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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 Media Reports on the Issue of Unlicensed Mining Outside the Permitted Area of Urad Rear Banner Zijin Mining Co., Ltd.

Media has recently reported that Urad Rear Banner Zijin Mining Co., Ltd. (“Urad Rear Banner Zijin”), a subsidiary of Zijin Mining Group Co., Ltd.* (the “Company”), conducted unlicensed mining outside the permitted area. The Urad Rear Banner Public Security Bureau is investigating the case.

Urad Rear Banner Zijin was established in 2005. It is principally engaged in the development of the Sanguikou Zinc (Lead) Mine in Urad Rear Banner, Inner Mongolia. It owns the mining permit for the southern mining section of the Sanguikou Zinc (Lead) Mine, covering a mining area of 2.2797 square kilometres with a validity period from 6 June 2012 to 6 June 2042. The permitted mining scale is 10,000 tonnes/day. It also owns the exploration licence for the northern mining section, which was obtained in 2005 and has been extended for several times. The latest exploration area is 3.9 square kilometres, and the validity period is up to 7 December 2021. At present, an application has been made for transforming the exploration licence into a mining permit. As at the end of 2021, the retained resources of the Sanguikou Zinc (Lead) Mine were 1.75 million tonnes of zinc metal grading 2.38%, and associated lead metal resources of 380 thousand tonnes grading 0.54%.

Based on the Company’s preliminary understanding, the southern and northern mining sections of the Sanguikou Zinc (Lead) Mine belong to the same ore deposit. Urad Rear Banner Zijin applied for the mining permit of both the southern and northern mining sections as one mining permit in 2012. As exploration at the northern area was carried out to a lesser extent, Urad Rear Banner Zijin only managed to obtain the mining permit for the southern mining section. Urad Rear Banner Zijin then conducted a supplementary exploration at the northern mining section in 2012 and obtained a filing proof for resources and reserves in September 2013. Since then, Urad Rear Banner Zijin has applied for the mining permit for the northern mining section for several times. However, due to various factors such as mining industry policies and personal considerations, the mining permit for the northern mining section has never been obtained. The ores which were the by-products of exploration before 2018 were recovered. There were circumstances that mining

activities were carried out under an exploration licence, and certain mining activities were carried out outside the permitted area.

In 2021, 2.78 million tonnes of ore were mined and processed by Urad Rear Banner Zijin. The average grade of zinc and lead was 2.17% and 0.57%, respectively. Concentrates containing 50,432 tonnes of zinc and 10,662 tonnes of lead were produced. The realised sales income and net profit was RMB904.06 million and RMB87.44 million, respectively, representing 0.4% of the sales income and 0.56% of the net profit attributable to the owners of the parent of the Company in the year 2021, respectively. As at the end of 2021, the total assets and net assets of Urad Rear Banner Zijin was RMB2.27499 billion and RMB1.17888 billion, respectively, representing 1.09% of the total assets and 1.66% of the net assets attributable to the owners of the parent of the Company, respectively.

At present, as the suspected illegal mining activities of Urad Rear Banner Zijin have been reported, the Urad Rear Banner Public Security Bureau is investigating the case. The relevant departments have joined the investigation. The nature and situation of violation of laws and regulations are pending confirmation by the relevant departments. The Company attaches high importance to the issue, and has ordered Urad Rear Banner Zijin to actively cooperate with the judiciary and other responsible departments for the investigation. The Company has also started full legal compliance checking at all subsidiaries.

The Company will continue to pay attention to the progress of the case, and discharge the information disclosure obligation under the regulatory requirements in a stringent manner. Investors are advised to pay attention to the Company's announcements and the investment risks.

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, Ms. Lin Hongying and Mister Xie Xionghui as executive directors, Mister Li Jian as non-executive director, and Messrs. Zhu Guang, Mao Jingwen, Li Changqing, He Fulong, Suen Man Tak and Bo Shao Chuan as independent non-executive directors.

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

14 April 2022, Fujian, the PRC

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