
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ACTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **ZHAOJIN MINING INDUSTRY COMPANY LIMITED** (the “Company”), you should at once hand this circular together with the accompanying form of proxy and reply slip to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1818)

**PROPOSAL FOR BONUS ISSUE AND
INCREASE IN REGISTERED CAPITAL
AND
PROPOSAL FOR GENERAL MANDATE
TO ISSUE H SHARES
AND
PROPOSAL FOR GENERAL MANDATE
TO REPURCHASE H SHARES
AND
PROPOSAL FOR AMENDMENT TO THE ARTICLES OF ASSOCIATION
AND
PROPOSAL FOR DECLARATION OF FINAL DIVIDENDS
AND
NOTICE OF ANNUAL GENERAL MEETING
AND
NOTICE OF DOMESTIC SHARES CLASS MEETING
AND
NOTICE OF H SHARES CLASS MEETING**

Notices convening the AGM and the Class Meetings of the Company are set out in this circular.

Any Shareholder(s) entitled to attend and vote at the AGM and the Class Meetings are entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a Shareholder of the Company. In the event that a Shareholder appoints more than one proxy to attend the meeting, such proxies may only exercise their voting rights in a poll. If you intend to appoint a proxy to attend the AGM and the Class Meetings and vote on your behalf, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the AGM and the Class Meetings (for the holders of H Shares); or for the holders of Domestic Shares of the Company, to the place of business of the Company in the PRC not less than 24 hours before the time appointed for the holding of the AGM and the Class Meetings.

* For identification purposes only

20 April 2011

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DEFINITIONS

In this circular, unless otherwise indicated in the context, the following expressions have the following meanings:

“AGM”	the 2010 annual general meeting of the Company to be held at the conference room of the Company at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the PRC on Monday, 13 June 2011 at 9:00 a.m.
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Bonus Issue”	bonus issue of Bonus Shares to the Shareholders whose names appear on the register of members of the Company on the Record Date on the basis of one Bonus Share to be issued (0.5 of which is to be made by way of capitalization of retained profits and 0.5 of which is to be made by way of capitalization of the capital reserve fund) for every one Share held by such Shareholders (i.e., one Bonus H Share and one Bonus Domestic Share to be issued in respect of every one H Share and one Domestic Share held by the Shareholders, respectively) on the Record Date
“Bonus H Shares”	new H Shares to be issued pursuant to the Bonus Issue
“Bonus Domestic Shares”	new Domestic Shares to be issued pursuant to the Bonus Issue
“Bonus Shares”	Bonus Domestic Shares and Bonus H Shares to be issued under the Bonus Issue
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Class Meeting(s)”	the class meeting(s) of H Share Shareholders and/or the Domestic Share Shareholders to be held at the conference room of the Company at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the PRC on Monday, 13 June 2011 at 10:00 a.m. and/or 10:30 a.m., respectively

DEFINITIONS

“Company”	Zhaojin Mining Industry Company Limited (招金礦業股份有限公司) (Stock Code: 1818), a joint stock limited company incorporated in the PRC and whose H Shares are listed on the Hong Kong Stock Exchange
“Company Law”	the Company Law of the PRC
“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Company
“Domestic Share(s)”	the ordinary share(s) issued by the Company, with a RMB-denominated par value of RMB1.00 each, which are subscribed for and fully paid up in RMB
“Domestic Share Shareholder(s)”	holder(s) of Domestic Shares
“General Mandate”	subject to the conditions set out in the proposed resolution approving the general mandate at the AGM and the Class Meetings, the general mandate to be given to the Board to exercise the power of the Company to allot, issue or deal with up to a maximum of 20% of the existing issued H Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“H Share(s)”	the overseas-listed foreign invested share(s) in the share capital of the Company, with a RMB-denominated par value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the main board of the Hong Kong Stock Exchange
“H Share Shareholder(s)”	holder(s) of H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	14 April 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information of this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC” or “China”	the People’s Republic of China
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the Repurchase Mandate at the AGM and the Repurchase Mandate approved by way of special resolution at the H Shares Class Meeting and the Domestic Shares Class Meeting to be held separately, the general mandate to be given to the Board to exercise the power of the Company to repurchase H Shares of up to a maximum of 10% of the aggregate nominal value of the issued H Shares share capital of the Company as at the date of passing such resolution
“Record Date”	13 June 2011, being the record date by reference to which entitlements to the final dividends and Bonus Issue will be determined
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration for Foreign Exchange of the PRC (中國國家外匯管理局)
“SFO”	Securities and Futures Ordinance (Cap. 571 of Laws of Hong Kong)
“Shares”	ordinary shares of RMB1.00 each in the share capital of the Company, comprising Domestic Shares and H Shares
“Shareholder(s)”	the registered holder(s) of Domestic Shares and H Shares
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Zhaojin Group”	Shandong Zhaojin Group Company Limited, a state-owned limited company incorporated in the PRC in June 1992 which holds approximately 37.84% of the entire issued share capital of the Company (i.e. 543,257,000 Domestic Shares and 8,255,000 H Shares, representing 37.27% and 0.57% of the total issued Share Capital of the Company, respectively) as at the Latest Practicable Date
“%”	per cent

