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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)

THIRD QUARTERLY REPORT 2010

The board of directors (the "Board of Directors") of Zijin Mining Group Co., Ltd.* (the "Company") announces the unaudited results (the "Third Quarterly Report") of the Company and its subsidiaries (collectively the "Group") for the nine months ended 30 September 2010, which have been prepared in accordance with the People's Republic of China (the "PRC") Accounting Rules and Standards. This announcement is made in accordance with Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This report is written in both Chinese and English. In the case of any discrepancies the Chinese version of this report shall prevail over its English version.

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Luo Yingnan, Liu Xiaochu, Lan Fusheng, Huang Xiaodong, and Zou Laichang as executive directors, Mister. Peng Jiaqing as non-executive director, and Messrs. Su Congfu, Chen Yuchuan, Lin Yongjing, and Wang Xiaojun as independent non-executive directors.

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

27 October 2010 Fujian, the PRC

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

Zijin Mining Group Co., Ltd.*

Third Quarterly Report 2010

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1 Important Notice

1.1 The board of directors, supervisory committee, and the directors, supervisors and senior management of the Company confirm that there are no false representations or misleading statements contained in or material omissions from this report, and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of the contents contained herein.

1.2 All directors of the Company attended the board of directors meeting.

1.3 The third quarterly financial report of the Company was unaudited.

1.4

Person-in-charge of the Company	Mr. Chen Jinghe
Person-in-charge of accounting affairs of the Company	Ms. Lin Hongying
Head of the accounting department (accounting chief of the Company)	Mr. Chen Hong

Mr. Chen Jinghe, person-in-charge of the Company, Ms. Lin Hongying, the person-in-charge of accounting affairs of the Company, and Mr. Chen Hong, the head of the accounting department (accounting chief of the Company), hereby warrant that the financial statements contained in this quarterly report are true and complete.

2 Company's General Information

2.1 Major accounting data and financial indicators

Unit: RMB

	As at the end of the reporting period	As at the end of last year	Changes as at the end of the reporting period as compared with the end of last year (%)
Total assets (RMB)	36,520,459,122.00	29,646,138,301.00	23.19
Equity holders' interests (or shareholders' interests) (RMB)	20,672,232,523.00	18,170,180,121.00	13.77
Net assets per share attributable to the shareholders of the listed company (RMB/share)	1.422	1.250	13.76
	From the beginning of the year to the end of the reporting period (January to September)		Changes as compared with the same period last year (%)
Net cash flow generated from operating activities (RMB)	4,543,518,908.00		43.43
Net cash flow per share generated from operating activities (RMB/share)	0.312		43.12
	Reporting period (July to September)	From the beginning of the year to the end of reporting period (January to September)	Changes for the reporting period as compared with the same period last year (%)
Net profit attributable to the shareholders of the listed company (RMB)	1,140,426,336.00	3,847,232,839.00	19.05
Basic earnings per share (RMB/share)	0.078	0.265	18.18
Basic earnings per share before extraordinary profit and loss (RMB/share)	0.089	0.279	48.33
Diluted earnings per share (RMB/share)	0.078	0.265	18.18
Weighted average return on net assets (%)	5.69	19.73	increased by 0.13%
Weighted average return on net assets before deduction of extraordinary profit and loss (%)	6.42	20.80	increased by 1.36%

Deduction of extraordinary items and amount:

Unit: RMB

Extraordinary items	Amount from the beginning of the year to the end of the reporting period (January to September) (RMB)
Profit / (loss) from the disposal of non-current assets	6,468,208
Government grant recognised in the period, excluding grant that were recognised according to the regulations of the national policies, and closely related to the ordinary business of the Company, either under the government's unified standard of grant or continuous regular grant programme under the government's policy	21,653,215
Except for the hedging business that related to the ordinary business of the Company, the fair value gains or losses on held-for-trading financial assets and liabilities and investment income from disposing held-for-trading financial assets and liabilities and available for sales financial assets	49,422,683
Donations	-239,296,638
Net profit from equity interest transfer	11,187,158
Net loss from equity interest disposal (of subsidiaries)	-12,899,747
Other non-operating income and expense other than above-mentioned items	-88,578,973
Income tax effect of extraordinary items	35,489,189
Minority interest effect of extraordinary items (after income tax)	6,971,769
Total	-209,583,136

2.2 Total number of shareholders and top ten holders of shares not subject to trading moratorium at the end of the reporting period

Unit: share

Total number of shareholders at the end of the reporting period (No. of shareholders)		930,043
Shareholdings of top ten holders of shares not subject to trading moratorium		
Name of shareholders (Full name)	Number of tradable shares not subject to trading moratorium held as at the end of the reporting period	Class of shares
HKSCC Nominees Limited	3,983,949,406	Shares listed overseas (H Shares)
Xinhuadu Industrial Group Co., Ltd. 新華都實業集團股份有限公司	1,675,046,071	RMB ordinary shares (A Shares)
Xiamen Hengxing Group Co., Ltd. 廈門恒興集團有限公司	310,500,000	RMB ordinary shares (A Shares)
Shanghang County Jinshan Trading Co., Ltd. 上杭縣金山貿易有限公司	170,830,000	RMB ordinary shares (A Shares)
Chen Jinghe 陳景河	88,000,000	RMB ordinary shares (A Shares)
Industrial and Commercial Bank of China - Shangzheng 50 Exchange-traded Funds 中國工商銀行－上證50交易型開放式指數證券投資 基金	53,356,335	RMB ordinary shares (A Shares)
China Construction Bank - Guotai Jinma Stable Return Equities Fund 中國建設銀行－國泰金馬穩健回報證券投資基金	33,863,456	RMB ordinary shares (A Shares)
Bank of China - Harvest Hushen 300 Equity Fund 中國銀行－嘉實滬深300指數證券投資基金	33,350,869	RMB ordinary shares (A Shares)
Industrial and Commercial Bank of China - Nuohan Value Growth Equity Fund 中國工商銀行－諾安價值增長股票證券投資基金	30,000,000	RMB ordinary shares (A Shares)
Guotai Junan - China Construction Bank - HSBC 國泰君安－建行－香港上海滙豐銀行有限公司	29,529,247	RMB ordinary shares (A Shares)

3 Significant Events

3.1 Analysis

During the period from January to September 2010, the Group's turnover was RMB20,617,000,000, representing an increase of RMB5,858,000,000 or 39.69% over the same period last year (same period last year: RMB14,758,000,000). Net profit attributable to holders of the parent company was RMB3,847,000,000, representing an increase of RMB956,000,000 or 33.09% over the same period last year (same period last year: RMB2,891,000,000).

