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)

Overseas Regulatory Announcement

This announcement was published on the website of Shanghai Stock Exchange of the People's Republic of China by Zijin Mining Group Co., Ltd.* (the "Company").

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

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

11 November 2015, Fujian, the PRC
* The Company's English name is for identification purposes only

Stock code: 601899 **Stock name: Zijin Mining** **No.: Lin 2015-091**

Zijin Mining Group Co., Ltd.*

Announcement in relation to the Dilutive Impact of the Non-public Issuance of A Shares on Immediate Returns and the Adoption of Recovery Measures

The board of directors and all directors of the Company warrant that there is no false record, misleading statement or material omission in this announcement, and they are jointly and severally responsible for the authenticity, accuracy and completeness of the content herein.

Matters related to the non-public issuance of A Shares (the "Non-public Issuance") of Zijin Mining Group Co., Ltd.* (the "Company") have been considered and approved at the ninth, the tenth and the thirteenth meetings of the fifth term of the board of directors of the Company (the "Board"), the first extraordinary general meeting in 2015, the second A Shareholders' class meeting in 2015 and the second H Shareholders' class meeting in 2015. In view of the recent changes in the securities market, and for the purpose of ensuring smooth implementation of the Non-public Issuance, the Company proposes to adjust the subscription price and the number of shares to be issued under the Non-public Issuance, for which the approvals of the shareholders' general meetings and the China Securities Regulatory Commission (the "CSRC") are required. Pursuant to the relevant requirements of the "Opinion from the State Council General Office about Further Strengthening the Work of Protecting the Legal Interests of Minority Investors in the Capital Market" (Guobanfa (2013) No. 110), the Company hereby conducts analysis on the dilutive impact of matters related to the Non-public Issuance on immediate returns, and illustrates the adoption of relevant measures as follows:

1. Analysis on impacts of the Non-public Issuance

The total proceeds to be raised in the Non-public Issuance shall not exceed RMB9 billion (including issuance expenses) and the number of shares to be issued shall not exceed 2,662,721,893 shares (2,662,721,893 shares inclusive).

(1) Major assumptions

The following assumptions only apply to the estimation of the impacts on the Company's major financial indicators brought by the dilutive impact of the Non-public Issuance on immediate returns, which do not represent the Company's judgement on its operating situation and trend in 2015 and do not constitute a profit forecast of the Company. Investors shall not make investment decisions based on such assumptions and the Company will not be liable for any loss arising from any investment decision thus made.

1. Assuming that the Company completes the Non-public Issuance in November 2015. The completion date is merely an estimation of the Company and is subject to the final completion date of issuance approved by the CSRC;
2. Assuming that there is no material adverse change in the macroeconomic environment and the securities industry;
3. Assuming that the number of shares to be issued in the Non-public Issuance is 2,662,721,893 shares;
4. Assuming that the final amount of proceeds raised in the Non-public Issuance is RMB9 billion in total (including issuance expenses);
5. Assuming that the following 3 scenarios would occur in the profit of the Company in 2015:
   I. Net profit attributable to owners of the listed company in 2015 remained flat over that of 2014;
   II. Net profit attributable to owners of the listed company in 2015 increased by 5% comparing with that of 2014;
   III. Net profit attributable to owners of the listed company in 2015 increased by 10% comparing with that of 2014;
6. According to the "Profit distribution proposal of the Company for the year ended 31 December 2014" which was considered at the 2014 annual general meeting of the Company convened on 11 May 2015, cash dividend of RMB0.08 per share (including tax) would be distributed. On the basis of 21,572,813,650 shares as at 31 December 2014, the cash dividend to be distributed would amount to RMB1,725,825,092 in total. The profit distribution was completed on 9 July 2015;
7. Assuming that the effects of factors such as non-recurring gains or losses, etc. on the Company's financial situation are not taken into consideration;
8. Assuming that there is no material adverse change in the operating environment of the Company;
9. Assuming that the impacts on the Company's production and operation, financial situation (e.g. financial costs, investment income), etc. after the proceeds being received into account are not taken into consideration.