EXPECTED TIMETABLE

2011

Last day of dealings in H Shares on a cum-entitlement basis	11 May (Wednesday)
First day of dealings in H Shares on an ex-entitlement basis	12 May (Thursday)
Latest time for lodging transfer of shares for entitlement to the Bonus Issue and the final dividends	4:30 p.m. on 13 May (Friday)
Book closure period (both days inclusive)	14 May (Saturday) to 13 June (Monday)
Record Date	13 June (Monday)
AGM and Class Meetings	13 June (Monday)
Register of members of the Company reopens	14 June (Tuesday)
Dispatch of certificates for Bonus H Shares and dividends cheques	30 June (Thursday)
Dealing in Bonus H Shares are expected to commence	5 July (Tuesday)

LETTER FROM THE BOARD



ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1818)

Executive Directors:

Mr. Lu Dongshang (*Chairman*)

Mr. Weng Zhanbin

Non-executive Directors:

Mr. Liang Xinjun (*Vice chairman*)

Mr. Cong Jianmao

Mr. Wang Peifu

Mr. Wu Zhongqing

Mr. Chen Guoping

Independent Non-executive Directors:

Mr. Ye Tianzhu

Mr. Yan Hongbo

Ms. Chen Jinrong

Mr. Choy Sze Chung Jojo

Registered address:

No. 299 Jinhui Road

Zhaoyuan City

Shandong Province

PRC

*Principal place of business
in Hong Kong:*

8th Floor

Gloucester Tower

The Landmark

15 Queen's Road Central

Central

Hong Kong

20 April 2011

To the Shareholders

Dear Sir or Madam,

**PROPOSAL FOR BONUS ISSUE AND
INCREASE IN REGISTERED CAPITAL
AND
PROPOSAL FOR GENERAL MANDATE
TO ISSUE H SHARES
AND
PROPOSAL FOR GENERAL MANDATE
TO REPURCHASE H SHARES
AND
PROPOSAL FOR AMENDMENT TO THE ARTICLES OF ASSOCIATION
AND
PROPOSAL FOR DECLARATION OF FINAL DIVIDENDS
AND
NOTICE OF ANNUAL GENERAL MEETING
AND
NOTICE OF DOMESTIC SHARES CLASS MEETING
AND
NOTICE OF H SHARES CLASS MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the notices of the AGM and the Class Meetings and the resolutions to be proposed at the AGM and/or the Class Meetings (where applicable) relating to the following:

* *For identification purposes only*

LETTER FROM THE BOARD

- (i) the proposal for the Bonus Issue and the increase in registered capital;
- (ii) the proposal for the General Mandate;
- (iii) the proposal for the Repurchase Mandate;
- (iv) the proposal for the amendment to the Articles of Association; and
- (v) the proposal for declaration of final dividends.

I. PROPOSAL FOR BONUS ISSUE AND INCREASE IN REGISTERED CAPITAL

According to the announcement of the Company dated 8 March 2011, the Board resolved to propose the Bonus Issue at the AGM and the Class Meetings, on the basis that Shareholders holding one Share on the Record Date will be issued with one Bonus Share, of which 0.5 share will be made by capitalization of the retained profit, and 0.5 share will be made by capitalization of the capital reserve fund, which means Shareholders holding one H Share and one Domestic Share will be allotted with one Bonus H Share and one Bonus Domestic Share, respectively. Immediately after the completion of the Bonus Issue, the registered capital of the Company will be increased from RMB1,457,430,000 to RMB2,914,860,000.

According to the 1,457,430,000 Shares of the total issued share capital of the Company as of the Latest Practicable Date, the Company will issue 1,457,430,000 Bonus Shares, of which 437,173,000 Shares are Bonus H Shares and 1,020,257,000 Shares are Bonus Domestic Shares. Immediately after completion of the Bonus Issue, the Company's entire issued share capital will increase to 2,914,860,000 shares. The Bonus H Shares will rank pari passu with existing H Shares in all respects.

Conditions for the Bonus Issue

The Bonus Issue is conditional upon the approval by the Shareholders at the AGM and the Shareholders of H Shares and Shareholders of Domestic Shares at the respective Class Meetings.

The Bonus Issue in respect of Bonus H Shares is conditional upon the Listing Committee of the Hong Kong Stock Exchange granting listing of and, permission to deal in, the Bonus H Shares.

The Reasons for the Bonus Issue

The reasons for the Bonus Issue are to reward the long-term support and concern of Shareholders, and to expand the share capital base of the Company.

LETTER FROM THE BOARD

Listing and Dealing

The H Shares of the Company are listed on the Hong Kong Stock Exchange. The corporate bonds of the Company with an issue size of RMB1.5 billion were listed on the Shanghai Stock Exchange on 15 January 2010. The Company will apply to the Listing Committee of the Hong Kong Stock Exchange for approval of listing of, and permission to deal in, the Bonus H Shares.