3.2 The table below sets out details of sales of products for the period ended 30 September 2010 and 30 September 2009 respectively:

Project Product	Jan - Sept 2010				Jan - Sept 2009					
	Unit price (tax excluded)		Sales volume		Unit price (tax excluded)		Sales volume		Amount	
	RMB				RMB			RMB'000		
Mine-produced gold bullion	260.31	/g	16,629.69	kg	4,328,920	205.46	/g	18,662.88	kg	3,834,520
Mine-produced gold concentrates	226.44	/g	5,954.39	kg	1,348,320	178.43	/g	4,451.65	kg	794,300
Processed gold	256.03	/g	29,502.12	kg	7,553,370	206.77	/g	31,923.52	kg	6,600,900
Copper concentrates	41,865.00	/t	61,950.00	t	2,593,550	27,091.00	/t	49,641.00	t	1,344,830
Mine-produced copper cathodes	47,723.00	/t	7,883.00	t	376,220	33,975.00	/t	9,158.00	t	311,140
Zinc bullion	14,655.00	/t	126,371.00	t	1,852,000	10,914.00	/t	72,360.00	t	789,770
Zinc concentrates	8,851.00	/t	29,191.00	t	258,360	5,887.00	/t	24,102.00	t	141,880
Iron concentrates	584.00	/t	943,032.00	t	551,120	462.00	/t	779,738.00	t	360,310
Others					2,635,890					1,160,030
Less: internal sales					-881,190					-579,270
Total					20,616,560					14,758,400

Note:

(1) Sales under Others mainly includes sales income of RMB547,000,000 from copper belts, RMB441,000,000 from copper pipes, and RMB263,000,000 from silver products, RMB72,300,000 from tin concentrates, RMB67,000,000 from sulfur products.

(2) Elimination of the internal sales was not taken into consideration for all products in this table.

The Group's turnover for the period from January to September 2010 increased by 39.69% over the same period in 2009, which was mainly attributable to:

1. A significant increase in major products' price over the same period last year, in particular, the unit selling price of mine-produced gold bullion increased by 26.70% over the same period last year, the unit selling price of mine-produced copper increased by 40.46% over the same period last year, and the unit selling price of zinc bullion increased by 34.27% over the same period last year.
2. A significant increase in major products' sales volume such as copper and zinc over the same period last year. In particular: a. the sales volume of zinc bullion increased by 74.64% over same period last year, it was attributable to the production commencement of the 2nd phase of Bayannaer Zijin Zinc Refinery Plant; b. the sales volume of copper concentrates increased by 24.80% over the same period last year, it was attributable to the increased production of Qinghai Deerni Copper Mine and Xinjiang Ashele Copper Mine.

3.3 Analysis of cost of sales and gross profit margin

The Group is mainly engaged in mine development. The Group's cost of sales mainly includes mining, processing and refining costs, ore transportation cost, raw materials consumption cost, salaries and depreciation of non-current assets employed for production.

The table below sets out details of the gross profit margin for the periods ended 30 September 2009 and 30 September 2010.

Product	Volume		Unit selling cost (RMB)		Gross profit margin (%)	
	Jan - Sept 2010	Jan - Sept 2009	Jan - Sept 2010	Jan - Sept 2009	Jan - Sept 2010	Jan - Sept 2009
Mine-produced gold bullion	16,083 kg	18,078 kg	68.34 /g	58.43 /g	73.75	71.56
Mine-produced gold concentrates	6,054 kg	4,604 kg	87.92 /g	87.96 /g	61.17	50.70
Processed gold	29,357 kg	31,854 kg	255.23 /g	205.19 /g	0.31	0.77
Copper concentrates	59,822 t	51,094 t	10,317.00 /t	9,120.00 /t	75.36	66.34
Mine-produced copper cathodes	6,562 t	9,019 t	23,000.00 /t	14,751.00 /t	51.81	56.58
Zinc bullion	141,570 t	75,648 t	13,933.00 /t	9,090.00 /t	4.93	16.72
Zinc concentrates	29,906 t	23,818 t	3,031.00 /t	2,490.00 /t	65.76	57.70
Iron concentrates	1,092,918 t	841,676 t	177.00 /t	184.00 /t	69.71	60.22
Overall					35.68	33.71

Note: Elimination of the internal sales was not taken into consideration for all products in this table.

During the period from January to September 2010, the Group's overall gross profit margin was 35.68%, representing an increase of 1.97% over the same period last year. It was mainly attributable to: the metal price increased substantially when compared with the same period last year, the price of gold, copper and zinc increased 26.70%, 40.46% and 34.27% respectively over the same period last year.

During the period from January to September 2010, due to the increase in the price of raw materials, salaries, extremely bad weather such as the snowstorm disaster in northern area and the drought in southwest area, and the influence of the "3 July Incident", the unit cost of sales of Zijinshan's gold bullion and mined-produced copper cathodes increased by 19.71% and 55.92% over the same period last year respectively. The above factors together led to the increase of the unit cost of sales of mine-produced gold, copper concentrates and mine-produced zinc by 14.64%, 13.13% and 21.72% over the same period last year respectively.

