

*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 Exploration Progress at the Kamo-a-Kakula Copper Mine Project in the DR Congo**

### **Important highlights:**

- **New drill results extend length of Kakula Discovery to at least 12 kilometres and confirm continuity of high-grade copper in the saddle area between the Kakula Mineral Resource and the Kakula West Discovery.**
- **New Kakula resource estimate based on the entire current strike length expected by the end of 2017; discovery remains open for significant expansion.**
- **Kakula West Discovery rapidly developing into a potential new high-grade mining area with similar grades to Kakula.**
- **Several holes in Kakula West have discovered massive copper-rich areas of between 20 and 50 metres thick.**
- **14 drill rigs continue to operate at Kamo-a-Kakula.**
- **Phased mine development options of up to 18 million tonnes per year being assessed.**

Zijin Mining Group Co., Ltd.\* (the "Company") and Ivanhoe Mines Ltd. of Canada ("Ivanhoe") announced the new drill results and relevant progress of their joint investment, the Kamo-a-Kakula Copper Discovery as follows:

### **1. Progress of exploration**

In response to the results of high-grade copper mineralisation found in 2016 exploration at Kakula, the

Company and Ivanhoe have since been continuing with the accelerated exploration programme. Fourteen rigs are drilling on the Kamoia-Kakula project area. The recent assay results from another 43 holes as part of the ongoing 2017 drilling campaign indicate a further extension of mineralisation and resources area.

In the exploration drilling at Kakula West, located on approximately 4 kilometres to the west of the currently defined high-grade, essentially flat-lying Kakula Mineral Resource, assays have been received for 20 holes, among which several holes have discovered massive copper-rich areas of between 20 and 50 metres thick. Drilling results now have defined a high-grade mineralised zone with a width of at least 1.0 kilometre and a strike extent of more than 2.9 kilometres, extending the length of Kakula Discovery to at least 12 kilometres. This would represent an increase of approximately 60% in the strike length as compared to the 7.7-kilometre strike length previously estimated.

Exploration drilling at Kakula West has confirmed Kakula West as a significant new copper discovery and a potential new high-grade mining area with characteristics and grades similar to the high-grade Kakula Mineral Resource area, and the continuity of high-grade copper in the saddle area between the Kakula Mineral Resource and the Kakula West Discovery.

The Kamoia-Kakula Copper Discovery continues to remain open for significant expansion. Multiple target areas have made promising discoveries.

The updated resource estimate is expected to be finalised before the end of this year and will incorporate results from drill holes completed by the end of October 2017.

According to the May 2017 Kakula Mineral Resource estimate prepared by Ivanhoe under the terms of National Instrument 43-101, indicated and inferred mineral resources of the Kakula high-grade copper mineralisation total 12.66 million tonnes at a grade of 3.10% copper at 1% copper cut-off, including 7.08 million tonnes of high-grade contained copper at a grade of 6.09% copper.

## **2. Progress of the development plan**

A new development plan which considers a mine capacity of six-Mtpa to eight-Mtpa at Kakula is well underway. In light of the successful drilling at Kakula West, the development plans will be reassessed and amended as the project moves forward, which could increase the ultimate mining rate at Kamoia-Kakula to at least 18 Mtpa.

Investors should notice that the updated resource estimate of the Kakula West Discovery is in progress and is inherently uncertain. The Company will issue further announcements based on the future progress.

**The aforesaid development plan is only based on the currently available data. The development plan**

may or may not be implemented. Any forward looking statements involved in the development plan, such as future plans and forecasts, do not constitute any actual commitment of the Company. Investors are advised to be cautious of their investment risks.

This announcement is made 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), Lan Fusheng, Zou Laichang, Lin Hongfu, Fang Qixue, and Ms. Lin Hongying as executive directors, Mister. Li Jian as non-executive director, and Messrs. Lu Shihua, Zhu Guang, Sit Hoi Wah, Kenneth, and Cai Meifeng as independent non-executive directors.

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

Fujian, the PRC, 18 September 2017

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