Upon satisfaction of the conditions as set out in this circular, the Bonus H Shares will be accepted by the HKSCC as eligible securities for deposit, clearance and settlement in CCASS. The Company will make all necessary arrangements to have the Bonus H Shares being admitted into CCASS. All activities of the CCASS will be carried out in accordance with the then effective general rules and operation procedures of CCASS.

Upon the Bonus Issue becoming unconditional, share certificates of the Bonus H Shares are expected to be sent to the Shareholders entitled thereto by ordinary post at their own risks on or before 30 June 2011. In the case of joint Shareholders, share certificates of the Bonus H Shares will be sent to the address of the first named joint Shareholder at the register of members of the Company.

Dealing in the Bonus H Shares are expected to commence on 5 July 2011, and shall be subject to Hong Kong stamp duty.

Warning of Risks of Dealings in Shares

Shareholders of H Shares should note that Shares will be dealt with on an ex-entitlement basis from 12 May 2011. The Bonus Issue is conditional upon satisfaction of the conditions stated under the “Conditions for Bonus Issue” of this circular. Any person dealing in Shares on an ex-entitlement basis will be exposed to the risks that the Bonus Issue may fail to become unconditional and may not proceed. Any person contemplating selling or purchasing Shares during such period who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser.

Statements to be Made on Acquisition of Shares

The Company shall ensure that all its listing documents and share certificates include the statements stipulated below and shall instruct and cause its share registrars not to register the subscription, purchase or transfer of any of its Shares in the name of any particular holder unless and until such holder delivers to such share registrar a signed form in respect of such Shares bearing statements to the following effect:

- (i) the acquirer of Shares agrees with the Company and each of its Shareholder, and the Company agrees with each Shareholder, to observe and comply with the Company Law, the Special Regulations of the State Council of the PRC on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies and the Articles of Association;

LETTER FROM THE BOARD

- (ii) the acquirer of Shares agrees with the Company, each of its Shareholders, Directors, supervisors and senior management and itself (acting for the Company and for each Director, supervisor and senior management) agrees with each Shareholder, to refer all differences and claims arising from its Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with its Articles of Association. Any reference to arbitration will be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award. Such arbitration will be final and conclusive;
- (iii) the acquirer of Shares agrees with the Company and each Shareholder that H Shares in the Company are freely transferable by the holder of such Shares; and
- (iv) the acquirer of Shares authorizes the Company to enter into a contract on his/her/its behalf with each Director and senior management whereby such Directors and senior management undertake to observe and comply with their obligations to Shareholders stipulated in its Articles of Association.

II. GENERAL MANDATE TO ISSUE H SHARES

The details set out in special resolution numbered 1 in the notices convening the AGM and the Class Meetings will be proposed at such meetings for the granting of a general mandate to the Directors to allot, issue and deal with new Shares of up to a maximum of 20% of the total existing issued H Shares of the Company at the date of passing such resolution.

As at the Latest Practicable Date, the total issued H Shares of the Company amounted to 437,173,000 H Shares, the maximum number of H Shares which may be allotted and issued will be 87,434,600 H Shares. The General Mandate will expire upon the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
- (b) the expiration of a 12-month period following the passing of this resolution; or
- (c) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the Company in a general meeting.

AGM and the Class Meetings

Special resolutions will be proposed at the AGM and the Class Meetings in relation to the granting of a general mandate to the Directors to issue, allot and deal with additional H Shares, details of which are set out in special resolution numbered 2 of the notice of the AGM and notices of the Class Meetings, respectively.

LETTER FROM THE BOARD

III. GENERAL MANDATE TO REPURCHASE H SHARES

The Company Law (to which the Company is subject to) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) granting shares as rewards to the staff of the Company; or (d) the repurchase is made at the request of its shareholders who disagree with shareholders' resolutions in connection with a merger or division. The Articles of Association provides that subject to the approval of the relevant regulatory authorities and compliance with the Articles of Association, share repurchase may be effected by the Company for the purposes of reducing its share capital, granting shares as rewards to the staff of the Company, or in connection with a merger between itself and another entity that holds its shares or in circumstances permitted by law or administrative regulations.

The Listing Rules permit shareholders of a PRC stock limited company to grant a general mandate to the Directors to repurchase H shares of such company that are listed on the Hong Kong Stock Exchange. Such mandate is required to be given by way of a special resolution passed by Shareholders in the AGM and by special resolution passed by holders of overseas listed foreign invested shares and domestic shares in separate Class Meetings.

As the H Shares are traded on the Hong Kong Stock Exchange in Hong Kong dollars, the amount payable by the Company upon any repurchase of its H Shares will, therefore, be made in Hong Kong dollars. As such, the approval of SAFE is required.

In accordance with the requirements of Article 4.2 of the Articles of Association applicable to capital reduction, the Company is required to prepare a balance sheet and an assets list upon the reduction of its registered capital. The Company will have to notify its creditors of the passing of such special resolution and the reduction to the registered capital of the Company that would occur should the Company decide to exercise the Repurchase Mandate at its general meeting. Such notification should be given in writing to the Company's creditors and be published by way of a press announcement within 10 days and 30 days after the passing of such special resolution, respectively. Creditors then have a period of up to 30 days after the Company's written notification or if no such notification has been received, up to 45 days after the publication of the press announcement to require the Company to repay amounts due to them or to provide guarantees thereof.

