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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 Progress of Acquisition of Equity Interest in Continental Gold Inc.

Reference is made to the Announcement in Relation to the Acquisition of Continental Gold Inc. in Cash (the "Announcement") of Zijin Mining Group Co., Ltd.* (the "Company") dated 2 December 2019. The Company, through a subsidiary established by Gold Mountains (H.K.) International Mining Company Limited ("Gold Mountains (H.K.)"), its overseas wholly-owned subsidiary, proposed to acquire 100% equity interest in Continental Gold Inc. ("Continental Gold"), a company listed on the Toronto Stock Exchange of Canada, at a consideration of CAD5.50 per common share, representing an aggregate consideration of approximately CAD1.33 billion. The Company will subsequently introduce cooperation partners to jointly invest in the project. Unless otherwise indicated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

The core asset of Continental Gold is its 100%-owned interest in the Buriticá gold mine project in Antioquia Department, Colombia. Progress of acquisition and construction of the project is as follows:

I. Approvals of the proposed acquisition

As at the date of this announcement, all domestic and overseas approvals or filing formalities required for the proposed acquisition of equity interest in Continental Gold have been completed. The relevant closing procedure is currently in progress.

II. Introduction of cooperation partners

Gold Mountains (H.K.) established Zijin (America) Gold Mining Company Limited ("Zijin America") in Hong Kong as the principal of the transaction, and introduced cooperation partners to subscribe for certain equity interest in Zijin America. Gold Mountains (H.K.) will own approximately 68.766% of Zijin America's equity interest after such subscription. All shareholders of Zijin America will totally invest USD1.378 billion in cash. The subscription amount will be mainly applied for the purposes of settling the consideration and transaction fees for the proposed acquisition of the equity interest in Continental Gold, as

well as repaying part of Continental Gold's debts.

Pursuant to the shareholders' agreement of Zijin America, the board of directors of Zijin America shall consist of 4 directors, among which, the Company is entitled to appoint 3 of them. The management of Zijin America will be delegated by the Company, and the Company is authorised to be responsible for Continental Gold's operation and management.

The introduction of cooperation partners to Zijin America does not constitute a notifiable transaction under Chapter 14 or a connected transaction under Chapter 14A of the Company under the Listing Rules.

III. Construction progress of project

After entering into the Arrangement Agreement with Continental Gold, the Company promptly deployed an observer team (the team members of which will also be the key managing personnel of the project company) to the Buriticá gold mine project in mid-December 2019, to arrange for the transitional work and prepare for the closing of the proposed acquisition, as well as maintain good communication and coordination with the existing managing team. It is expected that the proposed acquisition of the project will be completed in early March 2020 pursuant to the agreements between the two parties.

The construction progress of the Buriticá gold mine project is in line with the Company's expectation and is on schedule. Currently, the major construction has been completed, and it is in the stage of trial production. According to the plan, the production line will be completed and the first batch of alloy gold will be produced in March 2020.

The Buriticá gold mine is a world-class, high-grade and large-scale gold mine, with resource volumes of 353 tonnes gold grading 9.3g/t in average and 1,469 tonnes of silver grading 38.8g/t in average. It has a good condition for mining. Besides, the deep and surrounding areas of the project have promising prospecting capacity and a great potential for exploration and reserve increment. The project will adopt underground mining, with a designated ore processing volume of 3,000 tonnes per day. After reaching production capacity, annual average gold production volume will be approximately 7.8 tonnes. It is expected that the Buriticá gold mine will produce approximately 4-5 tonnes of gold in 2020, and may bring good economic efficacy to the Company taking into account of the current escalated gold price and the high ore grading of the subject mine.

Currently, the Company owns a total volume of 1,887 tonnes of gold resources reserve on equity basis. After successfully acquiring the Buriticá gold mine, the Company's gold resources reserve volume will be increased by 243 tonnes on equity basis and reach 2,130 tonnes, representing a 12.88% increase. In 2019, the Company's mine-produced gold production volume reached 40.83 tonnes, and the Company achieved an 11.87% increase in gold production volume. The Company anticipates that with the introduction of the

Buriticá gold mine project, the Company's mine-produced gold production volume will be significantly elevated; the profit generated from the gold segment will further increase, and the competitiveness of the Company's gold business will be fully enhanced.

The Company will make further announcement in relation to the progress of the project in a timely manner.

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 of directors of the Company 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 and Suen Man Tak as independent non-executive directors.

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

27 February 2020, Fujian, the PRC

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