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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 Preliminary Interim Results 2018

The board of directors and all directors of the Company hereby warrant that the contents contained herein are true, accurate and complete, and there are no false representations or misleading statements contained in, or material omissions from this announcement, and jointly and severally accept responsibility.

The major accounting data for the first half of 2018 contained in this announcement are preliminary accounting data and are unaudited. Specific data to be disclosed by the Company in its interim report 2018 shall prevail. Investors are advised to pay attention to investment risks.

I. Major accounting data and indicators for the first half of 2018

Unit : RMB'000

Items	Current reporting period	The same period last year	Increase/decrease (%)
Total operating income	49,813,890	37,523,630	32.75
Operating profit	3,770,040	2,315,230	62.84
Profit before tax	3,776,320	2,151,170	75.55
Net profit attributable to owners of the parent	2,523,040	1,505,400	67.60
Net profit attributable to owners of the parent after non-recurring profit or loss	2,375,640	873,710	171.90
Basic earnings per share (RMB)	0.110	0.069	59.42
Weighted average return on net assets	7.05%	5.07%	Increased by 1.98 percentage points
	End of the current reporting period	Beginning of the current reporting period	Increase/decrease (%)

Total assets	91,180,390	89,552,450	1.82
Equity attributable to owners of the parent	34,969,310	35,186,680	-0.62
Share capital	2,303,120	2,303,120	0.00
Net assets per share attributable to owners of the parent (RMB)	1.518	1.528	-0.62

Note: 1. The above figures are consolidated figures of the Company;

2. The Company implemented new accounting standards relating to financial instruments from 1 January 2018. Certain financial assets were reclassified. Total assets, equity attributable to owners of the parent and net assets per share attributable to owners of the parent at the beginning of the current reporting period in the above table are figures under the new accounting standards.

II. Explanations of the operating results and financial condition

(1) Operating status, financial condition and major factors affecting the operating results during the reporting period

From January to June 2018, the Company took full advantage of the external economic condition, strengthened management of internal operations, and unleashed potentials and raised efficiency. The overall business operated in a stable trend, achieving the production and operation targets in the first half of 2018. In the first half of 2018, substantial growth was realised in major financial indicators of the Company, with total operating income of RMB49.814 billion, representing an increase of 32.75% compared with the same period last year, and profit before tax of RMB3.776 billion, representing an increase of 75.55% compared with the same period last year. The net profit attributable to owners of the parent was RMB2.523 billion, representing an increase of 67.60% compared with the same period last year.

Major factors affecting the operating results:

1. Metal prices of major products, including copper, zinc, etc., increased compared with the same period last year;
2. The production targets of mine-produced copper and mine-produced zinc were achieved satisfactorily. In particular, substantial growth was realised in the production and sales volume of mine-produced copper, which was mainly attributable to the commencement of production of the floatation processing system of the Kolwezi copper mine in the Democratic Republic of the Congo in the second half of 2017, which rapidly reached designated production capacity;
3. Decrease in exchange losses due to Renminbi exchange rate fluctuation compared with the same period last year;
4. From the beginning of 2018, the Group implemented new accounting standards relating to financial instruments. The stocks of Ivanhoe Mines Ltd. held by the Company were reclassified to “financial assets at fair value through other comprehensive income” and had no further effect on the profit or loss for the current period;
5. Slight rise in costs. The Company further increased the investment in safety, environmental protection and ecology conservation; rise in bulk commodities prices and increase in procurement costs of raw

materials; as the mining entities operated in deeper parts of the mines, ore transportation costs rose.

(2) Explanation on changes in major financial indicators

Unit : RMB'000

Items	Current reporting period	The same period last year	Increase/decrease (%)	Main reasons for the changes
Operating income	49,813,890	37,523,630	32.75	1. Increase in sales prices of major mineral products compared with the same period last year; 2. Increase in production and sales volume of mine-produced copper compared with the same period last year; 3. Decrease in exchange losses compared with the same period last year.
Operating profit	3,770,040	2,315,230	62.84	
Profit before tax	3,776,320	2,151,170	75.55	
Net profit attributable to owners of the parent	2,523,040	1,505,400	67.60	
Net profit attributable to owners of the parent after non-recurring profit or loss	2,375,640	873,710	171.90	From 1 January 2018, the Group implemented new accounting standards relating to financial instruments. The stocks of Ivanhoe Mines Ltd. were reclassified to “financial assets at fair value through other comprehensive income” and had no further effect on the profit or loss for the current period.
	End of the current reporting period	Beginning of the current reporting period	Increase/decrease (%)	Main reasons for the changes
Equity attributable to owners of the parent	34,969,310	35,186,680	-0.62	1. The Company completed profit distribution for the year ended 31 December 2017 on 29 June 2018, amounting to RMB2.073 billion; 2. Decrease in “financial assets at fair value through other comprehensive income”, which was mainly attributable to

				fluctuation in stock price of Ivanhoe Mines Ltd.
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III. Risk warning

There is no material uncertainty factor of the Company affecting the accuracy of the contents in this preliminary results announcement.

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

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, 20 July 2018

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