LETTER FROM THE BOARD

Conditions to Repurchase H Shares

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any H Shares, approval is proposed to be sought from the Shareholders for the Repurchase Mandate. In accordance with the legal and regulatory requirements described above, the Directors have given notices to convene the AGM and the Class Meetings. At the AGM, a special resolution will be proposed to grant to the Directors the Repurchase Mandate, i.e. a conditional general mandate to repurchase H Shares in issue on the Hong Kong Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of passing such special resolution. The Company will convene a class meeting for the holders of H Shares and a class meeting for the holders of Domestic Shares to grant to the Directors the Repurchase Mandate by way of a special resolution.

The Repurchase Mandate will be conditional upon:

- (a) the passing of the special resolution approving the grant of the Repurchase Mandate at the AGM;
- (b) the passing of the special resolution approving the grant of the Repurchase Mandate at a class meeting of the holders of H Shares and a class meeting of the holders of Domestic Shareholders to be convened for such purpose;
- (c) the obtaining of the approvals of the relevant PRC regulatory authorities as required by the laws, rules and regulations of the PRC; and
- (d) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 4.2 of the Articles of Association.

If the Company determines to repay any amount to any of its creditors in the circumstances described under condition (d) above, it expects to do so out of its internal resources. If the conditions are not fulfilled, the Repurchase Mandate will not be exercisable by the Directors.

The Repurchase Mandate, if approved at the AGM and, at the subsequent Class Meetings of the holders of H Shares and the holders of Domestic Shares to be held separately, would expire on the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiration of a 12-month period following the passing of this resolution at the AGM; or

LETTER FROM THE BOARD

- (c) the date on which the authority set out in the relevant resolutions approved at the AGM and the H Shares Class Meeting and Domestic Shares Class Meeting is revoked or varied by a special resolution of the members of the Company in a general meeting.

AGM and the Class Meetings

Special resolutions will be proposed at the AGM and the Class Meetings in relation to the grant of the Repurchase Mandate to the Directors, details of which are set out in special resolution numbered 3 of the notice of the AGM and notices of the Class Meetings.

Explanatory Statement

An explanatory statement containing all relevant information relating to the Repurchase Mandate is set out in the appendix to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

IV. AMENDMENT TO THE ARTICLES OF ASSOCIATION

According to the resolution of the fourth meeting of the third session of the Board, amendments to the Articles of Association were proposed as follows:

- (a) The original Article 2.2 of the Articles of Association which provides:

Scope of business of the Company: gold exploration, ore processing, cyanide process (metallurgy) and sale of processed byproducts.

is proposed to be amended as follows:

Scope of business of the Company: gold exploration, ore processing, cyanide process (metallurgy) and sale of processed byproducts; mine construction, and technology research and testing, technology promotion services; investment.

According to the resolution of the ninth meeting of the third session of the Board, amendments to the Articles of Association were proposed as follows:

- (b) The original Article 3.5 of the Articles of Association which provides:

The share capital structure of the Company: 1,457,430,000 ordinary shares of which Zhaojin Group holds 543,257,000 Domestic Shares, representing 37.3% of the issued ordinary shares of the Company; Yuyuan Tourist Mart holds 371,000,000 Domestic Shares, representing 25.5% of the issued ordinary shares of the Company; Fosun Investment holds 53,000,000 Domestic Shares, representing 3.6% of the issued ordinary

LETTER FROM THE BOARD

shares of the Company; Zhaoyuan State-owned Assets Management Co., Ltd. holds 42,400,000 Domestic Shares, representing 2.9% of the issued ordinary shares of the Company; Laomiao Gold holds 10,600,000 Domestic Shares, representing 0.7% of the issued ordinary shares of the Company; Shareholders of overseas-listed foreign shares hold 437,173,000 shares, representing 30% of the issued ordinary shares of the Company.

is proposed to be amended as follows:

The share capital structure of the Company: 2,914,860,000 ordinary shares of which Zhaojin Group holds 1,086,514,000 Domestic Shares, representing 37.3% of the issued ordinary shares of the Company; Yuyuan Tourist Mart holds 742,000,000 Domestic Shares, representing 25.5% of the issued ordinary shares of the Company; Fosun Investment holds 106,000,000 Domestic Shares, representing 3.6% of the issued ordinary shares of the Company; Zhaoyuan State-owned Assets Management Co., Ltd. holds 84,800,000 Domestic Shares, representing 2.9% of the issued ordinary shares of the Company; Laomiao Gold holds 21,200,000 Domestic Shares, representing 0.7% of the issued ordinary shares of the Company; Shareholders of overseas-listed foreign shares hold 874,346,000 shares, representing 30% of the issued ordinary shares of the Company.

(c) The original Article 3.8 of the Articles of Association which provides:

The registered capital of the Company is RMB1,457,430,000.

is proposed to be amended as follows:

The registered capital of the Company is RMB2,914,860,000.

