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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)

Profit Distribution and Return Plan for the Next Three Years (Year 2018-2020)

Pursuant to “Notice in relation to Further Implementing Cash Dividend Distribution of Listed Companies” (Zheng Jian Fa [2012] No. 37) and “Regulatory Guidelines No. 3 for Listed Companies - Distribution of Cash Dividends of Listed Companies” (Zheng Jian Fa [2013] No. 43) issued by the China Securities Regulatory Commission, requirements of other relevant laws, regulations and regulatory documents, and provisions of the articles of association of the Company (the “Articles of Association”), in order to improve the decision making and supervisory mechanism of profit distribution of Zijin Mining Group Co., Ltd.* (the “Company”), while taking into consideration the Company’s production and operation, sustainable development and providing reasonable returns to investors, the Company formulated the “Profit Distribution and Return Plan for the Next Three Years (Year 2018-2020) of Zijin Mining Group Co., Ltd.*” (the “Profit Distribution and Return Plan”). The details are as follows:

1. Factors to be considered in the formulation of the Profit Distribution and Return Plan

Through the formulation of the Profit Distribution and Return Plan, the Company intends to distribute profits systematically and establish a sustainable, stable and scientific return mechanism for investors, by paying attention to the long-term and sustainable development of the Company, while comprehensively analysing the Company’s actual operating conditions, shareholders’ views, capital cost of the society and external financing environment, etc., and giving full consideration to the current and future profit scale, cash flow conditions, development stage, capital demand for project investment, bank credit facilities and debt financing environment, etc.

2. Principles of the formulation of the Profit Distribution and Return Plan

The Company shall fully regard reasonable returns to investors as an important matter in profit distribution, while taking into account the sustainable development of the Company and maintaining the continuity and stability of the profit distribution policies, which shall comply with the provisions of the relevant laws and regulations. The profits distributed by the Company shall not exceed the amount of accumulated distributable profits, and shall not damage the Company’s capacity in sustainable operation. The Company shall actively promote distribution of cash dividends.

3. Details of Profit Distribution and Return Plan of the Company for the Next Three Years

(1) Forms of profit distribution

The Company may distribute dividends in cash, bonus shares or by other means as allowed by laws and regulations. Among the above means of profit distribution, the Company shall take distribution of cash dividends as the preferential means.

(2) Conditions of profit distribution in cash

In accordance with the Company Law of the People's Republic of China, other relevant laws and regulations and the provisions of the Articles of Association, when the distributable profit of the Company which includes the current year's net realised profit after deducting losses, full provisions of statutory reserve and discretionary reserve is positive, and the audit body has issued a standard and unqualified audit report for the Company's annual financial report (financial report in relation to interim profit distribution in cash can be unaudited), the Company shall make a cash dividend distribution plan except in special circumstances (such as material investment plans or material cash expenditures, etc.).

When the Company meets the above conditions of profit distribution in cash but does not distribute cash dividends for special reasons, the board of directors shall give detailed reasons for not distributing cash dividends and the use of undistributed profits. After the independent directors have provided their opinion, it shall be tabled to the shareholders' general meeting for consideration.

(3) The board of directors of the Company shall comprehensively take into account factors including the characteristics of the industry of the Company, the Company's development stage, its own business model, profitability, and if there are any substantial capital expenditure arrangements, etc., to categorise the Company's situation into the followings and propose a differentiated cash dividend distribution policy according to the procedures as stipulated in the Articles of Association:

1. If the Company's development is in maturity stage without substantial capital expenditure arrangement, during profit distribution, the proportion of cash dividends of the profit distribution shall not be less than 80%;
2. If the Company's development is in maturity stage with substantial capital expenditure arrangements, during profit distribution, the proportion of cash dividends of the profit distribution shall not be less than 40%;
3. If the Company's development is in growth stage with substantial capital expenditure arrangements, during profit distribution, the proportion of cash dividends of the profit distribution shall not be less than 20%;

If the development stage of the Company cannot be easily identified but there are substantial capital expenditure arrangements, it can be carried out in accordance with the preceding paragraph.

