

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



**Zijin Mining Group Co., Ltd.\***

**紫金礦業集團股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 2899)**

## **Announcement in relation to All Cash Takeover for Phoenix Gold Limited**

### **1. Summary of the transaction**

The wholly-owned subsidiary of Zijin Mining Group Co., Ltd.\* (the "Company"), Norton Gold Fields Limited (a company incorporated in Australia, "Norton") will make a cash offer of A\$0.10 per share to acquire all the issued shares in Phoenix Gold Limited (a company listed on the Australian Securities Exchange ("ASX"), "Phoenix", stockcode "PXG") that the Company does not already own (the "Offer"). Based on the number of issued shares of Phoenix as at the date of the announcement, the total consideration equals to approximately A\$45 million for the acquisition of all the issued shares of Phoenix that the Company does not already own.

Norton has lodged the bidder's statement relating to the Offer with the Australian Securities and Investments Commission ("ASIC") on 6 August 2015. The date of Offer will be 20 August 2015 and the Offer will end at 7p.m. (Australian Eastern Standard Time) on 21 September 2015.

As at the date of the announcement, Norton and its associates hold a 17.94% relevant interest in Phoenix, including 9.03% relevant interest in Phoenix obtained by the Company as a result of entry into a pre-bid agreement with another shareholder of Phoenix, Geologic Resource Group Co., Ltd.

Major conditions of the Offer (including but not limited to):

1. During, or at the end of, the Offer period, the number of Phoenix's shares (the "Phoenix Shares") in which Norton and its associates together have relevant interests in is at least 50.1% (by number) of all Phoenix Shares on issue;
2. Between the date of this announcement and the end of the Offer period (each inclusive), there is no material adverse change in Phoenix, there is no material acquisition, disposal or new commitment by Phoenix and its subsidiaries other than with the written consent of Norton, etc.

### **2. The transaction target**

Phoenix is a gold exploration company listed on the ASX. Its core assets are the multiple mining rights near Kalgoorlie, Western Australia, which cover more than 600 square kilometers.

According to recent announcements of Phoenix, the total mineral resources under JORC standard owned by Phoenix included: ore volume of 113 million tonnes with average grade of 1.1g/t and 4.022 million ounces of gold metals; the total ore reserve under JORC standard included: ore volume of 30.59 million tonnes with average grade of 1.18g/t and 1.159 million ounces of gold metals (volume of resource does not include volume of reserve).

### **3. The Offer price**

The Offer price represents a substantial premium to Phoenix's recent trading prices:

- 19.0% premium over the closing price of A\$0.084 per Phoenix Share on the ASX on 17 June 2015 which is the last undisturbed trading day before the announcement of the Offer on 22 June 2015; and
- 23.5% premium to the 1 month volume weighted average price of A\$0.081 per Phoenix Share for the period to 17 June 2015.

Norton's Offer provides Phoenix's shareholders with the opportunity to realise the value of their shares with the certainty of cash consideration.

### **4. Impacts of the transaction on the Company**

The Company considers that the Offer continues the Company's strategy to consolidate the development of gold projects in Western Australia, increases the Company's gold resources reserve, and is in line with the Company's development strategy and in the best interests of shareholders of the Company.

### **5. Risks of the transaction**

#### **(1) Risk of foreign exchange**

The transaction will be settled in Australian dollar. The continuous fluctuations in the exchange rate will bring foreign currency risks to this Australian dollar-denominated transaction to a certain extent.

#### **(2) Market risk**

Market risk is mainly manifested in the future trend of gold price. If gold price fluctuates substantially in the future, it will bring more uncertainty to the profitability of the project.

#### **(3) Legal and policy risks**

The mining rights owned by Phoenix are in Australia. It is required to comply with the laws, regulations and policies currently in force in Australia. If such laws, regulations and policies change in the future, there may be adverse effects on Phoenix's operation in Australia.

Please refer to the relevant announcement as published on the ASX website (<http://www.asx.com.au>) by Phoenix for further details.

This announcement is made by the Company on a voluntary basis.

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

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Wang Jianhua, Qiu Xiaohua, Lan Fusheng, Zou Laichang, Fang Qixue and Lin Hongfu as executive directors, Mister. Li Jian as non-executive director, and Messrs. Lu Shihua, Ding Shida, Qiu Guanzhou, and Sit Hoi Wah, Kenneth as independent non-executive directors.

By Order of the Board of Directors  
**Zijin Mining Group Co., Ltd.\***  
**Chen Jinghe**  
*Chairman*

Fujian, the PRC, 6 August 2015

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