V. PROPOSAL FOR DECLARATION OF FINAL DIVIDENDS

According to the announcement of the Company dated 4 March 2011, it was also proposed by the Board for the payment of final dividends for the year ended 31 December 2010 of RMB0.3 (before taxation) per share to the Shareholders whose names appear on the register of members of the Company on the Record Date. For distribution of such dividends, dividends for Domestic Shares will be paid in Renminbi, whereas dividends for H Shares will be paid in Hong Kong dollars (at the average exchange rate of the medium rate of converting Renminbi into Hong Kong dollars as quoted by the People's Bank of China for the five business days immediately prior to 13 June 2011).

The proposed payment of final dividends for the year ended 31 December 2010 is still subject to the approval by the Shareholders at the AGM.

It is expected that the final dividend and Bonus Shares (held by capitalization of retained profits and capital reserve fund) for the year ended 31 December 2010 will be paid on or before Thursday, 30 June 2011 to the Shareholders whose names appear on the register of members of the Company on the Record Date.

LETTER FROM THE BOARD

Under the relevant tax rules and regulations of the PRC (collectively the “PRC Tax Law”), the Company is required to withhold corporate income tax at the rate of 10% when distributing the final dividend bonus shares (held by capitalization of retained profits) to non-resident enterprises (such term shall have the meaning as defined under the PRC Tax Law) whose names appear on the H shares register of members of the Company on Monday, 13 June 2011.

In accordance with the PRC Tax Law, the Company has an obligation to withhold for payment the corporate income tax from the payment of the final dividend to non-resident enterprises whose names appear on the H shares register of members of the Company on Monday, 13 June 2011. If the resident enterprises (such term shall have the meaning as defined under the PRC Tax Law) whose names appear on the H shares register of members of the Company do not wish to have the corporate income tax withheld by the Company for payment, they should lodge with Computershare Hong Kong Investor Services Limited the relevant documents issued by the relevant PRC tax authority certifying that they are resident enterprises, on or before 4:30 p.m. on Friday, 13 May 2011. The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.

The Company will withhold for payment the corporate income tax strictly in accordance with the PRC Tax Law and the requirements of the relevant government authorities. The Company shall not be liable for any dispute relating to the withholding of corporate income tax which arises from any failure to lodge the relevant documents within the prescribed timeframe as mentioned above.

VI. CLOSURE OF BOOKS

The register of members of the Company will be closed from 14 May 2011 to 13 June 2011 (both days inclusive) during which period no transfer of shares will be effected. In order to be qualified for attending and voting at the AGM, H Shares Class Meeting and Domestic Shares Class Meeting, and for the entitlement of the final dividends and the Bonus Issue, all transfer instruments accompanied by the relevant share certificates must be lodged by the H Share Shareholders with the Company’s H Share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong; or by the Domestic Share Shareholders with the registered address of the Company at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the PRC no later than 4:30 p.m. on 13 May 2011.

VII. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The Chairman of the AGM and Class Meetings shall therefore demand voting on all resolutions set out in the notices of AGM and Class Meetings be taken by way of poll pursuant to Article 8.18 of the Articles of Association.

LETTER FROM THE BOARD

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each share registered in his/her/its name in the register of Shareholders. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same manner.

VIII. RECOMMENDATIONS

The Directors consider that the resolutions in respect of the proposals for (i) Bonus Issue and increase in registered capital; (ii) the General Mandate; (iii) the Repurchase Mandate; (iv) the amendment to the Articles of Association; and (v) the declaration of final dividends are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommend the Shareholders to vote in favour of all the relevant resolutions as set out in the notice of the AGM and in the notices of the Class Meetings.

IX. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with respect to the Company. The information contained herein relating to the Company has been supplied by the Directors, who collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular the omission of which would make any statement herein misleading insofar as it relates to the Company.

Yours faithfully,

By order of the Board

ZHAOJIN MINING INDUSTRY COMPANY LIMITED

LU Dongshang

Chairman

The following is the Explanatory Statement which is required to be sent to you under the Listing Rules in connection with the proposed general mandate for the repurchase of shares.

(i) Reasons for Repurchase of H Shares

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to seek a mandate from the Shareholders to enable the Company to repurchase H Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

(ii) Registered Capital

As at the Latest Practicable Date, the registered capital of the Company was RMB1,457,430,000, comprising 437,173,000 H Shares of RMB1.00 each and 1,020,257,000 Domestic Shares of RMB1.00 each, of which 543,257,000 Domestic Shares are held by Zhaojin Group, and 477,000,000 Domestic Shares are held by other Shareholders.

(iii) Exercise of the Repurchase Mandate

Subject to the passing of special resolution set out in the notice of the AGM, the special resolution approving the grant to the Directors of the Repurchase Mandate in the H Shares Class Meeting and the Domestic Shares Class Meeting, respectively, the Directors will be granted the Repurchase Mandate until the end of the Relevant Period (as defined in special resolution in the notice of the AGM). In addition, the exercise of the Repurchase Mandate is subject to the approvals of the relevant PRC regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and to the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 4.2 of the Articles of Association. The notice will not be sent to the creditors until the Repurchase Mandate is approved at the Class Meeting for the holders of H Shares and the Class Meeting for the holders of Domestic Shares by way of a special resolution.

