u> |

Notes:

1. BASIS OF PREPARATION

The financial statements were prepared in accordance with the Basic Standard and 38 Specific Standards of the Accounting Standards for Business Enterprises (“ASBE”) issued by the Ministry of Finance in February 2006, and Application Guidance, Interpretations and other relevant regulations issued thereafter (hereafter referred to as the “CAS”).

The financial statements have been prepared on a going concern basis.

Except for certain financial instruments, the financial statements have been prepared using historical cost as the principal measurement in financial statements. When assets are impaired, provisions for asset impairment are made according to the relevant requirements.

2. OPERATING INCOME AND OPERATING COSTS

Analysis of operating income are as follows:

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|-----------------------------------|--|--|
| Revenue from principal operations | 25,782,878,844.21 | 20,507,368,899.43 |
| Revenue from other operations | 204,755,220.67 | 485,155,497.04 |
| | <u>25,987,634,064.88</u> | <u>20,992,524,396.47</u> |

Analysis of operating costs are as follows:

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|------------------------------|--|--|
| Cost of principal operations | 21,431,275,714.41 | 15,166,576,235.84 |
| Cost of other operations | 78,431,049.00 | 363,810,126.67 |
| | <u>21,509,706,763.41</u> | <u>15,530,386,362.51</u> |

Analysis of revenue from principal operations and costs of principal operations by products:

| | For the six months ended 30 June 2013 (Unaudited) RMB | | For the six months ended 30 June 2012 (Unaudited) RMB | |
|------------------|---|--------------------------|---|--------------------------|
| | Revenue | Cost | Revenue | Cost |
| Gold bullion | 3,151,207,184.06 | 1,892,718,413.15 | 3,393,681,205.54 | 984,749,959.84 |
| Processed gold | 10,293,862,875.18 | 10,444,372,524.47 | 9,279,953,675.90 | 9,004,017,122.31 |
| Ore concentrates | 4,863,035,812.15 | 2,012,365,446.67 | 3,571,935,846.13 | 1,197,212,990.45 |
| Zinc bullion | 933,759,425.59 | 906,494,777.03 | 1,193,801,863.74 | 1,137,450,594.96 |
| Copper cathodes | 226,505,512.39 | 157,399,666.94 | 41,388,503.61 | 34,624,419.14 |
| Refinery copper | 4,010,162,062.53 | 4,158,741,135.69 | 1,567,418,516.70 | 1,569,576,507.73 |
| Others | 2,304,345,972.31 | 1,859,183,750.46 | 1,459,189,287.81 | 1,238,944,641.41 |
| | <u>25,782,878,844.21</u> | <u>21,431,275,714.41</u> | <u>20,507,368,899.43</u> | <u>15,166,576,235.84</u> |

The operating income and costs of the Group principally arise from the mining, processing and refining for mineral products and almost all of them are sourced from Mainland China. As such, the management of the Group considers that there is no need to disclose the segment revenue and costs based on the industry and geographical area.

During the first half of 2013 and the whole year of 2012, more than 98% of the operating income arises from the sales of commodities. As such, the management of the Group considers that there is no need to disclose the operating income and costs based on the nature of income.

Revenue of the top five customers of the Group for the six months ended 30 June 2013:

| | For the six months ended 30 June 2013 (Unaudited) RMB | Proportion of revenue |
|---|--|-----------------------|
| Shanghai Gold Exchange (Note 1) | 15,681,973,960.24 | 60.34% |
| Shenzhen Jiangtong Marketing Company Limited | 759,887,281.99 | 2.92% |
| Fujian Shanghang Taiyang Copper Company Limited | 682,279,742.39 | 2.63% |
| Zhejiang Hongda Metal Refinery Company Limited | 641,184,666.94 | 2.47% |
| Guangzhou Jinchuangli Trading Company Limited | 566,043,535.75 | 2.18% |
| Total | <u>18,331,369,187.31</u> | <u>70.54%</u> |

Note 1: The ultimate customers are not known.

3. TAXES AND SURCHARGES

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|---------------------------------------|--|--|
| Business tax | 30,684,316.52 | 20,468,731.12 |
| City construction and maintenance tax | 23,271,318.79 | 19,239,089.37 |
| Resource tax | 167,840,554.56 | 160,806,852.79 |
| Education surcharges | 30,162,814.52 | 23,230,434.44 |
| Others | 5,902,286.42 | 8,713,221.13 |
| | <u>257,861,290.81</u> | <u>232,458,328.85</u> |

4. FINANCIAL EXPENSES

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|----------------------------|--|--|
| Interest expenses (Note 1) | 495,474,148.91 | 347,329,343.63 |
| Less: Interest income | (39,266,583.58) | (60,841,606.78) |
| Exchange gains | 80,213,673.14 | 30,285,583.06 |
| Others | 48,241,292.17 | 11,049,780.96 |
| | <u>584,662,530.64</u> | <u>327,823,100.87</u> |

Capitalised interest expenses are included in construction in progress.

Note 1: The above interest expenses included interest of RMB49,658,674.76 on bonds payable for the six months ended 30 June 2013 (six months ended 30 June 2012: RMB64,373,466.51).

5. IMPAIRMENT LOSSES ON ASSETS

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|--|---|---|
| Bad debt provision for trade and other receivables | (22,535.00) | 375.00 |
| Provisions for decline in value of inventories | 264,185,648.33 | - |
| Impairment on fixed assets | 3,505,410.69 | - |
| Impairment on available-for-sale financial investments | 64,427,481.26 | - |
| | <u>332,096,005.28</u> | <u>375.00</u> |

6. GAINS/LOSSES ON CHANGES IN FAIR VALUE

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|-----------------------------------|---|---|
| Share, bond and fund investments | (79,592,984.41) | (19,177,782.20) |
| Future hedging | 101,771,308.90 | (16,767,802.19) |
| Future contracts and gold leasing | (12,596,500.78) | (28,231,058.92) |
| | <u>9,581,823.71</u> | <u>(64,176,643.31)</u> |

7. INVESTMENT INCOME

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|--|---|---|
| Income from long-term equity investments under the equity method | 62,759,501.37 | 121,606,792.29 |
| Income from long-term equity investments under the cost method | 22,535,537.30 | - |
| Gain on disposal of certain subsidiaries | 474,321.12 | - |
| Gains/losses from disposal of held-for-trading financial assets (Note 1) | 10,201,032.33 | 134,264,857.10 |
| Gain/(losses) on disposal of available-for-sale investments | (11,475,542.00) | - |
| Others | 1,948,826.87 | (7,912,230.33) |
| | <u>86,443,676.99</u> | <u>247,959,419.06</u> |

Note 1:

For the six months ended 30 June 2013, the gains on disposal of held-for-trading financial assets included gains of RMB23,602,111.14 from the settlement of future contracts (six months ended 30 June 2012: gains of RMB131,226,802).

Investees with top five investment income from long-term equity investments under the cost method:

| Investee | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB | Reason for the change between current period and last period |
|---|--|--|--|
| Shanghang County Rural Commercial Bank | 10,200,000.00 | - | Dividend for the period |
| Sichuan Liwu Copper Company Limited | 8,000,000.00 | - | Dividend for the period |
| Muli Rongda | 3,120,000.00 | - | Dividend for the period |
| Luoyang Commercial Bank | 390,000.00 | - | Dividend for the period |
| Nanjing China Net Communication Company Limited | 150,000.00 | - | Dividend for the period |
| | <u>21,860,000.00</u> | <u>-</u> | |

Investees with top five investment income from long-term equity investments under the equity method:

| Investee | For the six months ended 30 June 2013 (Unaudited) | For the six months ended 30 June 2012 (Unaudited) | Reason for the change between current period and last period |
|---------------------|--|--|---|
| | RMB | RMB | |
| Wancheng Commercial | 30,566,124.67 | 67,829,510.05 | Change in net profit of the investee |
| Fujian Haixia Kehua | 15,409,364.89 | 19,568,748.86 | Change in net profit of the investee |
| Makeng Mining | 12,171,284.97 | 13,998,007.66 | Change in net profit of the investee |
| Shandong Guoda | 6,023,206.65 | 22,482,408.38 | Change in net profit of the investee |
| Tibet Yulong | 4,220,764.21 | 188,881.49 | Change in net profit of the investee |
| | <u>68,390,745.39</u> | <u>124,067,556.44</u> | |

Since there is no difference in the accounting policies and period adopted between the investees and the Group, investment income/loss was recognised based on the carrying amount of net profit/loss of the investees.

As at 30 June 2013, there are no material restrictions on the transfer of the investment income back to the Group.

8. NON-OPERATING INCOME

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|--|---|---|
| Gains on disposal of non-current assets | 989,523.51 | 516,956.78 |
| Including: Gains on disposal of fixed assets | 989,523.51 | 516,956.78 |
| Gains on disposal of intangible assets | - | - |
| Penalty income | 2,713,440.34 | 3,084,427.42 |
| Government grants | 45,950,699.11 | 38,012,706.75 |
| Others | 22,634,814.46 | 6,513,090.93 |
| | <u>72,288,477.42</u> | <u>48,127,181.88</u> |

Analysis of government grants is as follows:

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|---|---|---|
| Government grants related to assets: | <u>20,859,729.43</u> | <u>167,465.10</u> |
| Technical innovation | 1,741,666.00 | 94,383.00 |
| Environmental protection | 1,536,049.00 | 73,082.10 |
| Scientific research | 300,000.00 | - |
| Low grade comprehensive demonstration base projects | 13,695,885.54 | - |
| Others | 3,586,128.89 | - |
| Government grants related to income: | <u>25,090,969.68</u> | <u>37,845,241.65</u> |
| Special government rewards | 2,642,733.33 | 10,032,600.00 |
| Tax refund | 15,014,923.87 | 1,691,044.72 |
| Others | 7,433,312.48 | 26,121,596.93 |
| | <u>45,950,699.11</u> | <u>38,012,706.75</u> |

9. NON-OPERATING EXPENSES

| | For the six months ended 30 June | For the six months ended |
|--|-------------------------------------|-----------------------------|
|--|-------------------------------------|-----------------------------|

| | 2013 (Unaudited) RMB | 30 June 2012 (Unaudited) RMB |
|---|----------------------------|------------------------------------|
| Donations | 84,946,360.88 | 88,681,704.78 |
| Losses on disposal of non-current assets | 10,499,965.21 | 10,051,804.50 |
| Including: Loss on disposal of fixed assets | 10,499,965.21 | 10,051,804.50 |
| Loss on disposal of intangible assets | - | - |
| Penalties | 2,256,335.43 | 5,680,240.94 |
| Others | 7,127,777.67 | 4,257,636.15 |
| | <u>104,830,439.19</u> | <u>108,671,386.37</u> |

10. INCOME TAX

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|------------------------------|---|---|
| Current income tax expenses | 640,154,458.38 | 1,086,180,490.47 |
| Deferred income tax expenses | (88,675,691.41) | (82,196,777.92) |
| | <u>551,478,766.97</u> | <u>1,003,983,712.55</u> |

Reconciliation of income tax expenses to profit before tax is as follows:

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|---|---|---|
| Profit before tax | 2,084,367,708.33 | 3,843,996,436.40 |
| Income tax calculated at the applicable tax rate (Note 1) | 521,091,927.08 | 960,999,109.10 |
| Effect on different tax rates of certain subsidiaries | 4,708,282.90 | (15,249,645.36) |
| Overprovision in prior years | (16,189,702.93) | (21,590,071.00) |
| Income not subject to tax | (17,376,843.54) | (42,487,268.36) |
| Expenses not deductible for tax purposes and unrecognised temporary differences and deductible tax losses | 155,419,544.00 | 110,739,103.79 |
| Others | (96,174,440.54) | 11,572,484.38 |
| Income tax charge at the Group's effective tax rate | <u>551,478,766.97</u> | <u>1,003,983,712.55</u> |

Note 1: Provision for the PRC enterprise income tax expenses has been made at applicable tax rates based on the taxable profits. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the enterprise operates.