(2) Impacts on the main financial indicators of the Company

Items	Amount
Total amount of proceeds to be raised (RMB)	9,000,000,000
Total number of shares to be issued	2,662,721,893

Cash dividend distribution for the year of 2014 (RMB)	1,725,825,092		
Items	**Year of 2014**	**Year of 2015**	
		Before the issuance of shares (Total number of shares as at the end of 2014)	**After the issuance of shares (Without considering any benefit brought by the proceeds raised)**
Total number of shares as at the end of the period	21,572,813,650	21,572,813,650	24,235,535,543
Equity attributable to owners of the parent as at the beginning of the period (RMB)	27,612,257,755	28,059,454,796	
Assuming that the net profit for the year of 2015 remained flat over that of 2014			
Net profit attributable to owners of the parent (RMB)	2,345,062,669	2,345,062,669	
Equity attributable to owners of the parent as at the end of the period (RMB)	28,059,454,796	28,678,692,373	37,678,692,373
Basic earnings per share (RMB)	0.1087	0.1087	0.1076
Net assets per share (RMB)	1.3007	1.3294	1.5547
Weighted average return on net assets (%)	8.47%	8.22%	8.01%
Assuming that the net profit for the year of 2015 increased by 5% comparing with that of 2014			
Net profit attributable to owners of the parent (RMB)	2,345,062,669	2,462,315,802	
Equity attributable to owners of the parent as at	28,059,454,796	28,795,945,506	37,795,945,506

the end of the period (RMB)			
Basic earnings per share (RMB)	0.1087	0.1141	0.1130
Net assets per share (RMB)	1.3007	1.3348	1.5595
Weighted average return on net assets (%)	8.47%	8.62%	8.40%
Assuming that the net profit for the year of 2015 increased by 10% comparing with that of 2014			
Net profit attributable to owners of the parent (RMB)	2,345,062,669	2,579,568,936	
Equity attributable to owners of the parent as at the end of the period (RMB)	28,059,454,796	28,913,198,640	37,913,198,640
Basic earnings per share (RMB)	0.1087	0.1196	0.1184
Net assets per share (RMB)	1.3007	1.3403	1.5644
Weighted average return on net assets (%)	8.47%	9.01%	8.78%

Note:

1. Equity attributable to owners of the parent as at the end of the period = Equity attributable to owners of the parent as at the beginning of the period + net profit attributable to owners of the parent for the period – cash dividend distribution for the period**;**

2. Basic earnings per share before the issuance of shares = Net profit attributable to owners of the parent for the period ÷ weighted average total number of ordinary shares;

3. Basic earnings per share after the issuance of shares = Net profit attributable to owners of the parent for the period ÷ (total number of shares before the issuance + number of shares newly issued in the issuance x number of months from the month following the issuance to the end of the year ÷ 12);

4. Net assets per share = Net assets attributable to owners of the parent as at the end of the period ÷ total number of shares at the end of the period;

5. Weighted average return on net assets before the issuance = Net profit attributable to owners of the parent for the period ÷ (net assets attributable to owners of the parent as at the beginning of the period + net profit attributable to owners of the parent for the period ÷ 2 -

cash dividend distribution for the period x number of months from the month following the dividend distribution to the end of the year ÷ 12);

6. Weighted average return on net assets after the issuance = Net profit attributable to owners of the parent for the period ÷ (net assets attributable to owners of the parent as at the beginning of the period + net profit attributable to owners of the parent for the period ÷ 2 - cash dividend distribution for the period x number of months from the month following the dividend distribution to the end of the year ÷ 12 + total amount of proceeds to be raised in the issuance x number of months from the month following the issuance to the end of the year ÷ 12).