As at the Latest Practicable Date, assuming the Repurchase Mandate is only required to be approved at the AGM, the exercise in full of the Repurchase Mandate would result in up to 43,717,300 H Shares (assuming there is no issue of H Shares from the Latest Practicable Date up to the date of the AGM) being repurchased by the Company during the Relevant Period.

(iv) Funding of Repurchases of H Shares

In repurchasing its H Shares, the Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

In accordance with the requirements of applicable laws or administrative regulations, and subject to the approval of relevant authority, the Company is empowered by its Articles of Association to purchase its H Shares. The H Shares repurchased will be deemed to be cancelled, and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company may not repurchase H Shares on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange from time to time.

Based on the financial position disclosed in the recently published audited accounts for the year ended 31 December 2010, the Directors consider that there will not be any material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regarded to the circumstances then prevailing and in the best interests of the Company.

(v) Status of Repurchased H Shares

The Listing Rules provide that the listing of all the H Shares repurchased by the Company shall automatically be cancelled and the relevant share certificates shall be cancelled and destroyed.

Under PRC laws, the H Shares repurchased will be cancelled, and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled.

(vi) Prices of H Shares

The highest and lowest prices at which the H Shares of the Company have been traded on the Hong Kong Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

	H Shares Prices	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2010		
March	16.50	14.20
April	16.80	14.90
May	17.20	14.66
June	18.98	15.40
July	18.60	16.68
August	20.80	16.78
September	24.30	20.05
October	27.00	23.05
November	31.15	24.50
December	33.00	28.00
2011		
January	34.70	27.90
February	33.2	26.1
March	37.90	32.80
April (Until the Latest Practicable Date)	37.20	35.00

(vii) Substantial Shareholders

As at the Latest Practicable Date, the interests of substantial Shareholders of the Company, as defined under the Listing Rules, were as follows:

Name of shareholders	Class of shares	Capacity	Number of shares held	Approximate	Approximate	Long position/Short position
				percentage of shareholding in the registered capital of the Company	percentage of shareholding in the total number of issued domestic shares of the Company	
				%	%	Lending pool
1 Shandong Zhaojin Group Company Limited	Domestic shares	Beneficial owner	543,257,000 (Note 1)	37.27	53.25	– Long position
	H shares	Beneficial owner	8,255,000 (Note 1)	0.57	–	1.89 Long position
2 Shanghai Yuyuan Tourist Mart Co., Ltd.	Domestic shares	Beneficial owner	371,000,000	25.46	36.36	– Long position
	Domestic shares	Interest of controlled corporation	10,600,000 (Note 2)	0.73	1.04	– Long position
3 Shanghai Fosun Industrial Investment Co., Ltd.	Domestic shares	Beneficial owner	53,000,000 (Note 3)	3.64	5.19	– Long position
4 Shanghai Fosun High Technology (Group) Company Limited	Domestic shares	Beneficial owner	53,000,000 (Note 3)	3.64	5.19	– Long position
5 Fosun International Limited	Domestic shares	Beneficial owner	53,000,000 (Note 3)	3.64	5.19	– Long position
6 Fosun Holdings Limited	Domestic shares	Beneficial owner	53,000,000 (Note 3)	3.64	5.19	– Long position
7 Fosun International Holdings Ltd.	Domestic shares	Beneficial owner	53,000,000 (Note 3)	3.64	5.19	– Long position
8 Guo Guangchang	Domestic shares	Interest of controlled corporation	53,000,000 (Note 3)	3.64	5.19	– Long position
9 Atlantis Investment Management Hong Kong Limited	H shares	Investment manager	41,000,000 (Note 4)	2.81	–	9.38 Long position
10 Liu Yang	H shares	Investment manager	41,000,000 (Note 4)	2.81	–	9.38 Long position

Name of shareholders	Class of shares	Capacity	Number of shares held	Approximate	Approximate	Approximate	Long position/Short position
				percentage of shareholding in the registered capital of the Company	percentage of shareholding in the total number of issued domestic shares of the Company	percentage of shareholding in the total number of issued H shares of the Company	
				%	%	%	
11 JP Morgan Chase & Co	H shares	Beneficial owner	1,385,084 (Note 5)	0.10	–	0.32	Long position
	H shares	Beneficial owner	642,584 (Note 5)	0.04	–	0.15	Short position
	H shares	Custodian corporation/ approved lending agent	42,602,216 (Note 5)	2.92	–	9.75	Lending pool
12 FIL Limited	H shares	Investment manager	48,150,000	3.30	–	11.00	Long position
13 Ameriprise Financial Inc	H shares	Interest of controlled corporation	30,329,212 (Note 6)	2.08	–	6.94	Long position
14 Hang Seng Bank Trustee International Limited	H shares	Trustee	30,146,000	2.08	–	6.89	Long position
15 Cheah Company Limited	H shares	Interest of controlled corporation	30,146,000	2.08	–	6.89	Long position
16 Cheah Capital Management Limited	H shares	Interest of controlled corporation	26,181,500 (Note 7)	1.80	–	5.98	Long position
17 Value Partners Group Limited	H shares	Interest of controlled corporation	26,181,500 (Note 7)	1.80	–	5.98	Long position
18 Value Partners Limited	H shares	Investment manager	26,181,500 (Note 7)	1.80	–	5.98	Long position
19 Cheah Cheng Hye	H shares	Founder of discretionary trust	26,181,500 (Note 7)	1.80	–	5.98	Long position
20 To Hau Yin	H shares	Interest of spouse	26,181,500 (Note 7)	1.80	–	5.98	Long position