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the consolidated net profit for the current year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding. The number of newly issued ordinary shares is ascertained as from the date the consideration is due (generally the issue date of shares) according to the provisions in the issuing agreement.

There were no potential dilutive ordinary shares for the Company.

Basic earnings per share is calculated as follows:

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|--|--|--|
| Earnings | | |
| Consolidated net profit attributable to the owners of the parent | <u>1,098,050,167.09</u> | <u>2,384,712,524.71</u> |

| | | |
|--|----------------|----------------|
| Shares | | |
| Weighted average number of ordinary shares outstanding | 21,811,963,650 | 21,811,963,650 |

12. OTHER COMPREHENSIVE INCOME

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|--|---|---|
| Gains/(Losses) arising from available-for-sale investments | (104,004,825.36) | (68,483,957.32) |
| Less: Income tax effects arising from available-for-sale investments | (11,056,644.66) | (8,372,409.44) |
| Reclassification adjustments for gains included in the consolidated income statement | <u>(38,012,987.22)</u> | <u>(33,212,222.12)</u> |
| | (54,935,193.48) | (26,899,325.76) |
| Share of other comprehensive income of investee recognised and measured by equity method | | |
| Exchange differences on the translation of foreign operations | <u>(92,814,405.27)</u> | 20,590,164.01 |
| | <u>(147,749,598.75)</u> | <u>(6,309,161.75)</u> |

13. SEGMENT REPORT

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's operating profit before tax except that interest income, finance costs, dividend income, profits attributable to joint ventures and associates, fair value gains/losses from the Group's financial instruments as well as head office and corporate expenses being excluded from this measurement. This indicator is consistent with the Group's total operating profit.

Segment assets exclude cash and cash equivalents, equity investments at fair value through profit or loss, derivative financial instruments and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude derivative financial instruments, interest-bearing bank and other borrowings, loans from ultimate controlling entities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the prevailing market prices.

Segment Report (continued)

For the six months ended 30 June 2013 (Unaudited)

Currency: RMB

| Items | Gold Bullion | Processes gold | Gold concentrates | Copper cathodes | Refinery copper | Copper concentrates | Other concentrates | Zinc bullion | Others | Eliminations | Consolidated |
|--|-------------------------|-------------------------|-----------------------|----------------------|-------------------------|-------------------------|-----------------------|------------------------|-------------------------|--------------------|-------------------------|
| 1. Operating income | 3,039,905,490.90 | 12,245,544,551.11 | 1,099,669,838.49 | 269,399,879.43 | 4,492,466,983.22 | 2,231,639,195.80 | 1,237,515,582.25 | 1,106,543,550.86 | 3,777,764,468.83 | (3,512,815,476.01) | 25,987,634,064.88 |
| Including: | | | | | | | | | | | |
| Sales to external customers | 3,151,207,184.06 | 10,293,862,875.18 | 1,365,300,947.51 | 226,505,512.39 | 4,010,162,062.53 | 2,289,159,472.54 | 1,208,575,392.10 | 933,759,425.59 | 2,509,101,192.98 | | 25,987,634,064.88 |
| Intersegment sales | (111,301,693.16) | 1,951,681,675.93 | (265,631,109.02) | 42,894,367.04 | 482,304,920.69 | (57,520,276.74) | 28,940,190.15 | 172,784,125.27 | 1,268,663,275.85 | (3,512,815,476.01) | 0.00 |
| 2. Operating profit | <u>1,108,601,140.80</u> | <u>(260,929,664.94)</u> | <u>623,409,819.73</u> | <u>34,832,754.69</u> | <u>(277,961,315.30)</u> | <u>1,111,030,816.91</u> | <u>496,222,469.13</u> | <u>(79,567,385.44)</u> | <u>(118,272,060.45)</u> | <u>0.00</u> | <u>2,637,366,575.13</u> |
| 3. Segment assets | | | | | | | | | | | |
| Unallocated assets | 7,179,293,536.1 | 2,395,481,008.47 | 2,097,973,892.3 | 2,684,332,109.96 | 9,446,633,890.73 | 7,482,643,858.57 | 8,419,553,893.14 | 3,189,404,678.94 | 13,909,173,792.42 | | 56,804,490,660.63 |
| Total assets | | | | | | | | | | | 10,385,745,676.79 |
| | | | | | | | | | | | 67,190,236,337.41 |
| 4. Segment liabilities | 2,203,940,143.28 | 963,507,534.69 | 1,499,307,587.66 | 1,798,917,148.73 | 5,996,427,688.04 | 1,557,089,853.91 | 4,815,817,208.61 | 2,442,528,095.93 | 3,087,423,430.13 | | 24,364,958,690.98 |
| Unallocated liabilities | | | | | | | | | | | 10,654,032,915.26 |
| Total liabilities | | | | | | | | | | | 35,018,991,606.23 |
| 5. Supplemental information | | | | | | | | | | | |
| (1) Depreciation and amortisation expenses | 117,817,579.57 | 19,163,255.83 | 68,096,259.18 | 51,938,215.91 | 55,494,519.18 | 182,297,138.91 | 85,152,260.01 | 66,153,784.35 | 310,683,880.12 | | 956,796,893.06 |
| (2) Capital expenditure | 824,927,698.53 | 58,047,628.99 | 642,266,167.84 | 179,190,900.00 | 436,117,322.64 | 665,344,466.59 | 634,491,476.64 | 5,003,898.88 | 712,315,931.85 | | 4,157,705,491.96 |

Segment Report (continued)
For the six months ended 30 June 2012 (Unaudited)
Currency: RMB

| Items | Gold bullion | Processed gold | Copper cathodes | Refinery copper | Copper concentrates | Other concentrates | Zinc bullion | Others | Unallocated assets, liabilities and operating expenses | Eliminations | Consolidated |
|--|-------------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|--------------------|-------------------------|
| 1. Operating income | 3,394,666,179.16 | 9,495,887,104.36 | 61,523,627.71 | 1,647,884,958.13 | 1,909,512,258.72 | 2,572,159,191.51 | 1,193,801,863.74 | 2,755,870,842.28 | 0.00 | (2,038,781,629.14) | 20,992,524,396.47 |
| Including : Sales to external customers | 3,393,681,205.54 | 9,279,953,675.90 | 41,388,503.61 | 1,567,418,516.70 | 1,620,717,866.42 | 1,951,217,979.71 | 1,193,801,863.74 | 1,944,344,784.85 | | | 20,992,524,396.47 |
| Intersegment sales | 984,973.62 | 215,933,428.46 | 20,135,124.10 | 80,466,441.43 | 288,794,392.30 | 620,941,211.80 | 0.00 | 811,526,057.43 | 0.00 | (2,038,781,629.14) | |
| 2. Operating profit | <u>2,233,221,011.92</u> | <u>250,594,982.33</u> | <u>(5,489,059.33)</u> | <u>(24,024,906.07)</u> | <u>983,304,524.83</u> | <u>826,877,330.05</u> | <u>(7,453,329.53)</u> | <u>142,994,824.49</u> | <u>(679,267,138.54)</u> | | <u>3,720,758,240.15</u> |
| 3. Total assets | 7,380,286,860.56 | 2,292,340,131.12 | 3,888,041,404.63 | 4,950,757,794.78 | 3,480,975,967.70 | 10,782,642,728.84 | 3,635,810,985.79 | 12,371,517,309.42 | 11,754,751,229.90 | | 60,537,124,412.74 |
| 4. Total liabilities | 2,473,163,151.88 | 1,090,526,675.21 | 1,577,862,033.49 | 3,193,406,370.16 | 565,544,880.81 | 6,570,558,319.53 | 2,395,185,198.20 | 3,979,214,307.01 | 8,381,095,379.78 | | 30,226,556,316.07 |
| 5. Supplemental information | | | | | | | | | | | |
| (1) Depreciation and amortisation expenses | 123,455,672.79 | 86,231,425.53 | 9,612,926.88 | 44,862,672.27 | 140,065,727.92 | 223,714,201.80 | 63,572,942.27 | 110,021,972.38 | | | 801,537,541.84 |
| (2) Capital expenditure | 992,544,641.09 | 586,084,102.40 | 125,325,700.02 | 880,458,166.87 | 627,483,897.80 | 1,153,973,530.37 | 226,122,620.08 | 577,226,384.40 | | | 5,169,219,043.03 |

Segment Report (continued)

The following table presents the reconciliations of reportable profit before tax to the Group's consolidated amounts:

| | For the six months ended 30 June 2013 (Unaudited) RMB | For the six months ended 30 June 2012 (Unaudited) RMB |
|---|--|--|
| Segmental profits | 2,637,366,575.13 | 3,720,758,240.15 |
| Interest and dividend income | 61,802,120.88 | 60,841,606.78 |
| Unallocated expenses | (63,213,198.54) | 363,345,565.08 |
| Financial expenses | (623,929,114.22) | (358,379,124.59) |
| Share of profits of joint ventures and associates | 62,759,501.37 | 121,606,792.29 |
| Gains/(losses) from changes in fair value of financial instruments | 9,581,823.71 | (64,176,643.31) |
| Profit before tax | <u>2,084,367,708.33</u> | <u>3,843,996,436.40</u> |

14. EARNINGS PER SHARE

On the basis of the Group's profit attributable to equity holders of the parent in the sum of RMB1,098,050,167.09 during the reporting period (six months ended 30 June 2012: RMB2,384,712,524.71) and the total number of 21,811,963,650 ordinary shares in issue during the reporting period, the earnings per share attributable to the ordinary equity holders of the parent is RMB0.050 (the earning per share for the six months ended 30 June 2012: RMB0.109).

Diluted earnings per share for the six months ended 30 June 2012 and 2013 have not been disclosed as there were no diluting events during respective periods.

15. TRADE RECEIVABLES

Trade receivables are interest-free with a credit period of one month in general. The credit period for major customers may be extended up to four months.