The increased in the unit cost of sales of refinery products is mainly attributable to the increase in price of raw materials.

3.4 Administrative Expenses Analysis

Item	Jan-Sept 2010 (RMB)	Jan-Sept 2009 (RMB)	Changes as compared with the same period last year (RMB)	Changes as compared with the same period last year (%)
Administrative Expenses	834,159,406	578,021,628	256,137,778	44.31%

The Group's administrative expenses for the period from January to September 2010 increased by 44.31% over the same period last year. Increase in income and production volume which led to the increase in the standard charges and fees by RMB57,850,000 and following the rebound of the economy and increase in values of commodity, the labour cost of the Group increased by RMB67,940,000, both of which were the major factors for the increase of the administrative expenses. Moreover, there were an increase in administrative expenses of technological research and development (increased by RMB19,310,000), investment project consultancy fee (increased by RMB16,130,000), taxes (increased by RMB10,840,000) and depreciation (increased by RMB9,210,000) over the same period last year. Other costs under the administrative expenses also increased.

3.5 Notes and reasons for the significant changes in financial statements and financial indicators

Applicable Not applicable

3.5.1 Note for significant changes in balance sheet items

Unit: RMB

Items	Closing balance of the period	Opening balance of the year	Changes as compared with the beginning of the year	Percentage as changes compared with the beginning of the year (%)
Held-for-trading financial assets	245,563,565	144,200,652	101,362,913	70.29
Bills receivables	240,355,646	144,666,432	95,689,214	66.14
Advance to suppliers	782,983,744	349,030,549	433,953,195	124.33
Other current assets	439,925,916	693,181,095	-253,255,179	-36.54
Available-for-sale investments	615,908,587	383,855,385	232,053,202	60.45
Held-to-maturity investments	1,361,085,430	-	1,361,085,430	-
Long-term equity investments	2,235,427,594	1,688,066,879	547,360,715	32.43
Construction in progress	3,547,171,720	2,574,841,583	972,330,137	37.76
Construction materials	89,734,980	135,851,038	-46,116,058	-33.95
Other non-current assets	3,299,646,786	2,224,007,556	1,075,639,230	48.36
Short-term loans	5,294,177,797	3,340,654,748	1,953,523,049	58.48
Advance from clients	708,314,812	310,275,422	398,039,390	128.29
Dividend payables	13,391,769	47,681,818	-34,290,049	-71.91
Other current liabilities	-	265,000,000	-265,000,000	-100
Long-term liabilities due within one year	73,832,700	338,305,312	-264,472,612	-78.18
Long-term loans	2,524,005,004	407,410,000	2,116,595,004	519.52
Provisions	19,500,000	-	19,500,000	-
Retained profit	9,049,522,097	6,691,529,106	2,357,992,991	35.24

Reasons for the changes in balance sheet items

1. Held-for-trading financial assets: It was mainly attributable to the increase in investment of trading equity at the end of the report period when compared with the beginning of the year.
2. Bills receivables: It was mainly attributable to the increase in the Group's sales revenue and settlement by using bills during the period.
3. Advance to suppliers: It was mainly attributable to the Group's subsidiaries, Luoyang Yinhui, Qinghai West, Xinjiang Jinbao and Zijinshan Gold Mine of the Company have increased prepayments on raw materials.
4. Other current assets: It was mainly attributable to the Group no longer recognised its subsidiary, Fuyun Jinshan, as assets available for sale and re-classified as current assets. (Pursuant to the memorandum entered between Zijin Mining Group North-west Company Limited, Xinxing Ductile Iron Pipes (Xinjiang) Resources Development Company Limited, and Aleitai Qiaxia Tiemierti Mining Company Limited on 13 July 2010, the three parties agreed to terminate an investment agreement signed by the Xinjiang Resources Company, Fuyun Jinshan Mining Company Limited and Aleitai Qiaxia Tiemierti Mining Company Limited. All three parties also agreed to terminate a supplementary agreement in relation to the capital injection and restructuring of Aleitai Resources Company which was signed by Xinjiang Resources Company and Zijin Mining Group North-west Company Limited. Hence, Fuyun Jinshan was no longer considered as assets available for sales).

5. Available-for-sale investments: It was mainly attributable to the increase in holding of equity investment of Inter-Citic Minerals Inc. and the fair value increment of Continental Minerals Corporation during the first half of the year.
6. Held-to-maturity investments: It was mainly attributable to the purchase of the convertible bonds of Glencore Finance (Europe) S.A.
7. Long-term equity investments: It was attributable to the investment in associates such as Wuxin Copper (RMB204,000,000), Xinjiang Tianlong (RMB165,000,000), Wengfu Zijin Chemical Industry Company Limited (RMB100,000,000) and Shanghang County Village Commercial Bank (RMB88,000,000).
8. Construction in progress: It was mainly attributable to the development of the 200,000 tonnes copper refinery plant of Zijin Copper and infrastructure and technological advancement of Heilongjiang Duobaoshan, Zijin Longxing, Zijinshan Gold and Copper Mine.
9. Construction materials: It was mainly attributable to the consumption of the construction material at the beginning of the year for the construction in progress during the period.
10. Other non-current assets: It was mainly attributable to the prepayment for the construction, machinery and equipments, investment and exploration costs.
11. Short-term loans: It was mainly attributable to the increase in short-term financing.
12. Advance from clients: It was mainly attributable to the increase in receipts in advance for sales of copper, iron and gold concentrates.
13. Dividend payables: It was mainly attributable to the Group's subsidiaries settlement of the dividend payables to the minority shareholders.
14. Other current liabilities: It was mainly attributable to the Group no longer recognised its subsidiary, Fuyun Jinshan, as assets available for sale and its loan was no longer recognised as other current liabilities (please refer to 3.5.1 (4)).
15. Long-term liabilities due within one year: It was mainly attributable to settlement of the long-term liabilities due at the beginning of the year amounted to RMB169,480,000 and the long-term liabilities due in current year of RMB95,000,000.
16. Long-term loans: It was mainly attributable to the Group increased loan for capital investment and no longer recognised its subsidiary, Fuyun Jinshan, as assets available for sale and re-classified its current liabilities.
17. Provisions: It was mainly attributable to the natural disaster and its substantial consequences, the Group has set aside the provision for the compensation and penalty.
18. Retained profits: It was mainly attributable to the increase of the Group's net profit in the period.

