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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 in relation to the Formulation of the Production Volume Plan of Major Products for the Next Three Years (2020-2022)**

### **Important notes:**

This plan is solely formulated based on the current economic situations, market conditions and status of Zijin Mining Group Co., Ltd.\* (the "Company", "Zijin" or "Zijin Mining"), which is an indicator for internal management and control of the operating plan of the Company. It does not constitute the Company's forecast on the future and its realisation is subject to macroeconomic environment, market demand and supply, fluctuation of exchange rates and other factors, which results in considerable uncertainties. The forward looking statements contained therein, including future development plan, goals, etc., do not constitute any actual commitment of the Company to investors. There is a possibility that the Company will make appropriate adjustments to the plan based on actual situation and development needs. Investors are advised to understand the difference among the plan, forecast and commitment and be aware of investment risks.

The next three years (2020 to 2022) mark the important years to connect the past and open up to the future for the Company's internationalised development, and the key periods for realising Zijin's global mining dream. According to the Company's strategic development goal, "to build Zijin Mining as an extra-large scale international mining group with high technology and efficiency by 2030", based on the economic trend of mining industry and the actual development of the enterprise, the Company organised and formulated the production volume plan of major products for 2020-2022, which was considered and approved at the 13th extraordinary meeting of the sixth term of the board of directors of the Company.

### **I. The production volume plan of major products**

#### **(1) Mining**

<b>Name of product</b>	<b>2019 (Expected)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Compound annual growth rate</b>
Mine-produced gold (tonne)	39	40	42~47	49~54	7.9~11.5%
Mine-produced copper (thousand tonne)	370	410	500~560	670~740	21.9~26.0%
Mine-produced zinc	370	400	370~410	380~420	0.9~4.3%

(thousand tonne)					
Mine-produced silver (tonne)	267	246	236~262	242~269	-
Iron ore (million tonne)	3.25	3.32	2.99~3.32	2.99~3.32	-

Note: The production volume of iron ore includes the Company's 41.5% share of the production volume of Fujian Makeng Mining Company Limited on equity basis.

## (2) Refining

Name of product	2019 (Expected)	2020	2021	2022	Compound annual growth rate
Refined copper (thousand tonne)	550	600	580~730	610~760	3.5~11.4%
Refined zinc (thousand tonne)	220	250	260~320	260~320	5.7~13.3%

## II. Strategic measures and focuses in implementation

### (1) Deepen reforms and strive to build an internationalised management system of the Company

Internationalised development is the established development strategy of the Company. The Company's overseas gold and copper mineral resources have surpassed the domestic mineral resources; the overseas production volume of mine-produced gold has surpassed the domestic production volume of mine-produced gold as well. After two years, the production volume of overseas mine-produced copper will increase substantially and comprehensively surpass the domestic production volume, and the profits from overseas projects will surpass that from domestics. By deepening reforms, the Company shall focus on the existing domestic management system and transform and upgrade it to the management system of a large-scale international mining company. An innovative and quality development path shall be consistently explored for the Company, and a concise, regulated and highly efficient international management system and operation model with Zijin characteristics shall be concentrated on for development, in order to realise the comprehensive transformation and upgrade from a domestic operating system to an international system.

### (2) Stimulate the vitality and achieve a high-speed growth and new leap forward of the Company

Taking innovation in management and technology as the driving forces, as well as market and value creation as the principle, the Company shall comprehensively stimulate the motivation and creativity of the employees. Through reinforcing management and resolutely controlling the rising cost trend, the Company shall take all necessary measures to achieve rapid growth for the next three years, return to the society and investors with outstanding performance, and enable employees to realise their own value.

After years of mergers and acquisitions and self-initiated prospecting, the Company's reserve volumes of gold, copper and zinc mineral resources have increased substantially. The copper resources reserve volume is close to the level of world-class international mining companies. The transformation of the advantage in resources into the advantage in economic efficacies is the Company's core task of construction, production and operation for the next three years.

Realising multiple times of increase in mine-produced copper production volume is the most important

work in the future. The Timok copper-gold mine project in Serbia and the Kamo-a-Kakula copper project in the Democratic Republic of the Congo (the “DR Congo”) possess resources qualified for building world-class mines. Their high-grade resources will realise high efficacies. They are the Company’s flagship projects to be focused on and carried out. The Company shall strive to ensure that those mines will commence production and achieve 30% of the designated production capacity by 2021, 70% of the designated production capacity by 2022 and full production capacity by 2023. In the meantime, the technological upgrade and expansion of the Bor copper mine in Serbia shall be accelerated, and the Company shall achieve production capacity and reaching indicators of copper mine projects including the Bisha zinc and polymetallic mine in Eritrea, the Kolwezi copper (cobalt) mine in the DR Congo, the Duobaoshan copper mine, etc.

The Company shall consistently follow up merger and acquisition opportunities in the mining market and put emphasis on merger and acquisition of gold mine projects which are currently in production or will commence production soon. The proportion of resource volume and production volume of gold shall be raised. The approvals and constructions of the two large-scale gold mine projects of Shanxi Zijin and Longnan Zijin shall be accelerated. The operations of gold mine projects in current production including Porgera, Norton, Altynken and Zeravshan shall be solidified and improved, so as to achieve a steady growth in mine-produced gold.

### **(3) Driven by innovation and comprehensively elevate the standards of technology and informatisation**

The Company shall enhance the innovation-driven strategy, comprehensively strengthen the work of technology, research and development, invest in or acquire technical entities with significant influence in the industry and close relations with the Company’s businesses and integrate them with the existing technical team of the Company in an organic manner, so as to fully elevate the technical research and development levels of the Company to international levels. The Company shall focus on researches on application-oriented technologies in the aspects of prospecting, mining, processing, refining, environmental protection and material processing, break crucial technological bottlenecks and solve a series of problems in key technology and application constraining the development of the industry, enterprises and the world, in order to realise highly effective development of the existing key mines.

Informatisation and intelligentisation shall become important directions in upgrading the internationalised management and technology of the Company in the future. The standards of informatisation and intelligentisation development shall be fully elevated, so as to achieve effective assemble, management and utilisation of information and cultivate self-owned informatisation development capability.

### **(4) Uphold compliance with laws and regulations and comprehensively advance production safety and environmental and ecological protection levels**

The Company shall thoroughly comply with laws and regulations and manage its permits and licenses. By upholding the development guideline of “life comes first, giving priority to environmental protection” and “green mountains and clear water are our invaluable assets”, the Company shall persist in pursuing for the goal of “zero death in workplace, zero environmental incident and zero occupational disease”, carry out safety production responsibility with high standards and strict requirements, include contractors in its safety management system, relentlessly promote the development of green mines and ecological civilisation and

build up an international safety and environmental protection brand of Zijin Mining.

The board of directors considers that due to multiple factors such as country, community, policy and permits and licenses, there are uncertainties on the progress of construction, production commencement and achievement of production capacity of projects. The key to achieving the goals for the next three years is to promote the process of internationalisation, risk prevention and accelerate the construction and operating management of the key projects. The Company shall continue to promote Zijin Mining's spirit of "founding the business by overcoming hardships with exploratory and innovation" and refine various production and operating goals by years. The production volumes of major mineral products shall be realised according to the plan, and the Company's efficacies shall realise a leaping growth.

**This announcement is made on a voluntary basis.**

**This 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 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*

Fujian, the PRC, 12 November 2019

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