An ageing analysis of the trade receivables is as follows:

| | As at 30 June 2013 (Unaudited) RMB | As at 31 December 2012 (Audited) RMB |
|---------------------------------|---|---|
| Within 1 year | 1,288,223,923.59 | 810,228,920.00 |
| Over 1 year but within 2 years | 62,836,930.60 | 26,405,155.00 |
| Over 2 years but within 3 years | 5,642,941.37 | 11,514,683.00 |
| Over 3 years | 10,949,160.52 | 739,441.00 |
| | <u>1,367,652,956.08</u> | <u>848,888,199.00</u> |

The movement of bad debt provision of the trade receivables:

| | As at 31 December 2012 (Audited) RMB | Additions | Reductions | | As at 30 June 2013 (Unaudited) RMB |
|--------------|--|-----------|------------|-----------|--|
| | | | Reversal | Write-off | |
| 30 June 2013 | <u>7,393,935.00</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>7,393,935.00</u> |

16. RETAINED EARNINGS

| | As at 30 June 2013 (Unaudited) RMB | As at 31 December 2012 (Audited) RMB |
|---|---|---|
| Retained earnings of the preceding year and opening balance of the current year | 17,034,164,960.00 | 14,004,152,348.00 |
| Net profit attributable to the owners of the parent | 1,098,050,167.09 | 5,211,208,977.00 |
| Less: Transfer to statutory reserve | - | - |
| Proposed final dividend in cash for ordinary shares | 2,181,196,365.00 | 2,181,196,365.00 |
| Retained earnings of the end of the period | <u>15,951,018,762.09</u> | <u>17,034,164,960.00</u> |

On 27 March 2013, the Board of Directors proposed a final dividend of RMB0.1 (tax included) per ordinary share in aggregate of RMB2,181,196,365. The resolution was passed at the 2012 annual general meeting on 28 May 2013.

17. NET CURRENT ASSETS

| | As at 30 June 2013 (Unaudited) RMB | As at 31 December 2012 (Audited) RMB |
|-----------------------------------|---|---|
| Current assets | 21,822,121,935.05 | 24,333,698,904.00 |
| Less: Current liabilities | <u>(22,513,373,498.56)</u> | <u>(22,978,617,534.00)</u> |
| Net current (liabilities) /assets | <u>(691,251,563.51)</u> | <u>1,355,081,370.00</u> |

18. TOTAL ASSETS LESS CURRENT LIABILITIES

| | As at 30 June 2013 (Unaudited) RMB | As at 31 December 2012 (Audited) RMB |
|---------------------------------------|---|---|
| Total assets | 67,190,236,337.41 | 67,354,421,041.00 |
| Less: Current liabilities | <u>(22,513,373,498.56)</u> | <u>(22,978,617,534.00)</u> |
| Total assets less current liabilities | <u>44,676,862,838.85</u> | <u>44,375,803,507.00</u> |

19. TRADE PAYABLES

An ageing analysis of the trade payables, based on the invoice dates, is as follows:

| | As at 30 June 2013 (Unaudited) RMB | As at 31 December 2012 (Audited) RMB |
|---------------------------------|---|---|
| Within 1 year | 2,701,762,345.15 | 3,960,375,645.00 |
| Over 1 year but within 2 years | 90,540,546.59 | 168,230,455.00 |
| Over 2 years but within 3 years | 13,683,833.27 | 30,893,363.00 |
| Over 3 years | 40,844,567.17 | 14,507,100.00 |
| | <u>2,846,831,292.18</u> | <u>4,174,006,563.00</u> |

20. PROVISION FOR DEPRECIATION

| | For six months ended 30 June 2013 (Unaudited) RMB | For six months ended 30 June 2012 (Unaudited) RMB |
|-----------------------|---|---|
| Fixed assets | 735,261,737.19 | 643,529,442.83 |
| Investment properties | 995,176.65 | 1,021,891.28 |

2. OPERATION OVERVIEW

Market Review

During the reporting period, the European debt crisis eased progressively, the economy of the United States recovered moderately with strong US dollar and capital continuously outflow from emerging markets which intensified the fluctuation in the global capital market and caused a dive of the international gold price after the price consolidation at the beginning of the year. In the reporting period, the highest price of gold was US\$1,697.25 per ounce, it dropped to its lowest US\$1,180.45 per ounce. The closing price by the end of June 2013 was US\$1,234.53 per ounce which represented a 26.3% decrease over the end of last year and a 22.2% decrease over the same period last year.

During the reporting period, the prices of the base metals also dropped. The highest copper price in the London Metals Exchange (“LME”) was US\$8,346 per tonne, its lowest price was US\$6,602 per tonne, and the closing price by the end of June 2013 was US\$6,765 per tonne which represented a 14.8% decrease over the end of last year. The highest zinc price in the LME was US\$2,230 per tonne, its lowest price was US\$1,811.75 per tonne, and the closing price by the end of June 2013 was US\$1,855 per tonne which represented a 10.4% decrease over the end of last year.

3. PRODUCTION AND OPERATION

Operation Overview

During the reporting period, the Group generated a turnover of RMB25.988 billion, representing a 23.79% growth over the same period last year (same period last year: RMB20.993 billion), and realised a net profit attributable to the owners of the parent of RMB1.098 billion, representing a decrease of 53.95% over the same period last year (same period last year: RMB2.385 billion).

As at the end of June 2013, the Group’s total assets was RMB67.190 billion, representing a 0.24% decrease over the beginning of the year (at beginning of the year: RMB67.354 billion), and the net assets attributable to the owners of the parent was RMB26.867 billion, representing a 4.66% decrease as compared with the beginning of the year (at beginning of the year: RMB28.182 billion).

1. Gold Mine Business

During the reporting period, the Group produced 55,664.45kg (1,789,652 ounces) of gold representing a 29.67% growth over the same period last year (same period last year: 42,928.43kg).

Among which the Group produced 14,724.19kg (473,393 ounces) of mine-produced gold representing a 2.55% growth (14,358.50kg the same period last year) over the same period last year, among which Zijinshan gold and copper mine produced 5,239.66kg (168,459 ounces); Guizhou Zijin Shuiyindong gold mine produced 1,108.30kg (35,633 ounces); Hunchun Zijin produced 895.36kg (28,787 ounces); Norton produced 2,659.88kg (85,517 ounces); Tajikistan ZGC produced 738.67kg (23,749 ounces); and the other gold enterprises in the Group produced 4,082.32kg (131,248 ounces) of mine-produced gold.

The Group produced 40,940.27kg (1,316,259 ounces) of refinery, processed and trading gold, representing a 43.30% growth over the same period last year (28,569.93kg the same period last year), of which, Zijin Yinhui produced 16,313.70kg (524,497 ounces); the Company’s gold refinery plants produced 14,349.56kg (461,349 ounces); Fujian Jinshan Gold Refinery Plant produced 4,046.32kg (130,092 ounces); Luoning Zijin produced 2,480.71kg (79,757 ounces) and the other enterprises in the Group produced 3,749.98kg (120,564 ounces).

Sales income generated from the Group’s gold business represented approximately 56.99% (after elimination) of the total operating income during the reporting period, and the gold business generated about 55.78% of the total profit before tax.

(1 troy ounce = 31.1035 grammes)

2. Copper Mine Business

During the reporting period, the Group produced 158,843.40 tonnes of copper, representing a 87.44% growth over the same period last year (84,741.75 tonnes the same period last year); the production of which included 61,694.88

tonnes of mine-produced copper (including 6,118.43 tonnes copper cathodes) representing a 35.33% growth over the same period last year (45,587.54 tonnes the same period last year); and 97,148.52 tonnes of refinery copper produced in smelting enterprises, representing a 148.12% growth over the same period last year (39,154.21 tonnes the same period last year).

In which, Xinjiang Ashele copper mine produced 16,211.23 tonnes of copper in concentrate form, representing a growth of 1.26% over the same period last year (16,010.24 tonnes the same period last year); Qinghai West Deerni copper mine produced 13,430.39 tonnes of copper in concentrate form, representing a 5.70% decrease over the same period last year (14,241.81 tonnes the same period last year); Zijinshan copper mine produced 14,077.69 tonnes copper (including 5,684.24 tonnes copper cathodes), representing a 119.98% growth over the same period last year (6,399.41 tonnes the same period last year); Heilongjiang Duobaoshan produced 11,401.22 tonnes copper (including 434.20 tonnes copper cathodes) representing a 1,176.65% growth over the same period last year (893.06 tonnes the same period last year); and Hunchun Zijin produced 3,753.23 tonnes of copper in concentrate form, representing a 20.73% decrease over the same period last year (4,734.84 tonnes the same period last year).

During the reporting period, sales income of the Group from copper business represented approximately 25.11% (after elimination) of the total operating income of the Group and the copper business generated about 32.91% of the total profit before tax.

3. *Zinc Mine and Lead Mine Business*

During the reporting period, the Group produced 117,354.40 tonnes of zinc, representing a 12.76% growth over the same period last year (104,079.04 tonnes the same period last year), among which Bayannaer Zijin produced 80,526.97 tonnes zinc bullion, representing a decrease of 7.89% over the same period last year (87,426.79 tonnes the same period last year); the Group produced 36,827.43 tonnes mine-produced zinc in concentrate form, representing an increase of 121.16% over the same period last year (16,652.26 tonnes the same period last year). Among which, Wulatehouqi Zijin produced 17,178.59 tonnes zinc in concentrate form, representing an increase of 55.24% over the same period last year (11,066.14 tonnes the same period last year); Xinjiang Ashele copper mine produced 4,343.19 tonnes of zinc in concentrate form representing an increase of 2.12% over the same period last year (4,253.01 tonnes the same period last year); and a new production unit, Wuqia Jinwang produced 14,360.46 tonnes zinc in concentrate form.

During the reporting period, 4,349.95 tonnes lead in concentrate form was produced, representing a 117.53% growth over the same period last year (1,999.70 tonnes the same period last year).

During the reporting period, sales income from zinc and lead business of the Group represented approximately 4.66% (after elimination) of the total operating income of the Group, and the zinc and lead business generated about 2.05% of the total profit before tax.

4. *Silver Mine Business*

During the reporting period, the Group produced 146,590.22kg silver, representing an increase of 60.45% over the same period last year (91,361.41kg the same period last year), among which 76,336.85kg was mine-produced silver, representing a 13.12% growth over the same period last year (67,484.67kg the same period last year); and 70,253.37kg of silver as by-product produced in refineries, representing an increase of 194.23% over the same period last year (23,876.74kg the same period last year).

Mine-produced silver: Wuping Zijin produced 28,577.76kg of silver, Xinjiang Ashele copper mine produced 13,003.84kg silver from other associated metals, Shanxi Zijin produced 10,234.36kg silver from other associated metals, Luoning Huatai produced 6,249.76kg of silver from other associated metals, and Zijinshan gold and copper mine produced 5,902.50kg of silver from other associated metals, the other mines in the Group produced 12,368.63kg of silver from other associated metals.

Refinery silver (by-product): Zijin Copper refinery produced 58,232.58kg of silver (by-product), Luoning Zijin refinery produced 6,832.60kg of silver (by-product) and Fujian Jinshan Gold refinery produced 5,122.48kg of silver (by-product).

Sales income from the Group's silver businesses represented approximately 1.98% (after elimination) of the total operating income of the Group during the reporting period, and the silver business generated about 3.14% of the total profit before tax.

5. *Iron Mine Business*

During the reporting period, the Group produced 978,800 tonnes of iron concentrates, representing an increase of 0.71% over the same period last year (971,900 tonnes the same period last year).

Sales income from the Group's iron ore businesses represented approximately 2.59% (after elimination) of the total operating income of the Group during the reporting period, and the iron ore businesses generated about 9.85% of the total profit before tax.

6. *Other Business*

Sales income from the Group's other businesses represented approximately 8.67% (after elimination) of the total operating income of the Group during the reporting period, and the other businesses generated about -3.73% of the total profit before tax.