2. Risk warning on the dilutive impact of the Non-public Issuance on immediate returns

The proceeds raised in the Non-public Issuance are proposed to be used in the construction of the Kolwezi copper mine project in the Democratic Republic of the Congo (the "DR Congo"), acquisition of 49.5% equity interest and 49.5% shareholders' loan in the purchasing project of the Kamoa copper mine in the DR Congo, acquisition of 50% equity interest and 50% shareholders' loan in the purchasing project of the Porgera gold mine in Papua New Guinea, construction of the Zijinshan gold and copper mine flotation processing plant project and supplementing working capital. After the Non-public Issuance, assuming that the net profit for the year of 2015 remained flat over that of 2014, taking into account of the impacts of profit distribution, the Company's equity attributable to owners of the listed company as at the end of year 2015 would increase by RMB9.619 billion over the end of year 2014. Although it is expected that the projects to be invested by the proceeds raised will generate greater income, the new projects require long construction period and it takes time before the projects could reach production and generate income. Before the benefits of the projects to be invested by the proceeds raised can be fully realised, the growth rate of the Company's net profit may be lower than that of the net assets. There are risks that the Company's indicators of immediate returns such as earnings per share and weighted average return on net assets could be diluted in the short run.

3. Measures to be taken by the Company in response to the dilutive impact of the Non-public Issuance on immediate returns and for enhancing profitability in future

In view of the above circumstances, the Company will ensure efficient use of the proceeds raised by strengthening their management and utilization; boost its core competitiveness by expanding its resource reserve and business scale; optimize the Company's capital structure and reduce financial costs to enhance its profitability; and boost return to shareholders by rigorous execution of cash distribution policy.

(1) Strengthen management and utilization of the proceeds raised

The Company has considered and approved the “Management Methods of Proceeds Raised” at the ninth meeting of the fifth term of the Board. The Company will manage and use the proceeds raised in strict accordance with such management methods in order to improve the efficiency of using the funds.

(2) Reduce costs in all aspects to reach the expected results of the projects to be invested by the proceeds raised

The projects to be invested by the proceeds raised aim at striking a balance between both current and future earnings of the Company:

The Porgera gold mine is an operating mine. According to its feasibility study report, the Porgera gold mine is expected to generate operating income of RMB4,457,470,000 and profit after tax of RMB739,160,000 per year under consistent investments. The project has good economic benefits with relative strong risk resistance.

The Zijinshan gold and copper mine flotation processing plant project requires a construction period of 2 years. According to its feasibility study report, after designated production capacity is reached, the project is expected to generate sales income of RMB396,657,900 and profit after tax of approximately RMB68,798,300 per year. The internal rate of return is 19.52%. The payback period (after tax, including construction period) is 6.31 years. The project has good economic benefits with relative strong risk resistance.

The Kolwezi copper mine project requires a construction period of 2.5 years. According to its feasibility study report, after designated production capacity is reached, the project is expected to generate sales income of US$319,091,000 and profit after tax of US$78,139,000 per year. The internal rate of return is 17.43%. The payback period (after tax, including construction period) is 7.11 years. The project has good economic benefits with risk resistance.

According to feasibility study report, it is expected that the Kamoa copper mine will generate lucrative return after its designated production capacity is reached.

The Company will take advantage of the current low prices of bulk commodities to accelerate construction of the projects to be invested by the proceeds raised and thereby bringing down the construction costs. During the process of production and operation, the Company will exert its competitive strength in management, technology, cost control and overseas operation, etc., to reduce costs in all aspects, and strive to reach expected results of the projects to be invested by the proceeds raised.

(3) Optimize the Company's capital structure and reduce financial costs

As at 31 March 2015, the debt ratio of the Company (at consolidated financial statements level) is 55.31%. If the Non-public Issuance is successful, the debt ratio of the Company (at consolidated financial statements level) will drop to 49.39%. The Non-public Issuance will enable the Company to boost its capital strength, optimize assets structure, reduce financial costs, increase overall profitability of the Company and improve risk resistance.

(4) Execute cash distribution policy rigorously and improve investors return mechanism

In accordance with the stipulations of the "Opinion about Further Strengthening the Work of Protecting the Legal Interests of Minority Investors in the Capital Market" issued by the State Council, "Notice in Relation to Further Implementing Cash Dividend Distribution of Listed Companies" and "Guidelines for Listed Companies No.3 – Cash Dividends of Listed Companies" issued by the CSRC, the Company will rigorously execute the cash distribution policy as stipulated in the articles of association of the Company to provide consistent and stable return to investors throughout the healthy development of the Company's core business.

Zijin Mining Group Co., Ltd.*
12 November 2015