3.5.2 Note for the significant changes in major income statement items

Unit: RMB

Items	2010 (January to September)	2009 (January to September)	Changes compared with the same period last year	Percentage changes compared with the same period last year (%)
Operating revenue	20,616,564,920	14,758,399,604	5,858,165,316	39.69
Cost of sales	13,260,542,053	9,784,015,498	3,476,526,555	35.53
Sales taxes and levies	264,569,264	171,337,791	93,231,473	54.41
Administrative expenses	834,159,406	578,021,628	256,137,778	44.31
Finance costs	153,249,735	39,088,678	114,161,057	292.06
Loss from impairment of assets	154,489,875	-11,941,237	166,431,112	1393.75
Gains from changes in fair value	2,642,487	16,294,300	-13,651,813	-83.78
Investment income	118,369,334	-53,753,555	172,122,889	320.21
Non-operating income	44,230,281	162,334,098	-118,103,817	-72.75
Non-operating expenses	346,883,961	107,157,773	239,726,188	223.71
Income tax	975,969,648	718,675,627	257,294,021	35.80
Net profit attributable to equity holders of the Company	3,847,232,839	2,890,649,215	956,583,624	33.09
Minority interests	620,258,547	354,483,070	265,775,477	74.98
Other comprehensive income	121,412,455	92,197,176	29,215,279	31.69

Reasons for the changes in income statement items

1. Operating revenue: It was mainly attributable to prices of the non-ferrous metals such as gold and copper were higher when compared with the same period last year and part of the Group's subsidiaries increased their production volume and the corresponding sales volume increased.
2. Cost of sales: It was mainly attributable to the increase in production and prices of raw materials and the cost of sales increased accordingly.
3. Sales taxes and levies: It was mainly attributable to the increase of sale revenue of gold concentrates, copper and zinc products, and the relevant taxes increased accordingly.
4. Administrative expenses: Details refer to the sub-section 3.4 (Administrative Expenses Analysis) of section 3 (Significant Events) of this report.
5. Finance costs: It was mainly attributable to the increase in loan amount and hence the interest expenses increased accordingly.
6. Loss from impairment of assets: It was mainly attributable to the provision for impairment loss on long term investment of Lankatasikaya Closed Mining Company Limited, certain mining structures and construction in progress during the year.
7. Gains from changes in fair value: It was mainly attributable to amount of the hedging contracts held by the Group decreased when compared with the same period last year.
8. Investment income: It was mainly attributable to the Group's gain in settlement of hedging contracts of RMB4,050,000, gain in equity investment of RMB34,600,000, loss on disposal of equity investment of RMB1,710,000, and investment gain of RMB81,430,000 by adopting cost method and equity method.

9. Non-operating income: Gain on disposal of the exploration right of Guizhou Wuchuan Bauxite Mine was recognized as non-operating income in the period last year, this led to decrease in non-operating income in the current period.
10. Non-operating expenses: It was mainly attributable to the increase in donation and provision for penalty and compensation due to disaster and the incident.
11. Income tax: It was mainly attributable to the increase in total profit in the current period.
12. Net profit attributable to the equity holders of the Company: It was mainly attributable to the increase in profit.
13. Minority interests: It was mainly attributable to the increase in profit of the non-wholly owned subsidiaries as a result of the increase in copper and zinc prices.
14. Other comprehensive income: It was mainly attributable to the increase in exchange translation differences and increase in fair value of available for sales investments.

3.5.3 Note for the significant changes in major items of the cash flow statement

Unit: RMB

Items	2010 (January to September)	2009 (January to September)	Changes compared with the same period last year	Percentage changes compared with the same period last year (%)
Net cash flows from operating activities	4,543,518,908	3,167,757,887	1,375,761,021	43.43
Net cash flows from investing activities	-5,227,844,993	-1,890,091,111	-3,337,753,882	-176.59
Net cash flows from financing activities	1,529,900,371	-884,314,405	2,414,214,776	273.00

Reasons for the changes in cash flow statement items:

1. Net cash flows from operating activities: It was mainly attributable to the increased sales revenue as a result of the increase in production and selling prices.
2. Net cash flows from investing activities: It was mainly attributable to purchase of the convertible bonds of the Glencore Finance (Europe) S.A., increased in the investment in associates and the investment in the non current assets for the purpose of acceleration of production commencement.
3. Net cash flows from financing activities: It was mainly attributable to the increase in short and long term loans.

3.6 Analysis and explanation on the progress of significant events and their impact and resolutions

- Applicable Not applicable

The environmental incident that occurred on 3 July 2010 due to a sudden leakage of waste water from the pond at Zijinshan Copper Mine Hydro-metallurgical Plant caused serious damage to the Company's image. After the incident, the Company subsequently suspended the production of Zijinshan Copper Mine Hydro-metallurgical Plant and reduced the gold production and copper production plan by 1 tonne and 10,000 tonnes respectively; on 30 September 2010, the Company received an administrative decision from the Fujian Provincial Department of Environmental Protection, it confirms the direct loss of this incident is RMB31,877,100 and a fine of RMB9,563,130 be imposed on the Company; the confirmation of relevant legal responsibilities of the responsible person is under investigation. Currently, the Company is establishing the recovery construction of Zijinshan Copper Mine Hydro-metallurgical Plant by appointing a design unit and consulting each level of administrative supervisory department the rectification opinion, in order to adjust the construction scale, to rectify effectively, to insist high standard of prevention. Upon the receipt of the approval, the Company would try to complete its recovery construction and resume its production by 1 year time.