7. *External Investment*

During the reporting period, the Company announced to invest A\$20 million to acquire the convertible bonds issued by NKWE Platinum Limited ("NKWE") and it is proceeding according to the agreements. The Company, Sprott Inc. ("Sprott") and Americas Now Resources Investment Management Corp. ("Americas Now") signed an agreement to establish an offshore investment fund and it is proceeding according to the agreements. The Company's subsidiary, Norton entered into a bid implementation deed with Kalgoorlie Mining Company Limited ("KMC"), pursuant to an off-market takeover offer to acquire all KMC shares and options, it is expected to complete in September this year.

8. *Projects Construction*

During the reporting period, the Group completed investment of RMB2.29 billion in construction. Zijin Copper's anode mud comprehensive recovery project was in trial run, ZGC's 5 tonnes/year gold refinery project started its production, Bayannaer Zijin's self-owned power generators (residual heat and pressure energy saving innovation project) will be in production by the end of this year. Longnan Zijin started its phase one 6,000 tonnes/day processing project construction and the progress was smooth. The Kyrgyzstan Altynken project and Russian Tuva lead-zinc multi-metal mine (phase one) are expected to start production in 2014.

9. *Safety and Environmental Protection*

Zijinshan gold and copper mine's hydrometallurgical plant has restored its production after the completion of the rectification and management in its environmental safety and protection, and the achievement of rectification and management has been recognized by the Ministry of Environmental Protection of the People's Republic of China. China Nonferrous Metals Association organized a national hydrometallurgy and environmental safety forum which convened in the Group's headquarters in the period from 3 July 2013 to 4 July 2013. The experts of the forum studied the current status and concluded the experience of the rectification and management of the safety and environmental protection of Zijinshan gold and copper mine and recokened that it promoted the regulation and standardization of national hydrometallurgic environmental safety and protection works. Currently, the country proposed a higher standard in mining production safety and environmental protection. The Group should adhere to the principle of "safety first, environmental protection in priority, precautionary as the main measure and adoption of comprehensive rectification and management" to continuously enhance the safety and environmental protection mechanism, system and ability development, promote the fundamental standard in environmental safety and protection and build a long-lasting effective mechanism for safety and environmental protection.

10. *Geological Exploration*

During the reporting period, the Group invested RMB160 million in exploration. The volume of actual works of the Group includes the following: 130,300 metres drilling, 13,400 metres tunnel exploration, and 2,600 cubic metres trench exploration.

In the first half year of 2013, the Group has made good achievements in Gansu Yate Dujiagou gold mine exploration, Zijinshan gold and copper mine Luoboling section copper (molybdenum) exploration, Guizhou Zijin Shuiyindong gold mine exploration and Shanxi Zijin exploration for production. Heilongjiang Duobaoshan copper-molybdenum mine found a new mine deposit in its exploration for production. The result of Xinjiang Ashele copper mine's supplementary exploration showed that the main mine deposit extends further from its bottom.

As at 30 June 2013, the Group has a total of 250 exploration rights, covering an area of 4,287.24 sq.km and a total of 245 mining rights, covering an area of 841.142 sq.km.

4. MANAGEMENT REVIEW AND ANALYSIS

Operation results

During the reporting period, the Group realised operating income of RMB25.988 billion (same period last year: RMB20.993 billion), representing an increase of 23.79% over the corresponding period last year.

The table below sets out the breakdown of sales by products for the six months ended 30 June 2013 and 30 June 2012 respectively:

| Items | January – June 2013 | | | | | January – June 2012 | | | | |
|--------------------------------------|----------------------------------|----|--------|----|---------------------|----------------------------------|----|--------|----|-------------------|
| | Unit price (tax excluded) RMB | | Volume | | Amount RMB'000 | Unit price (tax excluded) RMB | | Volume | | Amount RMB'000 |
| Mine-produced gold | 281.08 | /g | 14,728 | Kg | 4,139,580 | 321.63 | /g | 13,943 | Kg | 4,484,360 |
| Refinery, processed and trading gold | 296.43 | /g | 41,311 | Kg | 12,245,540 | 334.48 | /g | 28,390 | Kg | 9,495,890 |
| Mine-produced silver | 3.32 | /g | 75,126 | Kg | 249,340 | 3.99 | /g | 64,760 | Kg | 258,140 |
| Mine-produced copper | 41,259 | /t | 60,617 | t | 2,501,040 | 42,043 | /t | 46,881 | t | 1,971,040 |
| Refinery copper | 46,329 | /t | 96,969 | t | 4,492,470 | 48,205 | /t | 34,185 | t | 1,647,880 |
| Mine-produced zinc | 7,577 | /t | 36,278 | t | 274,890 | 7,821 | /t | 16,530 | t | 129,280 |
| Refinery zinc | 12,937 | /t | 85,530 | t | 1,106,540 | 12,999 | /t | 91,840 | t | 1,193,800 |
| Iron concentrates | 673 | /t | 1.0001 | Mt | 672,720 | 624 | /t | 1.155 | Mt | 721,240 |
| Others | | | | | 3,818,330 Note 1 | | | | | 3,144,450 |
| Internal sales elimination | | | | | -3,512,820 | | | | | -2,053,560 |
| Total | | | | | 25,987,630 | | | | | 20,992,520 |

Note:

1. During the reporting period, other sales income included: RMB318 million income from copper pipes, RMB278 million income from copper belts, RMB238 million income from refinery and processed silver, and the income from tungsten, other products, intermediate services and other services.

The Group's operating income increased sharply for the six months ended 30 June 2013 as compared with same period last year which was mainly due to the following reasons: the sales volume of the Company's refinery products increased sharply over the same period last year: the sales volume of refinery, processed and trading gold and refinery copper increased by 45.51% and 183.66% respectively; approximately RMB903 million (before elimination) increase of sales revenue was attributed to the changes in sales volume of mining products while approximately RMB7.55 billion (before elimination) increase of operating income was attributed to the changes in sales volume of refinery and processed products, RMB0.738 billion increase of income was attributed to the income from other products, intermediate services and other services.

Analysis of gross profit and gross profit margin

The Group is mainly engaged in mine development. The Group's cost of sales mainly includes mining, processing and refining cost, ore transportation cost, raw materials consumption, salary and depreciation on fixed assets, etc. After the commencement of production of new smelting enterprise, the raw materials purchase, depreciation of fixed assets, transportation, consumption also accounted for a considerable proportion of costs.

The table below sets out details of the unit selling cost and gross profit margin for the periods ended 30 June 2013 and 30 June 2012. (Note 1)

| Product | Unit selling cost (RMB) | | | | Gross profit margin (%) | |
|--------------------------------------|-------------------------|--------------|------|---|-------------------------|--------------|
| | Jan-Jun 2013 | Jan-Jun 2012 | Unit | Compared with the same period last year % | Jan-Jun 2013 | Jan-Jun 2012 |
| Mine-produced gold (Note 2) | 146.00 | 106.93 | /g | 36.54 | 48.06 | 66.75 |
| Refinery, processed and trading gold | 299.77 | 333.11 | /g | -10.01 | -1.13 | 0.41 |
| Mine-produced silver | 1.56 | 1.99 | /g | -21.57 | 52.96 | 50.06 |
| Mine-produced copper | 18,246 | 12,984 | /t | 40.53 | 55.78 | 69.12 |
| Refinery copper | 48,146 | 49,657 | /t | -3.04 | -3.92 | -3.01 |
| Mine-produced zinc | 3,370 | 2,483 | /t | 35.72 | 55.52 | 68.25 |
| Refinery zinc | 12,619 | 13,286 | /t | -5.02 | 2.46 | -2.21 |
| Iron concentrates | 228.29 | 223.65 | /t | 2.08 | 66.06 | 64.18 |
| Overall | | | | | 17.23 | 26.02 |
| Overall (Refinery entities excluded) | | | | | 51.63 | 68.37 |

Note 1: The gross profit margin by products were analyzed based on the figures before eliminating internal sales, the overall gross profit margin was calculated after eliminating internal sales.

Note 2: If the effect of the new projects, Norton and Jinzhong Mining was eliminated, the Group's unit cost of sales of mine-produced gold for the period ended 30 June 2013 would be RMB122.37/g representing an increase of 14.44% over the same period last year, the gross profit margin of mine-produced gold would be 56.92%, representing a decrease of 9.83 percentage points.

The Group's overall gross profit margin was 17.23%, representing a decrease of 8.79 percentage points over the same period last year. The overall gross profit margin (excluding refinery and processed products) was 51.63%, representing a decrease of 16.74 percentage points over the same period last year. It was mainly attributed to the increase in the sales income proportion from the refinery products (copper, zinc and processed gold), the decrease in selling price and increase of price of raw and auxiliary materials, the rise of labour costs, the increased inputs in safety and environmental protection, and the increase of processing low-grade ores, which led to the increase in costs. Detailed analysis as follow:

1. Decrease in gross profit margin of mine-produced gold:

During the reporting period, the grade of processed ores in Zijinshan gold mine (the main gold mine) decreased by approximately 19.66%, the production of its third process plant was suspended due to the system maintenance and tailing system innovation which affected about 2,976kg gold production in general; the consolidation of the new high cost project, Norton, and decrease in gold price, resulting in the decrease in gross profit margin;

Decrease in gross profit margin of copper concentrates:

During the reporting period, the cost of new production project, Heilongjiang Duobaoshan, was relatively high; the increased cost in Qinghai West was mainly attributable to the increased input in maintenance of the slopes and the increased processing of low grade ores, and the decrease in copper price resulting in the decrease in gross profit margin;

Decrease in gross profit margin of mine-produced zinc:

During the reporting period, the cost of new production project, Wuqia Jinwang, was relatively high which caused an increase in the average cost per tonne of zinc.

2. During the reporting period, the unit cost of sales of mine-produced gold, copper concentrates and mine-produced zinc increased by 36.54%, 40.13% and 35.72% respectively compared to the same period of last year. If the non-comparable factors including the performance of newly acquired project, Norton, and new production enterprises, Wuqia Jinwang, etc., were eliminated, the unit cost of sales of mine-produced gold and copper concentrates increased by 14.44% and 25.04% respectively, which caused decreases in gross profit of RMB170.40 million and RMB130.84 million respectively. The unit cost of sales of mine-produced zinc decreased by 10.02% compared to the same period last year, which caused increases in gross profit of RMB5.48 million.

3. During the reporting period, the selling prices of mine-produced gold, mine-produced silver, copper concentrates and mine-produced zinc decreased by 12.61%, 16.79%, 3.09% and 3.12% respectively compared to the same period of last year, when compared with the comparable mines over the same period last year, the decrease of prices of mine-produced gold, mine-produced silver, copper concentrates and mine-produced zinc caused decreases in gross profit of RMB376.97million, RMB48.68 million, RMB65.46 million and RMB4.77 million respectively.

Selling expenses

The selling expenses of the Group for the first half of 2013 was RMB263,230,000, representing a decrease of 10.4% over the same period last year (the same period last year: RMB293,800,000). The decrease in selling expenses was mainly due to the adjustment of the sales mode of Qinghai West, the unit sales price excluded the delivery charges in this year and the goods were picked up by the buyers, and the selling expenses decreased by RMB55,530,000.

Administrative expenses

The administrative expenses in the first half of 2013 amounted to RMB1,019,190,000, representing an increase of 14.86% over the same period last year (the same period last year: RMB887,300,000). The administrative expenses increased by RMB131,890,000 was mainly due to: the newly merger and acquisition of Norton and the commencement of production from project construction of Luoning Zijin Gold Refinery, Qinghai Zijin, Heilongjiang Duobaoshan, etc., which increased the administrative expenses by RMB98,820,000.