Notes:

- (1) Pursuant to Section 336 of the SFO, the shareholders of the Company are required to file disclosure of interests forms when certain criteria are fulfilled and the full details of the requirements are available on SFO's official website. When a shareholder's shareholding in the Company changes, it is not necessary for the shareholder to notify the Company and the Stock Exchange unless certain criteria are fulfilled, therefore substantial shareholders' latest shareholding in the Company may be different to the shareholding filed with the Company and the Stock Exchange.
- (2) Shanghai Yuyuan Tourist Mart Co., Ltd. ("Shanghai Yuyuan") holds 95% equity interest in Shanghai Laomiao Gold Co., Ltd. ("Laomiao Gold"), therefore the 10,600,000 domestic shares held by Laomiao Gold in the Company is shown as long position of Shanghai Yuyuan.
- (3) The 53,000,000 shares represent the same block of shares.
- (4) The 41,000,000 shares represent the same block of shares.
- (5) JP Morgan Chase & Co holds equity interest in shares of the Company through companies controlled or indirectly controlled by it.
- (6) Ameriprise Financial Inc holds equity interest in shares of the Company through companies controlled or indirectly controlled by it.
- (7) The 26,181,500 shares represent the same block of shares.

(viii) General Information

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any H Shares to the Company or any of its subsidiaries under the Repurchase Mandate if the same is approved by the Shareholders of the Company.
- (b) The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company in accordance with the Listing Rules, the Articles of Association and the PRC applicable laws to repurchase the H Shares pursuant to the Repurchase Mandate.
- (c) No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell H Shares to the Company or its subsidiaries, or has undertaken not to do so, if the Repurchase Mandate is granted and is exercised.

(ix) Takeover Code

If on the exercise of the power to repurchase H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeover Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

Assuming that the substantial Shareholder has not disposed of its Shares, and if the Repurchase Mandate is exercised in full, the percentage of shareholding of the substantial Shareholder before and after such repurchase would be as follows:

Substantial Shareholder	Before repurchase	After repurchase
Zhaojin Group	37.84%*	39.01%

* As at the Latest Practicable Date, Zhaojin Group holds 543,257,000 Domestic Shares and 8,255,000 H Shares, representing 37.27% and 0.57% of the total issued shares of the Company, respectively.

On the basis of the shareholdings held by the substantial Shareholder named above, an exercise of the Repurchase Mandate in full will not have any implications for the substantial Shareholder under the Takeovers Code.

Assuming that there is no issue of H Shares between the date of this circular and the date of a repurchase, an exercise of the Repurchase Mandate whether in whole or in part will not result in less than the relevant prescribed minimum percentage of the Shares of the Company being held by the public as required by the Hong Kong Stock Exchange. The Directors have no intention to exercise the Repurchase Mandate to an extent which may result in a public shareholding of less than such minimum percentage.

The Directors are not aware of any consequences that may arise under the Takeovers Code and/or any similar applicable laws of which the Directors are aware, as a result of any repurchase of Shares made under the proposed resolution.

(x) H Share Repurchases Made by the Company

The Company has not repurchased any of its H Shares (whether on the Hong Kong Stock Exchange or otherwise) during the six months' period preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



Z H A O J I N

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1818)

NOTICE OF 2010 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Zhaojin Mining Industry Company Limited (the “Company”) for the year 2010 will be held at the conference room of the Company at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the People’s Republic of China (the “PRC”) at 9:00 a.m. on Monday, 13 June 2011 for the following purposes:

ORDINARY RESOLUTIONS

To consider and approve the followings as ordinary resolutions:

- (i) the report of the board of directors (“Board”) of the Company for the year ended 31 December 2010;
- (ii) the report of the supervisory committee of the Company for the year ended 31 December 2010;
- (iii) the audited financial report of the Company for the year ended 31 December 2010;
- (iv) the proposal for the declaration and payment of final dividends for the year ended 31 December 2010; and
- (v) the proposal for the re-appointment of Ernst & Young and Shulun Pan Certified Public Accountants as the international auditor and the PRC auditor of the Company respectively for the year ended 31 December 2011, and to authorize the Board to fix their remuneration.