On 21 September 2010, the atmospheric effects of typhoon “Fanapi” caused continuous heavy rainfall in Yinyan Tin Mine owned by the Group’s subsidiary, Xinyi Zijin. Due to the severe mountain torrents and debris flow, the dam of the Kaoqiling tailings pool of Yinyan Tin Mine collapsed after overflow. This resulted in damages to some houses, farmland downstream and caused casualties. The Guangdong party committee and provincial government have set up an investigation team to further investigate this disaster. On 16 October 2010, Xinyi Zijin received a notice of response to proceedings issued by the Guangdong Province Xinyi City People’s Court, Xinyi City People’s Government request the court to order Xinyi Zijin to compensate loss of RMB19,500,000, in respect of loss exceeding the amount of RMB19,500,000, further processing will be filed separately upon full verification of the amount of loss. The Company has engaged a lawyer to response to proceedings and will make further disclosure in relation to the proceedings.

3.7 Performance of undertakings given by the Company, shareholders and the effective controlling person

Applicable Not applicable

1. The controlling shareholder Minxi Xinghang State-owned Assets Investment Co., Ltd. has undertaken within a period of 36 months from the date of listing (i.e. 25 April 2008) of the A Shares, it will not transfer or nominate any other persons to manage or deal with its A Shares and will not proceed with any re-purchase of such A Shares by the Company.
2. The controlling shareholder Minxi Xinghang State-owned Assets Investment Co., Ltd. (“Minxi Xinghang”) has undertaken, during the period of being the controlling shareholder of the Company, Minxi Xinghang and its wholly-owned or controlling enterprise will not engage in those business that is competitive or constitute a competitive threat to the Company’s main business or main products within or outside the PRC, including invest, purchase, merge locally or globally or entrust to operate a company, business or other economy association which main business or product is same or similar to the Company. The Company will have priority to develop new business segment while Minxi Xinghang and other wholly-owned or controlling enterprise will not develop the same business segment.

The above undertakings were being fulfilled, no commitment has been breached.

3.8 Warning in respect of forecast of possible net loss from the beginning of the year to the end of the next reporting period or warning in respect of any significant changes in net profit as compared with that of the corresponding period of previous year and the reasons herefore

Applicable Not applicable

**3.9 Execution of dividend distribution in the reporting period
No dividend distribution has been executed for the reporting period.**

Zijin Mining Group Co., Ltd.*
Legal Representative: Chen Jinghe
28 October 2010

4 Appendix
4.1

Consolidated Statement of Financial Position
30 September 2010

Prepared by Zijin Mining Group Co., Ltd.*

Unit: RMB (unaudited)

Items	Period end balance	Year beginning balance
Current assets:		
Cash and cash equivalents	5,016,441,742	4,139,956,374
Settlement reserve	-	-
Loans to others	-	-
Held-for-trading investments	245,563,565	144,200,652
Bills receivables	240,355,646	144,666,432
Trade receivables	454,073,172	427,832,390
Advance to suppliers	782,983,744	349,030,549
Premiums receivables	-	-
Reinsurance receivables	-	-
Reinsurance policy reserve receivables	-	-
Interest receivables	-	-
Dividends receivables	-	-
Other receivables	483,269,081	424,685,281
Buying back the sale of financial assets	-	-
Inventories	3,072,718,265	2,637,617,977
Non-current assets due within one year	-	-
Other current assets	439,925,916	693,181,095
Total current assets	10,735,331,131	8,961,170,750
Non-current assets:		
Loans and advances	-	-
Available-for-sale investments	615,908,587	383,855,385
Held-to-maturity investments	1,361,085,430	-
Long-term receivables	-	-
Long-term equity investments	2,235,427,594	1,688,066,879
Investment properties	53,611,304	55,145,332
Property, plant and equipments	8,261,288,324	7,340,321,073
Construction in progress	3,547,171,720	2,574,841,583
Construction materials	89,734,980	135,851,038
Fixed assets to be disposed of	-	-
Productive biological assets	-	-
Oil and gas assets	-	-
Intangible assets	5,202,330,178	5,176,998,972
Development expenditures	-	-
Goodwill	423,575,651	437,396,940
Long-term deferred expenses	602,191,428	580,381,301
Deferred income tax assets	93,156,009	88,101,492
Other non-current assets	3,299,646,786	2,224,007,556
Total non-current assets	25,785,127,991	20,684,967,551
Total assets	36,520,459,122	29,646,138,301