Financial expenses

The financial expenses of the Group during the period was RMB584,660,000, representing an increase of 78.35% over the same period last year (the same period last year: RMB327,820,000). The main reasons were: (1) the increase of scale of financing which led to an increase in interest expenses; (2) the increase of gold leasing which led to an increase in leasing fee; (3) the newly commencement of production entities' fixed assets borrowing interests were booked in the income statement.

Impairment losses on assets

The Group provided impairment losses of RMB332,100,000 on assets in the first half of 2013 (the same period last year: RMB375), mainly due to: (1) the drop of prices of gold, silver, copper and non-ferrous metals which led to impairment of inventories; (2) the provision of impairment losses made by the Group on the available-for-sale investments which had non-temporary decrease in fair values.

Financial Derivative Instruments

During the reporting period, the Group's realised profits of RMB22,580,000 (the same period last year: RMB131,230,000) upon the settlement of financial derivative instruments, in which gold futures realised losses of RMB121,640,000, copper futures realised profits of RMB170,480,000, zinc futures realised losses of RMB20,790,000 (the same period last year: gold futures realised profits of RMB1,256,000, copper futures realised profits of RMB132,700,000, zinc futures realised losses of RMB2,880,000).

During the reporting period, the Group recorded a change in fair value of RMB36,090,000 in financial derivative instruments (the same period last year: losses of RMB45,000,000). The Group recorded an increase of unrealised profits amounted to RMB81,090,000 from the change in the fair value in the financial derivative instruments over the same period last year.

Donations

During the reporting period, the Group donated a total amount of RMB84,950,000 (the same period last year: RMB88,680,000).

Working capital and sources of fund

As at 30 June 2013, the Group's cash and cash equivalents was RMB4,825,000,000, representing a decrease of RMB822,000,000 or 14.55% over the same period last year, and a decrease of RMB1,489,000,000 or 23.58% as compared to the beginning of 2013.

In the first half of 2013, net cash inflow generated from the Group's operating activities was RMB2,037,000,000, representing a decrease of RMB898,000,000 over the same period last year, in which, the cash inflow generated from operating activities was RMB26,108,000,000, representing an increase of RMB4,856,000,000 over the same period last year; cash outflow generated from operating activities was RMB24,071,000,000, representing an increase of RMB5,754,000,000 over the same period last year. The main reason for the decrease in net cash inflow generated from the Group's operating activities was due to the increase in production cost resulted from processing of low cut-off grade ores and the decrease of selling price in gold, copper and silver, etc. over the same period last year.

In the first half of 2013, net cash outflow generated from the Group's investing activities was RMB3,489,000,000, representing a decrease of RMB2,129,000,000, in which, the main investing expenditures included (1) cash payments of RMB3,664,000,000 for the Group's purchase and construction of fixed assets, intangible assets and other long-term assets; (2) cash payments of RMB355,000,000 for the Group's external investments; (3) cash payments of RMB981,000,000 for other investing related activities.

In the first half of 2013, net cash outflow generated from the Group's financing activities was RMB73,000,000, representing a decrease of RMB3,470,000,000 over the same period last year. In the reporting period, the net amount between new loans and loan repayments substantially reduced over the same period last year resulted in less cash inflow compared with the same period last year.

As at 30 June 2013, the Group's total borrowings amounted to RMB14,166,000,000 (31 December 2012: RMB13,558,000,000). Among which, the amount repayable within one year was about RMB5,952,000,000, the amount repayable within two to five years was about RMB4,776,000,000, the amount repayable within more than five years was about RMB3,438,000,000. The interest rates of all bank borrowings range from 1.16% to 7.87% (2012: range from 2.9% to 7.54%).

The Group's daily capital requirements and capital expenditures in maintenance nature can be financed from its internal cash flow. The Group also has about RMB108 billion loan credit lines for non-specified purposes provided by the major banks.

Gearing Ratio

Gearing ratio refers to the proportion of consolidated total liabilities to the consolidated total equity. As at 30 June 2013, the Group's consolidated total liabilities amounted to RMB35,018,990,000 (30 June 2012: RMB30,226,550,000) and the Group's consolidated total equity was RMB32,171,240,000 (30 June 2012: RMB30,310,570,000). As at 30 June 2013, the gearing ratio of the Group was 1.0885 (30 June 2012: 0.9972).

Outlook for second half of 2013

Market overview

The slow recovery of the U.S. economy, the stage-by-stage easing of the European debt crisis, the expected withdrawal of the QE3 and other factors prompt the US dollar to be stronger. The weak growth in emerging economies resulted in an economic downturn. The Chinese economy is in a stage of transformation and upgrades with moderate growth and structural adjustment, thus slowing down the growth speed. The core gold price is expected to remain low even there is a rebound after the intense drop, the base metal prices are also weak in general with greater probability to fluctuate downward.

Business objectives

According to the actual situation of production and operation in the first half year and the predication of market overview in the second half of year 2013, the production volume of mine-produced gold will be reduced by 2 tonnes, the adjusted production volumes of major products are: mine-produced gold of approximately 31 tonnes, mine-produced copper of approximately 115,000 tonnes, mine-produced silver of 125 tonnes, mine-produced zinc of 80,000 tonnes, iron concentrates (containing iron calcine) of approximately 2.2 million tonnes, refinery and processed gold of approximately 47 tonnes, refinery silver of approximately 151 tonnes, refinery copper of approximately 200,000 tonnes and refinery zinc of approximately 150,000 tonnes.

Measures

Continue to strengthen work safety and environmental protection prominence, fully implement the strict system requesting the business units to bear all their own responsibilities, comprehensively execute the most stringent regulatory and supervisory function on the relevant functional departments of the Group and the regional companies.

Treat completing the planned production volume and cost control as the core work, setting penalties and rewards for the Group and the regional companies and implement economic accountability. Carry out strict inventory management measures to achieve asset-light operations. Strive to reduce operational risks for smelting and processing enterprises while strengthen the capacity of market operation and independent operation of the subsidiaries.

Fully strengthen construction project management with prioritization, strictly control the ineffective or inefficient investment in construction projects, and improve capital efficiency through effective management.

Strengthen the Company's strategy of self-control to further enhance the value of the corporate through management.

Reinforce human resources quality and operational capacity, strengthen the sense of responsibility, and enrich the

management team at all levels. Encourage competition in managerial positions recruitment to achieve the mechanism of survival of the fittest for talents management.

The Company's major financial data

(1) Main activities by products

Unit: RMB'000

| Products | Operating income | Operating costs | Gross profit margin (%) | Operating income increased/decreased compared the same period last year(%) | Operating costs increased/decreased compared the same period last year(%) | Gross profit margin increased/decreased in percentage point compared the same period last year |
|--------------------------------------|------------------|-----------------|-------------------------|--|---|--|
| Mine-produced gold | 4,139,580 | 2,150,260 | 48.06 | -7.69 | 44.23 | -18.70 |
| Refinery, processed and trading gold | 12,245,540 | 12,383,710 | -1.13 | 28.96 | 30.95 | -1.54 |
| Mine-produced silver | 249,340 | 117,290 | 52.96 | -3.41 | -9.01 | 2.90 |
| Mine-produced copper | 2,501,040 | 1,106,000 | 55.78 | 26.89 | 81.70 | -13.34 |
| Refinery copper | 4,492,470 | 4,668,660 | -3.92 | 172.62 | 175.03 | -0.91 |
| Mine-produced zinc | 274,890 | 122,260 | 55.52 | 112.63 | 197.87 | -12.73 |
| Refinery zinc | 1,106,540 | 1,079,280 | 2.46 | -7.31 | -11.55 | 4.67 |
| Iron concentrates | 672,720 | 228,320 | 66.06 | -6.73 | -11.61 | 1.88 |
| Others | 3,818,330 | 3,406,840 | 10.78 | 21.43 | 39.85 | -11.75 |
| Internal elimination | -3,512,820 | -3,752,910 | | | | |
| Total | 25,987,630 | 21,509,710 | 17.23 | 23.79 | 38.50 | -8.79 |

Note: The analysis is based on the figures before elimination of internal sales.

(2) Major suppliers and customers

During the reporting period, the total purchase from the top five suppliers was RMB12,869,988,700, representing 59.83% of the Company's total purchase.

During the reporting period, the total revenue from the top five customers was RMB18,331,369,200, representing 70.54% of the Company's total revenue.

(3) Regional information of the main business

Business of the Company is mainly concentrated in the Mainland China, and the transactions and settlements of gold, the Group's main product, were conducted through the Shanghai Gold Exchange, information about the ultimate customers is unknown. Therefore, geographical segment information is not disclosed.

(4) Analysis of changes in major financial data during the reporting period

Analysis of changes in balance sheet items during the reporting period

RMB

| Item | As at the end of the reporting period | As at the beginning of the year | Percentage change % |
|--------------------------------|---------------------------------------|---------------------------------|---------------------|
| Trade receivables | 1,360,259,021.08 | 841,494,264.00 | 61.65 |
| Available-for-sale investments | 329,041,159.56 | 576,013,498.00 | -42.88 |
| Construction materials | 198,005,271.51 | 136,501,422.00 | 45.06 |
| Bills payable | 98,957,980.59 | 313,152,032.00 | -68.40 |
| Trade payables | 2,846,831,292.18 | 4,174,006,563.00 | -31.80 |

| | | | |
|---|------------------|------------------|----------|
| Taxes payable | 1,130,309,509.32 | 1,692,027,264.00 | -33.20 |
| Dividends payable | 2,195,146,052.19 | 57,397,500.00 | 3,724.46 |
| Current portion of non-current liabilities | 1,068,122,915.40 | 535,867,957.00 | 99.33 |
| Other non-current liabilities | 581,376,734.93 | 366,862,124.00 | 58.47 |
| Exchange differences arising on translation of financial statements denominated in foreign currencies | -301,096,869.40 | -222,084,649.00 | 35.58 |

Main reasons for the changes:

(1) Trade receivables

It was mainly attributable to an increase in Xinjiang Jinbao's trade receivables amounted to RMB510,556,400 due from Baogang Group Xinjiang Bayi Steel Co., Ltd. in the first half of 2013.

(2) Available-for-sale investments

It was mainly attributable to the fall of share prices of the investees for the period and the disposal of certain available-for-sale financial assets.

(3) Construction materials

It was mainly attributable to the newly purchased equipment pending installation for the technology innovation of some refinery plants in the first half of 2013.

(4) Bills payable

It was mainly attributable to the reduced procurement of raw materials in the first half of 2013.

(5) Trade payables

It was mainly attributable to the reduced procurement of raw materials of Zijin Copper, the Group's subsidiary in the first half of 2013.

(6) Taxes payable

It was mainly attributable to the payments made in the first half of 2013 for the provision of various taxes for the year ended 31 December 2012.

(7) Dividends payable

It was mainly attributable to the provision of dividends of RMB2,181,196,000 according to the shareholders resolution of the Group passed in the first half of 2013. The dividends were distributed in July 2013.

(8) Current portion of non-current liabilities

It was mainly attributable to a portion of Zijin Copper's long-term bank loan turned to be current in the first half of 2013.