(4) Intervals and proportion of profit distribution

Subject to the premise of fulfilling the profit distribution conditions under the provisions of the Articles of Association, the Company shall at least carry out profit distribution once a year. The board of directors of the Company can propose to distribute interim cash dividends according to the operating conditions and

capital requirements of the Company.

On satisfaction of the abovementioned conditions to distribute cash dividends, the Company's accumulative profit distribution in cash for the last 3 years shall not be less than 75% of the average annual distributable profits realised for the last 3 years, that is: (the accumulative profit distribution in cash for the last 3 years \geq [sum of the annual distributable profit realised in the last 3 consecutive years]/3 x 75%). In principle, the Company's annual distribution of cash dividends shall not be less than 25% of the realised distributable profits for the year (excluding the undistributed profits of last year).

(5) Conditions for distribution of bonus shares

The board of directors of the Company may consider adopting methods such as distribution of bonus shares and conversion of capital reserves into issued capital for distribution. The Company shall consider the scale of the existing share capital before distribution of bonus shares, and pay attention to simultaneous growth in share capital and operating performance.

(6) Formulation procedures of profit distribution plan

According to the provisions of the Articles of Association, the board of directors may, after fully considering a variety of factors such as the Company's profitability, cash flow conditions, repeat production and investment needs of the Company together with the requests of shareholders (especially minority shareholders), and the opinion of independent directors and supervisors, propose an annual or interim profit distribution plan for the board of directors' consideration.

The profit distribution plan shall be approved by more than half of the board of directors at the board meeting, and by more than half of the voting rights held by the shareholders attending the shareholders' general meeting. If the shareholders' general meeting considers the proposal of dividend distribution by bonus shares or conversion of capital reserves into issued capital for distribution, the proposal shall be approved by more than two-thirds of the voting rights held by the shareholders attending the shareholders' general meeting.

When formulating cash dividend distribution proposal, the board of directors of the Company shall actively communicate and exchange views with shareholders, especially minority shareholders through various channels (including but not limited to telephone, fax and mail communication, etc.), to fully listen to their views and requests, and provide timely responses to minority shareholders' concerns. Independent directors shall deliver independent opinion on the dividend distribution proposal.

(7) Amendment procedures of profit distribution policies

If there are material changes in the external environment or the Company's own operating conditions, where amendments of the profit distribution policies are necessary, protection for the interest of minority shareholders of the Company shall be fully taken into account. The amended profit distribution policies shall not violate the requirements of relevant laws, regulations and regulatory documents. The proposal for amendment of profit distribution policies shall be considered at the board of directors meeting and the shareholders' general meeting. The proposal for amendment of profit distribution policies shall be approved by more than two-thirds of the board of directors at the board of directors meeting, and independent directors shall provide independent opinion. The proposal for amendment of profit distribution policies

shall be approved by more than two-thirds of the voting rights held by the shareholders attending the shareholders' general meeting.

When considering amendment of profit distribution policies, especially profit distribution in cash, the board of directors shall fully listen to the opinion of shareholders (especially minority shareholders of the Company), independent directors and supervisors.

(8) The Company's shareholders, independent directors and supervisory committee shall supervise the execution progress and decision-making procedures of the Company's profit distribution policies executed by the board of directors and management.

(9) During the implementation of profit distribution proposal, if there is any misappropriation of the Company's capital by any shareholder of the Company, the Company shall deduct the cash dividends allocated to such shareholder in order to repay the amount of misappropriated capital.

(10) With respect to executing the right to confiscating unclaimed dividends, the right cannot be executed until the relevant effective period expires.

(11) When formulating, considering and executing a specific profit distribution proposal, the board of directors shall comply with profit distribution policies as stipulated in applicable laws, administrative regulations, administrative rules of governmental departments, regulatory documents and the provisions of the Articles of Association.

(12) The Company shall disclose the execution status of distribution proposal and cash dividend distribution policies in its regular reports and indicate if it is compliant with laws and regulations.

4. Mechanism for the Profit Distribution and Return Plan to take effect

This Profit Distribution and Return Plan shall be interpreted by the board of directors of the Company and take effect after being considered and approved by the shareholders of the Company at the shareholders' general meeting.

This announcement is published 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 to exercise caution when dealing in the securities 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

31 December 2018, Fujian, the PRC

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