Zijin Mining Group Co., Ltd.* Third Quarterly Report 2010

Items	Period end balance	Year beginning balance
Current liabilities:		
Short-term loans	5,294,177,797	3,340,654,748
Loans from central bank	-	-
Deposits taking and deposits in peers	-	-
Borrowed funds	-	-
Financial liabilities held for trading	-	-
Bills payables	-	-
Trade payables	1,231,557,140	978,186,421
Advance from clients	708,314,812	310,275,422
Funds from disposal of repurchased financial assets	-	-
Handling fee and commission payables	-	-
Accrued payroll and welfare	168,801,994	221,166,784
Tax payables	696,016,027	564,363,895
Interest payables	-	-
Dividends payables	13,391,769	47,681,818
Other payables	899,402,498	1,102,579,579
Reinsurance payables	-	-
Reserve for insurance policies	-	-
Agent brokage fee	-	-
Agent underwriting fee	-	-
Long-term liabilities due within one year	73,832,700	338,305,312
Other current liabilities	-	265,000,000
Total current liabilities	9,085,494,737	7,168,213,979
Non-current liabilities:		
Long-term loans	2,524,005,004	407,410,000
Bond payables	-	-
Long-term payables	253,946,223	272,480,101
Specific accounts payables	33,858,876	40,679,515
Provisions	19,500,000	-
Deferred income tax liabilities	131,766,912	143,889,722
Other non-current liabilities	-	-
Total non-current liabilities	2,963,077,015	864,459,338
Total liabilities	12,048,571,752	8,032,673,317
Owners' interests (or shareholders' interests):		
Paid-up (share) capital	1,454,130,910	1,454,130,910
Capital reserves	9,167,852,379	9,049,520,390
Less: reserved shares	-	-
Project reserves	79,397,893	71,752,895
Statutory reserves	999,800,342	999,800,342
General risk reserves	-	-
Retained profits	9,049,522,097	6,691,529,106
Exchange translation differences	-78,471,098	-96,553,522
Equity attributable to the equity holders of the Company	20,672,232,523	18,170,180,121
Minority interests	3,799,654,847	3,443,284,863
Total equity	24,471,887,370	21,613,464,984
Total equity and liabilities	36,520,459,122	29,646,138,301

Company's legal representative:
Mr. Chen Jinghe

Person-in-charge of accounting:
Ms. Lin Hongying

Head of accounting department:
Mr. Chen Hong

Statement of Financial Position of the Parent Company
30 September 2010

Prepared by Zijin Mining Group Co., Ltd.*

Unit: RMB (unaudited)

Items	Period end balance	Year beginning balance
Current assets:		
Cash and cash equivalents	3,226,888,918	2,644,008,967
Held-for-trading investments	101,929,041	8,363,343
Bills receivables	73,926,200	41,827,188
Trade receivables	128,551,871	107,389,699
Advance to suppliers	259,844,059	61,495,784
Interest receivables	-	-
Dividends receivables	10,462,500	-
Other receivables	4,717,348,184	3,638,934,776
Inventories	302,055,535	320,580,669
Non-current assets due within one year	-	-
Other current assets	216,194,497	61,765,161
Total current assets	9,037,200,805	6,884,365,587
Non-current assets:		
Available-for-sale investments	172,451,177	-
Held-to-maturity investments	-	-
Long-term receivables	-	-
Long-term equity investments	8,905,194,682	8,622,515,365
Investment properties	-	-
Property, plant and equipments	887,080,523	785,299,419
Construction in progress	974,352,489	805,360,575
Construction materials	8,435,747	35,210,681
Fixed assets to be disposed of	-	-
Productive biological assets	-	-
Oil and gas assets	-	-
Intangible assets	381,637,145	405,047,345
Development cost	-	-
Goodwill	-	-
Long-term deferred expenses	82,077,974	93,066,222
Deferred income tax assets	13,103,210	9,783,756
Other non-current assets	1,107,272,566	1,107,816,729
Total non-current assets	12,531,605,513	11,864,100,092
Total assets	21,568,806,318	18,748,465,679

Items	Period end balance	Year beginning balance
Current liabilities:		
Short-term loans	2,140,500,000	1,098,854,253
Financial liabilities held for trading	-	-
Bills payables	-	-
Trade payables	406,146,043	210,201,361
Advance from clients	27,869,542	59,083,401
Accrued payroll and welfare	109,560,199	130,737,525
Taxes payables	248,104,395	183,042,559
Interest payables	-	-
Dividends payables	-	-
Other payables	494,114,813	401,310,012
Long-term liabilities due within one year	5,832,700	166,877,173
Other current liabilities	-	-
Total current liabilities	3,432,127,692	2,250,106,284
Non-current liabilities:		
Long-term loans	335,055,000	341,410,000
Bond payables	-	-
Long-term payables	232,190,691	232,593,816
Specific accounts payables	9,296,726	9,438,300
Provisions	-	-
Deferred income tax liabilities	-	-
Other non-current liabilities	-	-
Total non-current liabilities	576,542,417	583,442,116
Total liabilities	4,008,670,109	2,833,548,400
Owners' interests(or shareholders' interests):		
Paid-up (share) capital	1,454,130,910	1,454,130,910
Capital reserves	9,680,548,780	9,636,336,580
Less: reserved shares	-	-
Project reserves	31,589	671,181
Statutory reserves	771,211,840	771,211,838
General risk reserves	-	-
Retained profits	5,654,213,090	4,052,566,770
Total equity	17,560,136,209	15,914,917,279
Total equity and liabilities	21,568,806,318	18,748,465,679

Company's legal representative:
Mr. Chen Jinghe

Person-in-charge of accounting:
Ms. Lin Hongying

Head of accounting department:
Mr. Chen Hong

Consolidated Income Statement

Prepared by Zijin Mining Group Co., Ltd.*

Unit: RMB (unaudited)