(9) Other non-current liabilities

It was mainly attributable to the government grant of RMB180 million received by the Group for the construction of Zijinshan demonstration base for comprehensive utilization of gold, copper and other non-ferrous metals resources in the first half of 2013.

(10) Exchange differences arising on translation of financial statements denominated in foreign currencies

It was mainly attributable to the appreciation of RMB in the first half of 2013.

Changes in income statement and statement of cash flows during the reporting period

RMB

| Items | 30 June 2013 | 30 June 2012 | % Change |
|------------------|-------------------|-------------------|----------|
| Operating income | 25,987,634,064.88 | 20,992,524,396.47 | 23.79 |

| | | | |
|---|-------------------|-------------------|---------------|
| Operating costs | 21,509,706,763.41 | 15,530,386,362.51 | 38.50 |
| Selling expenses | 263,233,554 | 293,800,158.63 | -10.40 |
| Administrative expenses | 1,019,189,751.34 | 887,298,205.47 | 14.86 |
| Financial expenses | 584,662,530.64 | 327,823,100.87 | 78.35 |
| Research and development expenditure | 41,099,193.02 | 43,744,500.98 | -6.05 |
| Asset impairment losses | 332,096,005.28 | 375 | 88,558,834.74 |
| Gains/(losses) on changes in fair value | 9,581,823.71 | -64,176,643.31 | 114.93 |
| Investment income | 86,443,676.99 | 247,959,419.06 | -65.14 |
| Share of profits of associates and joint ventures | 62,759,501.37 | 121,606,792.29 | -48.39 |
| Non-operating income | 72,288,477.42 | 48,127,181.88 | 50.20 |
| Income tax expenses | 551,478,766.97 | 1,003,983,712.55 | -45.07 |
| Other comprehensive income | -147,749,598.75 | -6,309,161.75 | 2,241.83 |
| Net cash flow from operating activities | 2,037,135,426.47 | 2,935,121,328.16 | -30.59 |
| Net cash flow from investing activities | -3,489,578,128.78 | -5,618,676,230.54 | -37.89 |
| Net cash flow from financing activities | -73,513,937.60 | 3,397,939,936.95 | -102.16 |

Main reasons for the changes:

(1) Please refer to the “Management review and analysis” disclosed above for the analysis of changes for operating income, operating costs, selling expenses, administrative expenses, financial expenses, asset impairment losses, net cash flow from operating activities, net cash flow from investing activities and net cash flow from financing activities.

(2) Research and development expenditure

It maintained the same level as the same period last year.

(3) Gains/(losses) on changes in fair value

It was mainly attributable to the changes in fair value of derivative financial instruments for the period.

(4) Investment income

It was mainly attributable to the greater profits achieved by the settlement of Zijin Copper’s futures positions in the first half of 2012 and the losses incurred by the disposal of partial shares in 2013.

(5) Share of profits of associates and joint ventures

It was mainly attributable to the declined profitability of associates and joint ventures in the first half of 2013.

(6) Non-operating income

It was mainly attributable to the increase in government grants in the first half of 2013.

(7) Income tax expenses

It was mainly attributable to the declined profitability in the first half of 2013 as compared with the same period last year, resulted in the decrease in provision for income tax expenses.

(8) Other comprehensive income

It was mainly attributable to the losses in fair value of available-for-sale financial assets and the increase in exchange losses arising on translation of financial statements denominated in foreign currencies in the first half of 2013.

(5) Analysis and descriptions of implementation progress of various types of financing, major asset reorganization of the Company

The proposal to issue mid-term bonds was considered and approved at the 2012 annual general meeting. It is proposed to register the mid-term bonds in the National Association of Financial Market Institutional Investors on the inter-bank market to issue bonds cumulatively not exceeding RMB10 billion. The relevant matters related to the issue of mid-term bonds are in progress.

(6) Analysis of the core competitiveness

No significant changes of the core competitiveness of the Company occurred during the reporting period.

Investment status

1. External equity investment

(1) Status of external equity investment

(1) According to the board resolution in 2012, the Company, as a sole shareholder, funded the incorporation of Zijin Mining Group Gansu Mining Development Company Limited, in which both the registered capital and the paid-up capital are RMB30 million. The new company was incorporated on 1 February 2013 and is mainly engaged in the development of mining products and mines exploration business.

(2) The investment committee of the Company considered and approved the “Investment proposal in relation to the establishment of Guizhou Southwest Zijin Gold Development Company Limited” by voting via telecommunication on 7 March 2013, and agreed the Company’s subsidiary, Guizhou Zijin and Southwest Energy and Mineral Group Company Limited to jointly fund the incorporation of Guizhou Southwest Zijin Gold Development Company Limited with each holding 50% equity interest. The registered capital of the new company is RMB100 million. The initial capital contribution was RMB20 million and each party contributed RMB10 million, the remaining balance will be paid up in two years. The new company was incorporated on 28 March 2013.

(3) In order to manage and operate the Fund, the Company’s wholly owned subsidiary, Jinyu (H.K.) International Mining Co., Ltd. established Gold Mountains Asset Management Limited on 29 April 2013 in Hong Kong. Its authorised capital is HK\$10 million.

(4) The investment committee of the Company considered and approved the “Proposal in relation to the participation in capital enlargement of Wengfu Zijin Chemical Co., Ltd.” by voting via telecommunication on 19 April 2013, and agreed the enlargement of registered capital of Wengfu Zijin from RMB500 million to RMB800 million. The enlarged portion will be contributed by the Company’s wholly owned subsidiary, Zijin Copper on 38% shareholding basis with RMB114 million to acquire 114 million shares.

(5) The investment committee of the Company considered and approved the “Proposal in relation to the capital enlargement in Fujian Makeng Mining Company Limited” by voting via telecommunication on 28 April 2013, and agreed Makeng Mining to enlarge the registered capital from RMB520 million to RMB600 million. The Company contributed RMB25.2 million based on the 31.5% shareholding. The change of business registration for the above capital enlargement was completed on 16 May 2013.

(6) The investment committee of the Company considered and approved the “Proposal in relation to the capital enlargement in Wancheng Commercial Dongshengmiao Co., Ltd.” on the second committee meeting of 2013 held on 3 May 2013, and agreed Wancheng Commercial to enlarge the registered capital from RMB12 million to RMB73.44 million. The enlarged capital will be financed from the conversion of capital reserves to registered capital of RMB29.14 million, the conversion of surplus reserves to registered capital of RMB4.5 million and by cash of RMB27.8 million. Based on the 10% shareholding, the Company contributed RMB2.78 million in cash, RMB2.914 million from capital reserves and RMB450,000 from surplus reserves, in which the capital enlargement amounted to RMB6.144 million in total. Based on the 37.5% shareholding, the Company’s subsidiary, Bayannaer Zijin contributed RMB10.425 million in cash, RMB10.9275 million from capital reserves and RMB1.6875 million from surplus reserves, in which the capital enlargement amounted to RMB23.04 million in total. The change of business registration for the above capital enlargement has been completed on 10 May 2013.

2. Use of proceeds

During the reporting period, there was no raise of proceeds or use of previously raised proceeds for the current period.

3. Analysis of major subsidiaries and associates

Operations status and results analysis of the Company’s major subsidiaries

| RMB’000 | | | | | |
|--------------|----------------|--------------------|--------------|------------|------------|
| Company name | Major products | Registered capital | Total assets | Net assets | Net profit |
| | | | | | |

| | | | | | |
|---|------------------------------|-----------|--------------|--------------|-------------|
| Xinjiang Ashele Copper Company Limited | Copper concentrates | 250,000 | 1,834,449.00 | 1,585,088.50 | 393,245.40 |
| Qinghai West Copper Company Limited | Copper concentrates | 120,000 | 1,728,575.50 | 855,607.00 | 213,887.60 |
| Hunchun Zijin Mining Company Limited | Copper and gold concentrates | 200,000 | 2,029,964.10 | 1,901,743.60 | 153,763.50 |
| Xinjiang Jinbao Mining Company Limited | Iron concentrates | 50,000 | 1,227,955.20 | 481,395.70 | 190,591.00 |
| Hebei Chongli Zijin Mining Company Limited | Gold | 237,500 | 803,189.60 | 636,290.20 | 112,622.30 |
| Guizhou Zijin Mining Company Limited | Gold | 200,000 | 1,897,685.80 | 834,536.80 | 69,580.70 |
| Luoning Huatai Mining Development Company Limited | Gold | 20,000 | 611,169.30 | 342,700.10 | 23,957.80 |
| Wulatehouqi Zijin Mining Company Limited | Zinc concentrates | 150,000 | 1,395,690.40 | 489,149.70 | 105,069.90 |
| Malipo Zijin Tungsten Company Limited | Tungsten products | 1,000,000 | 2,203,120.90 | 1,382,963.70 | 59,336.10 |
| Yuanyang County Huaxi Gold Company Limited | Gold | 150,000 | 479,412.20 | 270,731.40 | 1,665.90 |
| Shanxi Zijin Mining Company Limited | Gold | 159,100 | 322,636.20 | 273,423.20 | 24,735.70 |
| Bayannaoer Zijin Non-ferrous Metals Company Limited | Zinc bullion | 375,000 | 3,466,769.90 | 955,486.20 | -42,082.00 |
| JV Zeravshan LLC (ZGC) | Gold | 184,720 | 1,863,848.20 | 236,920.60 | 27,382.70 |
| Zijin Copper Company Limited | Copper cathode | 1,818,300 | 8,357,816.00 | 1,359,478.90 | -260,926.10 |
| Heilongjiang Duobaoshan Copper Company Limited | Copper concentrates | 800,000 | 2,866,037.30 | 1,048,545.00 | 145,091.00 |

Operations status and results of subsidiaries or associates affecting the Company's net profit for over 10%

RMB'000

| Company name | Total assets | Net assets | Operating income from main business | Operating profit from main business | Net profit |
|--|--------------|--------------|-------------------------------------|-------------------------------------|------------|
| Xinjiang Ashele Copper Company Limited | 1,834,449.00 | 1,585,088.50 | 815,328.00 | 536,022.70 | 393,245.40 |
| Qinghai West Copper Mining Company Limited | 1,728,575.50 | 855,607.00 | 648,652.00 | 284,754.60 | 213,887.60 |
| Xinjiang Jinbao Mining Company Limited | 1,227,955.20 | 481,395.70 | 627,125.30 | 249,874.60 | 190,591.00 |
| Hunchun Zijin Mining Company Limited | 2,029,964.10 | 1,901,743.60 | 416,696.40 | 211,050.50 | 153,763.50 |

4. Projects using of non-proceeds funds

RMB billion

| Project name | Planned investment amount | Progress | Investment for the reporting period | Accumulated actual investment | Project return status |
|--|---------------------------|---|-------------------------------------|-------------------------------|---|
| Russia Tuva zinc and multi-metals mine | 2.692 | In the first phase of construction, expected to put into production in 2014 | 0.354 | 2.519 | Planned to produce about 90,000 tonnes of zinc a year |

| | | | | | |
|---|---------|--|--------|-------|---|
| Gansu Yate Li County gold mine project | 0.77 | The 6,000 tonnes/day floatation process plant has entered into the commissioning phase, expected to run testing in end-August. The construction of the infrastructure part of the mines has been started. | 0.153 | 0.355 | Planned to produce about 5 tonnes of gold a year |
| Kyrgyzstan Zuoan gold mine project | 1.12 | Constructions of the mining, processing and metallurgical systems and the tailings system are in progress, expected to put into production in 2014 | 0.234 | 0.366 | Planned to produce about 3.7 tonnes of gold |
| Phase 1 of Heilongjiang Duobaoshan Copper project | 2.66128 | Put into production in May2012 | 0.0585 | 2.454 | Upon meeting production capacity for phase 1, production of about 25,000 tonnes of copper cathodes a year |
| Technological innovation of ZGC Gold Mine in Tajikistan | 1.298 | The stripping of infrastructure of Jilau mine and Taror mine are expected to be completed by this year end and July 2014 respectively. Tailing pool is expected to be completed by this year end; processing system is expected to put into operation in 2014. | 0.280 | 0.839 | Upon completion of technological innovation, increased production capacity of about 3.5 tonnes of gold a year |
| Wulatehouqi Zijin Sanguikou Lead Zinc Mine | 0.91 | Put into production at the beginning of 2014 | 0.127 | 0.876 | Planned to produce about 70,000 tonnes of zinc a year |
| Total | 9.45128 | | 1.2065 | 7.409 | |

Other disclosures

Warning and explanation in respect of forecast of possible accumulated net loss from the beginning of the year to the end of the next reporting period or warning and explanation in respect of any significant changes in accumulated net profit as compared with that of the corresponding period of previous year and the reasons therefore.