Items	Amount for this reporting period (July to September)	Amount for the reporting period last year (July to September)	Amount from the beginning of the year to the end of reporting period (January to September)	Amount from the beginning of last year to the end of the reporting period of last year (January to September)
1. Total Revenue	7,156,074,998	5,128,811,299	20,616,564,920	14,758,399,604
Including: Operating revenue	7,156,074,998	5,128,811,299	20,616,564,920	14,758,399,604
2. Total operating expenses	5,345,359,532	3,732,037,349	14,991,462,027	10,812,308,762
Including: Cost of sales	4,672,288,576	3,372,651,756	13,260,542,053	9,784,015,498
Sales taxes and levies	101,895,416	63,750,678	264,569,264	171,337,791
Selling expenses	180,914,828	93,644,374	324,451,694	251,786,404
Administrative expenses	293,041,081	190,102,777	834,159,406	578,021,628
Finance costs	78,236,379	23,829,001	153,249,735	39,088,678
Loss from impairment of assets	18,983,252	-11,941,237	154,489,875	-11,941,237
Add: Gains from changes in fair value (losses are represented by "-")	29,434,173	22,414,815	2,642,487	16,294,300
Investment income (losses are represented by "-")	44,552,535	-80,658,910	118,369,334	-53,753,555
Including: share of profits / (losses) of associates and joint ventures	14,724,928	3,040,262	71,896,116	29,363,470
3. Operating profits	1,884,702,174	1,338,529,855	5,746,114,714	3,908,631,587
Add: Non-operating income	19,712,809	64,726,871	44,230,281	162,334,098
Less: Non-operating expenses	234,112,362	34,864,802	346,883,961	107,157,773
Including: Net loss from disposal of non-current assets	4,609,671	2,776,999	8,824,021	5,943,283
4. Total profits (total losses are represented by "-")	1,670,302,621	1,368,391,924	5,443,461,034	3,963,807,912
Less: Income tax	307,640,214	244,501,790	975,969,648	718,675,627
5. Net profits (net losses are represented by "-")	1,362,662,407	1,123,890,134	4,467,491,386	3,245,132,285
Net profit attributable to equity holders of the Company	1,140,426,336	957,958,606	3,847,232,839	2,890,649,215
Net profit attributable to minority interests	222,236,071	165,931,528	620,258,547	354,483,070
6. Earnings per share:				
(1) Basic earnings per share	0.078	0.066	0.265	0.199
(2) Diluted earnings per share	0.078	0.066	0.265	0.199
7. Other comprehensive income	116,617,220	-7,176,833	121,412,455	92,197,176
8. Total comprehensive income	1,479,279,627	1,116,713,301	4,588,903,841	3,337,329,461
Net income attributable to equity holders of the Company	1,256,072,035	950,006,792	3,968,395,875	2,982,092,085
Net income attributable to minority interests	223,207,592	166,706,509	620,507,966	355,237,376

Company's legal representative:
Mr. Chen JinghePerson-in-charge of accounting:
Ms. Lin HongyingHead of accounting department:
Mr. Chen Hong

Income Statement of the Parent Company

Prepared by Zijin Mining Group Co., Ltd.*

Unit: RMB (unaudited)

Items	Amount for this reporting period (July to September)	Amount for the reporting period last year (July to September)	Amount from the beginning of the year to the end of reporting period (January to September)	Amount from the beginning of last year to the end of the reporting period of last year (January to September)
1. Revenue	1,239,989,193	1,013,365,052	4,960,301,924	3,462,088,047
Less: operating expenses	316,588,414	255,782,063	1,793,028,014	906,574,618
Sales taxes and levies	16,125,600	29,940,536	94,106,477	80,457,713
Selling expenses	1,694,257	2,394,122	7,164,904	9,715,293
Administrative expenses	87,657,468	60,210,869	298,797,256	199,870,931
Finance costs	12,591,943	3,215,670	22,245,958	-34,553,315
Loss from impairment of assets	-	-	-	-
Add: Gains from changes in fair value (losses are represented by "-")	-4,427,751	18,982,274	-22,129,761	-858,974
Investment income (losses are represented by "-")	107,925,866	-79,565,518	929,612,602	286,066,345
Including: share of profits/(losses) of associates and joint venture	-5,029,954	3,055,748	12,032,244	4,994,530
2. Operating profits (losses are represented by "-")	908,829,626	601,238,548	3,652,442,156	2,585,230,178
Add: Non-operating income	15,489,773	4,192,981	20,978,940	6,892,614
Less: Non-operating expenses	167,135,838	24,733,112	242,581,617	83,093,898
Including: loss from disposal of non-current assets	6,279	381,173	1,365,259	2,715,123
3. Total profits (total losses are represented by "-")	757,183,561	580,698,417	3,430,839,479	2,509,028,894
Less: Income tax	98,115,346	78,668,501	375,062,251	314,241,641
4. Net profit (net losses are represented by "-")	659,068,215	502,029,916	3,055,777,228	2,194,787,253
5. Earnings per share:				
(1) Basic earnings per share	0.045	0.035	0.210	0.151
(2) Diluted earnings per share	0.045	0.035	0.210	0.151
6. Other comprehensive income	20,100,864	-	44,212,200	-11,738,503
7. Total comprehensive income	679,169,079	502,029,916	3,099,989,428	2,183,048,750

Company's legal representative:
Mr. Chen JinghePerson-in-charge of accounting:
Ms. Lin HongyingHead of accounting department:
Mr. Chen Hong

4.3

Consolidated Cash Flow Statement
From January to September 2010

Prepared by Zijin Mining Group Co., Ltd.*

Unit: RMB (unaudited)

Items	Amount from the beginning of this year to the end of the reporting period (January to September)	Amount from the beginning of last year to the end of the reporting period of last year (January to September)
1. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	20,749,340,982	14,592,862,971
Net increase in deposits from clients and placements from peers	-	-
Net increase in loans from central bank	-	-
Net increase in loans from other financial institutes	-	-
Cash received from premiums of original insurance policies	-	-
Net cash received from reinsurance business	-	-
Net increase in reserve of the insured and investment	-	-
Net increase in disposal of held-for-trade financial assets	-	-
Cash received from interests, fees and commission	-	-
Net increase in borrowed funds	-	-
Net increase in fund for repurchase business	-	-
Refunds of taxes and levies	17,311,049	19,353,121
Other cash received relating to operating activities	-	-
Sub-total of cash inflows from operating activities	20,766,652,031	14,612,216,092
Cash paid for goods purchased and services rendered	13,081,862,279	9,065,971,911
Net increase in loans and advances to clients	-	-
Net increase in deposits to central bank and peers	-	-
Cash payment of claims under original insurance policies	-	-
Cash payment of interests, fees and commission	-	-
Cash paid for bonus of insurance policies	-	-
Cash paid to and on behalf of employees	812,844,006	543,205,132
Payments for taxes and levies	2,080,763,462	1,559,314,858
Other cash paid relating to operating activities	247,663,376	275,966,304
Sub-total of cash outflows from operating activities	16,223,133,123	11,444,458,205
Net cash flows from operating activities	4,543,518,908	3,167,757,887
2. Cash flows from investing activities:		
Cash received from disposal of investments	129,098,660	149,275,000
Cash received from return on investments	107,270,007	104,180,241
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	9,519,523	156,600,057
Net cash received from disposal of subsidiaries and other business units	45,067,550	44,246,783
Cash receipts relating to other investing activities	96,464,660	1,030,156,941
Sub-total of cash inflows from investing activities	387,420,400	1,484,459,022
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	2,656,827,334	1,830,257,999

Items	Amount from the beginning of this year to the end of the reporting period (January to September)	Amount from the beginning of last year to the end of the reporting period of last year (January to September)
Cash paid for investments	2,484,001,655	516,406,629
Net increase in secured loans	-	-
Net cash payments for acquisition of subsidiary and other operating business units	179,827,524	249,028,280
Cash payments relating to other investing activities	294,608,880	778,857,225
Sub-total of cash outflows from investing activities	5,615,265,393	3,374,550,133
Net cash flows from investing activities	-5,227,844,993	-1,890,091,111
3. Cash flows from financing activities:		
Proceeds from shares issued	20,675,000	6,000,000
Including: Cash received from investments of minority shareholders in subsidiaries	20,675,000	6,000,000
Cash received from borrowings	9,536,126,823	3,307,060,563
Cash received from bond issued	-	-
Cash received from other financing activities	-	-
Sub-total of cash inflows from financing activities	9,556,801,823	3,313,060,563
Repayments of borrowings	6,271,347,735	2,399,284,286
Cash paid for dividends and profits distributed or interests repayment	1,747,034,539	1,510,403,863
Including: Dividends and profits paid to minority shareholders by subsidiaries	305,300,834	247,777,816
Cash payment relating to other financing activities	8,519,178	287,686,819
Sub-total of cash outflows from financing activities	8,026,901,452	4,197,374,968
Net cash flows from financing activities	1,529,900,371	-884,314,405
4. Effect of changes of exchange rate on cash and cash equivalents	-7,812,197	-2,227,088
5. Net increase in cash and cash equivalents	837,762,089	391,125,283
Add: Balance of cash and cash equivalents at the beginning of the year	2,999,055,215	2,719,868,025
6. Balance of cash and cash equivalents at the end of the period	3,836,817,304	3,110,993,308

Company's legal representative:
Mr. Chen Jinghe

Person-in-charge of accounting:
Ms. Lin Hongying

Head of accounting department:
Mr. Chen Hong

Cash Flow Statement of the Parent Company
From January to September 2010

Prepared by Zijin Mining Group Co., Ltd.*

Unit: RMB (unaudited)

Items	Amount from the beginning of this year to the end of the reporting period (January to September)	Amount from the beginning of last year to the end of the reporting period of last year (January to September)
1. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	4,796,353,856	3,746,802,799
Refund of taxes and levies	56,403	215,188
Cash received from activities related to operations	-	-
Sub-total of cash inflows from operating activities	4,796,410,259	3,747,017,987
Cash paid for goods purchased and services rendered	1,586,423,569	634,506,651
Cash paid to and on behalf of employees	186,630,563	136,368,996
Payments for taxes and levies	538,581,237	529,243,431
Other cash paid relating to operating activities	327,856,488	1,701,263,892
Sub-total of cash outflows from operating activities	2,639,491,857	3,001,382,970
Net cash flows from operating activities	2,156,918,402	745,635,017
2. Cash flows from investing activities:		
Cash received from disposal of investments	-	-
Cash received from return on investments	903,156,050	447,139,848
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	-64,934	114,545
Net cash received from disposal of subsidiaries and other business units	206,384,100	33,871,800
Cash receipts relating to other investing activities	148,600,334	806,133,195
Sub-total of cash inflows from investing activities	1,258,075,550	1,287,259,388
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	325,530,965	361,709,831
Cash paid for investments	681,789,346	440,587,659
Net cash payments for acquisition of subsidiary and other operating business units	-	-
Cash payments relating to other investing activities	331,168,936	842,177,514
Sub-total of cash outflows from investing activities	1,338,489,247	1,644,475,004
Net cash flows from investing activities	-80,413,697	-357,215,616
3. Cash flows from financing activities:		
Proceeds from shares issued	-	-
Cash received from borrowings	3,517,480,360	1,079,854,252
Cash received from other financing activities	38,322,774	-
Sub-total of cash inflows from financing activities	3,555,803,134	1,079,854,252
Repayments of borrowings	2,629,445,284	45,000,000
Cash paid for dividends and profits distributed or interests repayment	1,480,297,072	1,318,116,623
Cash payment relating to other financing activities	812,071,101	134,402,404
Sub-total of cash outflows from financing activities	4,921,813,457	1,497,519,027
Net cash flows from financing activities	-1,366,010,323	-417,664,775

Zijin Mining Group Co., Ltd.* Third Quarterly Report 2010

Items	Amount from the beginning of this year to the end of the reporting period (January to September)	Amount from the beginning of last year to the end of the reporting period of last year (January to September)
4. Effect of changes of exchange rate on cash and cash equivalents	-1,233,887	-586,684
5. Net increase in cash and cash equivalents	709,260,495	-29,832,058
Add: Balance of cash and cash equivalents at the beginning of the period	1,748,140,054	1,353,486,370
6. Balance of cash and cash equivalents at the end of the period	2,457,400,549	1,323,654,312

Company's legal representative:
Mr. Chen Jinghe

Person-in-charge of accounting:
Ms. Lin Hongying

Head of accounting department:
Mr. Chen Hong