Since April 2013, the substantial decrease in prices of the Company's major products, gold and copper, the increase in production capacity in the refinery segment, the decrease in value of inventory and selection of lower grade ores for processing will have a relatively large effect to the Company's future profit level. It is expected that the annual results of 2013 might have a relatively large decrease over the same period last year. Investors are advised to exercise caution when dealing in the shares of the Company.

Major events

Material Litigation, Arbitration and Matters generally questioned by media

(1) Litigation, Arbitration and Matters generally questioned by media which have been published in provisional announcements without further progress

| | |
|---------------------------|-------------------|
| Summary and type of event | Index for details |
|---------------------------|-------------------|

| | |
|---|---|
| On 21 September 2010, the collapse of Yinyan Tin Mine Gaoqiling tailing pool dam of Xinyi Zijin was affected by the extreme weather brought by typhoon “Fanapi”, resulting in casualties and property damage downstream. Most of the litigations arose from this incident were solved by way of mediation in 2011 and 2012, while only part of the disputed litigations (mainly the 9 hydropower plants including Shihuadi and a water treatment plant made a claim of RMB52,284,733 to Xinyi Zijin for the property damage, Xinyi Zijin has applied to court to carry out technical examination of Shihuadi and Qianfeng power stations and filed a lawsuit to request them to bear the relevant portion of the compensation of RMB49,900,000) is still in progress. | For details, please refer to the Company’s announcements on HKEx website (http://www.hkex.com.hk): dated 9 March 2012 and 13 September 2012. |
|---|---|

(2) Litigation, Arbitration which have not been published on provisional announcements or with further progress
RMB’000

| During the reporting period: | | | | | | | | | |
|------------------------------------|---|--------------------------------------|-----------------------------------|---|--|--|---|--|---|
| Plaintiff(s)/ Applicant(s) | Defendants/ Respondent(s) | Jointly and severally liable parties | Type of proceedings (arbitration) | Basic information of proceeding (arbitration) | Amount involved in proceedings (arbitration) | Whether expected liabilities and amount are formed for the proceedings (arbitration) | Progress of proceedings (arbitration) | Hearing results and impacts of proceeding (arbitration) | Execution progress of verdict (arbitration) |
| Zijin Mining Group Company Limited | Zhongxing Henghe Investment Group Company Limited | Nil | Civil | On 28 April 2010, the plaintiff entered into a Share Transfer Framework Agreement with the defendant. Since the defendant failed to refund the deposit on time, the plaintiff filed the claims. | 45,000 | Fully impaired for the year ended 2012 | The verdict in the second hearing requested the respondent to refund RMB45,000,000 to the plaintiff and bear the relevant interest costs and legal fee. | The Company applied to the court to enforce the verdict. | |

Asset transaction, corporate mergers

(1) Acquisition, disposal of assets and corporate mergers which have been published in provisional announcements and without changes for subsequent implementation

| Summary and type of event | Index for details |
|--|---|
| The Company, Sprott Inc. (“Sprott”) (a corporation listed on Toronto Stock Exchange with stock code of SII) and Americas Now Resources Investment Management Corp. (“Americas Now”) (a company incorporated in Toronto, Canada) entered into a joint venture agreement (“JV Agreement”) on 19 March 2013 to establish an offshore mining fund (“Fund”). The target size of the Fund is US\$500 million. Pursuant to the JV Agreement, the Company agreed to make capital contributions to the Fund of US\$100 million. Sprott agreed to make initial capital contributions to the Fund of US\$10 million and to continue to invest to match at least 5% of the aggregate capital contributions of the Fund. The Fund will also seek out other investors. Under the JV Agreement, Americas Now agreed to provide technical and marketing services to the joint venture. | For details, please refer to the Company’s announcements on HKEx website (http://www.hkex.com.hk): dated 20 March 2013. |
| Jin Jiang Mining Limited, a wholly-owned subsidiary of the Company entered into a convertible bond subscription agreement (“CBS Agreement”) with NKWE Platinum Limited (“NKWE”) (a company incorporated in Bermuda | For details, please refer to the Company’s announcements on HKEx website (http://www.hkex.com.hk): dated 29 April 2013 and 24 June 2013. |

| | |
|--|---|
| <p>and listed on the Australian Securities Exchange “ASX”, stock code “NKP”) on 25 April 2013, pursuant to which Jin Jiang will invest A\$20 million in NKWE by a placement of convertible bonds which, subject to adjustment for certain events, are convertible into 200 million NKWE shares.</p> <p>The transaction has not been completed at the end of the reporting period, its end date has been extended to 15 August 2013 (which may be extended to 30 September 2013 or such later date as agreed between the both parties).</p> <p>NKWE owns a diversified Platinum Group Metals (PGM) portfolio in South Africa.</p> | |
| <p>Norton Gold Fields Limited (“Norton”, stock code “NGF” on the Australian Securities Exchange), a subsidiary of the Company, entered into a bid implementation deed with Kalgoorlie Mining Company Limited (“KMC”, stock code “KMC” on the Australian Securities Exchange) on 17 April 2013, pursuant to which Norton will make a friendly off-market takeover offer to acquire all KMC shares at an offer price of 0.054 Norton shares and 0.054 Norton options for each KMC share (Share Offer). Norton also proposes a separate offer (Option Offer) to acquire all of the listed KMC options to subscribe for KMC shares at an offer price of 0.024 Norton options for each listed KMC Option.</p> <p>Upon full acceptance of the Share Offer and the Option Offer, Norton will newly issue 70,270,862 shares and 72,526,993 options, Norton’s maximum consideration of this transaction will be approximately A\$14,933,581. The transaction has not been completed at the end of the reporting period.</p> <p>KMC’s key asset is the wholly-owned Bullant Gold Project, located in Kalgoorlie, Western Australia, which is 28 kilometres West of Norton’s Paddington Operations.</p> | <p>For details, please refer to the Company’s announcements on HKEx website (http://www.hkex.com.hk): dated 17 April 2013, 23 May 2013 and 24 July 2013.</p> |

(2) Events not disclosed in provisional announcements or with further progress

1. Corporate mergers

The Company’s subsidiaries, Gansu Yate, Gansu Longjin and Gansu Longao entered into a “Merger Agreement”, in which Gansu Yate will acquire and merge with Gansu Longjin and Gansu Longao.

Before the merger and acquisition, Gansu Yate’s registered capital was RMB50 million, in which 75% equity interest was held by the Company; 10% equity interest was held by Tianshui Mineral Exploration Institute of Gansu Province Non-ferrous Metal Geological Exploration Bureau, 15% equity interest was held by Gansu Jiuzhou Exploration Mining Company Limited. Gansu Yate owns the mining right of Dujiagou gold mine.

Before the merger and acquisition, Gansu Longjin’s registered capital was US\$12.876 million, in which 90% equity interest was held by the Company’s wholly owned subsidiary Long Province; 7% equity interest was held by Tianshui Lantian Geotechnical Engineering Company, 3% equity interest was held by Gansu Jiuzhou Exploration Mining Company Limited. Gansu Longjin owns the exploration right of Gansu Li County Liba gold mine.

Before the merger and acquisition, Gansu Longao’s registered capital was US\$13.174 million, in which 87% equity interest was held by Long Province; 9% equity interest was held by Baiyin Sanxin Mining Company Limited; 4% equity interest was held by Gansu Jiuzhou Exploration Mining Company Limited. Gansu Longao owns the exploration rights of Gansu Li County Dazhuangli gold mine, Chenjiagou gold mine, Taopingxiang Jinshan gold mine and Shibuzi gold mine.

Under the Merger Agreement, the shareholders of each merging party contribute to Gansu Yate base on the 1:1 ratio. Gansu Yate’s registered capital enlarged from RMB50 million to RMB242,215,621.09. After the merger and acquisition, Gansu Longjin and Gansu Longao will be deregistered, while Gansu Yate will be entitled for all the assets, liabilities and owners’ equity, and liable for all the debts of the merging parties.

The shareholding structure of Gansu Yate after the merger and acquisition will be: Long Province holds 68.74% with its contribution of RMB166,499,017.94 by all of its assets and equity in Gansu Longjin and Gansu Longao prior to the acquisition; the Company holds 15.48% with its contribution of RMB37,494,978.14 by all of its assets and equity in Gansu Yate prior to the acquisition; Gansu Jiuzhou Exploration Mining Company Limited holds 15.78% with its contribution of RMB38,221,625.01 by all of its assets and equity in Gansu Yate, Gansu Longjin and Gansu Longao prior to the acquisition, all of Tianshui Mineral Exploration Institute of Gansu Province Non-ferrous Metal Geological Exploration Bureau’s assets and equity in Gansu Yate prior to the acquisition, all of Tianshui Lantian Geotechnical

Engineering Company's assets and equity in Gansu Longjin and all of Baiyin Sanxin Mining Company Limited's assets and equity in Gansu Longao.

The company name of Gansu Yate has been changed to Longnan Zijin Mining Company Limited. The business registration for the above acquisition and changes was made on 18 March 2013. The merger and acquisition will help with the integration planning of the owned mining rights, as well as the development and utilization of scaling and intensive exploitation for the resources within the same mining zone.

Material Connected Transaction During the Reporting Period

Connected transaction related to daily operations

Matters disclosed in provisional announcements and without changes or progress for subsequent implementation

| Summary and type of event | Index for details |
|---|--|
| Ting River Hydropower is a subsidiary of Minxi Xinghang, the Company's substantial shareholder and an associate of Zijin Finance, the Company's subsidiary. Zijin Finance provides financial services to Ting River Hydropower. As at the end of the reporting period, Zijin Finance has provided loans in the amount of RMB40.6 million to Ting River Hydropower. | For details, please refer to the Company's announcements on HKEx website (http://www.hkex.com.hk): dated 2 March 2011. |
| The Company's subsidiary, Xinjiang Ashele, agreed to sell copper concentrates to China Non-ferrous Metals Import and Export Xinjiang Company, the wholly owned subsidiary of Xinjiang Non-ferrous Metals Industry (Group) Company Limited, a substantial shareholder of Xinjiang Ashele. It is Xinjiang Ashele's ordinary business in selling copper concentrates and the contract is entered into under arm's length commercial terms, which reflects the principle of fairness and reasonableness. As at the end of the reporting period, Xinjiang Ashele sold copper concentrates to China Nonferrous Metals Import and Export Xinjiang Company amount to nil. | For details, please refer to the Company's announcements on HKEx website (http://www.hkex.com.hk): dated 21 March 2013. |

Others

The fourth term of the board of directors and the supervisory committee should expired on 4 November 2012, according to the provisions of Article 108 and Article 132 of the articles of association of the Company: "Appointment period of directors is calculated from the date when the resolution passed to appoint the directors at a general meeting till the end of appointment period for the current board of directors. If the appointment of the directors is due and the new board of directors has not been elected, the existing directors should perform their directorship according to laws, administrative and departmental regulations, and the Articles of Association."; "If appointment of the supervisors is due and the new supervisory committee has not been elected, or the number of supervisor is below the statutory requirements because of some supervisors' resignations, the current supervisors should perform their supervisorship according to laws, administrative and departmental regulations, and the Articles of Association." The board of directors and the supervisory committee of the Company operate normally.

5. SUPPLEMENTAL INFORMATION

Corporate governance

During the reporting period, the Company strictly complied with the "Company Law", the "Securities Law", "Corporate Governance Guidelines of Listed Companies", "Listing Rules of the Shanghai Stock Exchange", "Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited" and other domestic and overseas laws and regulations requirements, to constantly improve the corporate governance structure, establish a sound internal control system and standardize the Company's operation. The proposal of the Company's 3-year (2012-2014) profit distribution plan was considered and approved at the Company's 2012 annual general meeting, in which it strengthens the transparency and operability of the decision-making of profit distribution, and earnestly safeguards the interests of all shareholders especially the minority shareholders. The actual operation of the Company complies with the requirements of the relevant corporate governance regulations for listed company issued by the regulatory authorities.

The execution of profit distribution policy during the reporting period

On 28 May 2013, the Company passed the resolutions of "The proposal of the Company's 2012 profit distribution" at the 2012 annual general meeting. Based on the total shares of 21,811,963,650 of the Company as at 31 December 2012, a dividend of RMB0.10 (tax included) per share (a total of RMB2,181,196,365 in cash) was distributed, and the undistributed profit was retained for future distribution. The above profit distribution proposal was completed on 12 July

2013.

For details, please refer to the Company's announcement dated 12 July 2013.

Interim dividend

The Board proposed to pay no dividend for the six months ended 30 June 2013. (The dividend for the six months ended 30 June 2012 was nil)

Purchase, Redemption or Sale of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2013.

Corporate Governance Report

As required by Corporate Governance Code A.1.8, an issuer should arrange appropriate insurance cover in respect of potential legal action against its directors, the board of directors currently considers that the Company and the board of directors have adopted sufficient measures to prevent directors from committing errors and minimise the risk in claims against the directors. Therefore, the Company has not made any relevant insurance arrangement at this stage. However, the board of directors will review this policy of insurance from time to time and may arrange insurance cover later. As required by Corporate Governance Code F.1.3, an issuer's company secretary should report to the board chairman and/or the chief executive. The board of directors considers that the company secretary in Hong Kong should report to the secretary of board of directors to meet the management needs of the Group and it enables a unified management of all listing related matters in Hong Kong and mainland.

Save as disclosed above, for the six months ended 30 June 2013, the Board confirmed that the Group has adopted and complied with the provisions of the Corporate Governance Code and Corporate Governance Report and has followed most of its recommended best practices with no deviation (for details, please refer to the Group's 2012 Annual Report).

Audit Committee

The audit committee has reviewed the Group's unaudited financial report for the six months ended 30 June 2013 and further discussed the auditing, internal control and financial reporting matters. The audit committee considers that the Group's financial report for the six months ended 30 June 2013 was in compliance with the applicable accounting standards and relevant laws and regulations and had made sufficient disclosure.

Independent Non-executive Directors

In compliance with rules 3.10(1) and 3.10(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), which states the Company should appoint a sufficient number of independent non-executive directors and that at least one of them must have appropriate professional qualifications or accounting related financial management expertise. The Company appointed four independent non-executive directors and one of them possesses accounting and related financial management expertise. Details of the independent non-executive directors have been provided in the Group's 2012 annual report.

Securities Transactions by Directors of the Company

During the reporting period, the Company adopted the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") in Appendix 10 of the Listing Rules. Having made reasonable inquiries to all directors, the Group confirmed that all directors complied with the Model Code for the six months ended 30 June 2013.

Shareholdings of Directors and Supervisors in the Company

As at 30 June 2013, Mr. Chen Jinghe, the Chairman, held 132,000,000 shares, Mr. Luo Yingnan, Director, held 7,500,000 shares, Mr. Lan Fusheng, Vice Chairman, held 7,500,000 shares, and Mr. Zou Laichang, Standing Vice President, held 1,500,000 shares in the Company.

Appointment and Dismissal of Auditors

According to the approval in the 2010 annual general meeting, the Company decided not to re-appoint international auditors — Ernst & Young since 2011. According to the approval in the 2012 annual general meeting, the Company reappointed Ernst & Young Hua Ming LLP to audit the Company's financial statements in 2013 according to the China Auditing Standards.

Appointment and Resignation of Director, Supervisor, and Senior Management

| Name | Position | Change | Reasons | Effective Date |
|------|----------|--------|---------|----------------|
|------|----------|--------|---------|----------------|

| | | | | |
|--------------|-----------|-------------|---------------------------------|-------------|
| Luo Yingnan | President | Resignation | Personal and health issue | 31 May 2013 |
| Wang Jianhua | President | Appointment | Board of directors' appointment | 31 May 2013 |

Mr. Luo Yingnan confirmed that he has no disagreement with the Board and there are no matters that need to be brought to the attention of the shareholders of the Company in relation to his resignation.

Publishing Interim Report on the Website of The Stock Exchange of Hong Kong Limited

When appropriate, the Company will post all the information in the interim report as required by Appendix 16 of the Listing Rules at The Stock Exchange of Hong Kong Limited's website (<http://www.hkex.com.hk>).

This announcement is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail over its English version.

Definition

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

| | | |
|-----------------------------|--|--|
| Xinyi Zijin | | Xinyi Zijin Mining Company Limited, a wholly owned subsidiary |
| Ting River Hydropower | | Fujian Shanghang Ting River Hydropower Co., Ltd., an associate of the Company |
| Minxi Xinghang | | Minxi Xinghang State-owned Assets Investment Company Limited, a substantial shareholder of the Company |
| Xinjiang Ashele | | Xinjiang Ashele Copper Company Limited, a holding subsidiary of the Company |
| Qinghai West | | Qinghai West Copper Mining Company Limited, a wholly owned subsidiary of the Company |
| Thrive Build | | Thrive Build Investments Limited, a wholly owned subsidiary of the Company |
| Gansu Yate | | Gansu Yate Mining Company Limited, a subsidiary of the Company |
| Gansu Longjin | | Gansu Longjin Mineral Resources Company Limited, a subsidiary of the Company |
| Gansu Longao | | Gansu Longao Mining Company Limited, a subsidiary of the Company |
| Long Province | | Long Province Resources Company Limited, a wholly owned subsidiary of the Company |
| Jin Jiang Mining | | Jin Jiang Mining Limited, a wholly owned subsidiary of the Company |
| Norton | | Norton Gold Fields Limited, a subsidiary of the Company |
| Guizhou Zijin | | Guizhou Zijin Mining Company Limited, a subsidiary of the Company |
| Wengfu Zijin | | Wengfu Zijin Chemical Co., Ltd., an associate of the Company |
| Zijin Copper | | Zijin Copper Company Limited, a wholly owned subsidiary of the Company |
| Makeng Mining | | Fujian Makeng Mining Company Limited, an associate of the Company |
| Wancheng Commercial | | Wancheng Commercial Dongshengmiao Co., Ltd., an associate of the Company |
| Bayannaer Zijin | | Bayannaer Zijin Non-ferrous Metals Company Limited, a subsidiary of the Company |
| Zijin Finance | | Zijin Mining Group Finance Co., Ltd., a subsidiary of the Company |
| Heilongjiang Zijin Longxing | | Heilongjiang Zijin Longxing Mining Company Limited, a subsidiary of the Company |
| Wuping Zijin | | Wuping Zijin Mining Company Limited, a subsidiary of the Company |
| Wulatehouqi Zijin | | Wulatehouqi Zijin Mining Company Limited, a subsidiary of the Company |
| Zijin Tungsten | | Wenshan Malipo Zijin Tungsten Group Co., Ltd., a subsidiary of the Company |
| Longkou Jinfeng | | Longkou Jinfeng Company Limited, a subsidiary of the Company |
| Jinshan Construction | | Fujian Jinshan Construction Engineering Co., Ltd., a |

| | | |
|---------------------------|--|---|
| | | subsidiary of the Company |
| Fujian Zijin Copper | | Fujian Zijin Copper Company Limited, a wholly owned subsidiary of the Company |
| Shanghai Ganlong Railroad | | Shanghai County Ganlong Railroad Construction Development Co., Ltd., a subsidiary of the Company |
| Heilongjiang Duobaoshan | | Heilongjiang Duobaoshan Copper Company Limited, a subsidiary of the Company |
| Jinmai Logistics | | Xinjiang Jinmai International Logistics Company Limited, a wholly owned subsidiary of the Company |
| Jinyi Copper | | Fujian Jinyi Copper Company Limited, a wholly owned subsidiary of the Company |
| Ankang Jinfeng Mining | | Ankang Jinfeng Mining Company Limited, a subsidiary of the Company |
| Malipo Jinwei | | Malipo Jinwei Mining Company Limited, a subsidiary of the Company |
| Zijin International | | Zijin International Mining Company Limited, a wholly owned subsidiary of the Company |
| Jinzhong Mining | | Inner Mongolia Jinzhong Mining Company Limited, a subsidiary of the Company |
| Zijin Yinhui | | Luoyang Zijin Yinhui Gold Refinery Company Limited, a subsidiary of the Company |
| Luoning Zijin | | Luoning Zijin Gold Refinery Company Limited, a subsidiary of the Company |
| Wuqia Jinwang | | Wuqia County Jinwang Mining Development Company Limited, a wholly owned subsidiary of the Company |
| Xinjiang Jinbao | | Xinjiang Jinbao Mining Company Limited |
| Hebei Chongli | | Hebei Chongli Zijin Mining Company Limited |
| Yuanyang Huaxi | | Yuanyang County Huaxi Gold Company Limited |
| Shanxi Zijin | | Shanxi Zijin Mining Company Limited, a wholly-owned subsidiary of the Company |
| ZGC | | JV Zeravshan LLC, a subsidiary of the Company |
| Hunchun Zijin | | Hunchun Zijin Mining Company Limited, a wholly-owned subsidiary of the Company |
| Kyrgyzstan Altynken | | Kyrgyzstan Altynken Limited Liability Company, a subsidiary of the Company |
| Longnan Zijin | | Longnan Zijin Mining Company Limited, a subsidiary of the Company |

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Luo Yingnan, Qiu Xiaohua, 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, PRC 13 August 2013

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