** For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

To consider and approve the followings as special resolutions:

1. Proposal for Bonus Issue and Increase in Registered Capital

The proposal relating to the increase in the registered capital of the Company from RMB1,457,430,000 to RMB2,914,860,000 by way of Bonus Issue to the Shareholders whose names appear on the register of members of the Company on 13 June 2011 (the “Record Date”) on the basis of one Bonus Share to be issued (0.5 of which is to be made by way of capitalization of retained profits and 0.5 of which is to be made by way of capitalization of the capital reserve fund) for every one Share held by the Shareholders (i.e., one bonus H Share and one bonus Domestic Share to be issued in respect of every one H Share and one Domestic Share held by the Shareholders, respectively) on the Record Date (Note 1).

2. The General Mandate for the Issue of Additional H Shares

(a) the Board be and is hereby granted an unconditional general mandate to issue, allot and deal with additional H Shares in the share capital of the Company and to make or grant offers, agreements and options in respect thereof, subject to the following terms:

(i) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;

(ii) the number of H Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board shall not exceed 20% of the existing issued H Shares as at the date of passing this resolution, being 87,434,600 H Shares; and

(iii) the Board will only exercise its power under such mandate in accordance with the Company Law and the Listing Rules and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained.

(b) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until the earliest of the three periods below:

(i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of a 12-month period following the passing of this resolution; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the Shareholders of the Company in a general meeting.
- (c) contingent on the Board's resolving to issue Shares pursuant to sub-paragraph (a) of this resolution, the Board be and is hereby authorized to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider relevant in connection with the issue of such new shares including, but not limited to, determining the time and place of issue, making all necessary applications to the relevant authorities and entering into an underwriting agreement (or any other agreement), to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities, and to make such amendments to the Articles of Association as it thinks fit so as to reflect the increase in registered capital of the Company and to reflect the new share capital structure of the Company under the intended allotment and issue of the Shares of the Company pursuant to the resolution under paragraph (a) of this resolution.

3. The General Mandate for the Repurchase of H Shares

- (a) subject to paragraphs (b) and (c) below, the Board be and is hereby authorized to exercise all the powers of the Company to repurchase the H Shares in issue of the Company on the Hong Kong Stock Exchange during the Relevant Period (as defined in paragraph 2(b) above), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the PRC, the Hong Kong Stock Exchange or any other governmental or regulatory bodies.
- (b) the aggregate nominal value of H Shares of the Company authorised to be repurchased subject to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of the H Shares in issue of the Company as at the date of the passing of this resolution.
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution at the AGM of the Company to be held on 13 June 2011 with the same terms (except for this sub-paragraph (c)(i)) as the resolutions passed at the Class Meetings to be convened separately for such purpose;
 - (ii) the approval of the relevant PRC regulatory authorities as may be required by laws, rules and regulations of the PRC being obtained by the Company; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 4.2 of the Articles of Association of the Company.

- (d) subject to approval of all relevant PRC regulatory authorities for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the Articles of Association of the Company accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares of the Company as contemplated in paragraph (a) above; and

 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC.

4. The Amendment to Articles 2.2, 3.5 and 3.8 of the Articles of Association.

By order of the Board
Zhaojin Mining Industry Company Limited
LU Dongshang
Chairman

Zhaoyuan, the PRC, 20 April 2011

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as those defined in the circular of the Company dated 20 April 2011.
2. For details of the general mandates for the issue of additional H Shares and the repurchase of H Shares, please refer to the accompanying circular.
3. The Shareholders of the Company should note that the register of members of the Company will be closed from 14 May 2011 to 13 June 2011 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending the AGM and the payment of final dividends, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), or the registered address of the Company (for holders of Domestic Shares) no later than 4:30 p.m. on 13 May 2011.
4. Shareholders of the Company whose names appear on the register of members of the Company on 14 May 2011 are entitled to attend and vote at the AGM or any adjourned meetings, and Shareholders of the Company whose names appear on the register of members of the Company on 13 June 2011 (the "Record Date") are entitled to the final dividends.
5. If a Shareholder appoints more than one proxy to attend the meeting, its proxy can only vote by poll.
6. Holders of H Shares who have the right to attend and vote at the AGM are entitled to appoint one or more proxies (whether or not a Shareholder) to attend and vote on his/her behalf. For those Shareholders who appoint more than one proxy, such proxies can only exercise their voting rights by way of poll. Shareholders who intend to appoint one or more proxies should first read the accompanying circular and the policies on the declaration and payment of final dividends.
7. If a proxy is appointed to attend the AGM on behalf of a Shareholder, the proxy must produce proof of identity and the authorisation instrument with the date of issue and duly signed by the proxy or its legal personal representative, and in the case of legal representatives of legal person Shareholders, such legal representatives must produce proof of identity and effective document to identify its identity as legal representative. If a legal person Shareholder appoints a company representative other than its legal representative to attend the AGM, such representative must produce proof of identity and the authorisation instrument bearing the company chop of the legal person Shareholder and duly authorised by its legal representative.
8. If the proxy form is signed by a person under a power of attorney or other authority, the power of attorney or other authority must be notarially certified. In order to be valid, the notarially certified copy of such power of attorney or other authority under which it is signed together with the proxy form must be deposited at the H Shares registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) not less than 24 hours before the time for holding the AGM or the registered address of the Company (for holders of Domestic Shares) not less than 24 hours before the time for holding the AGM.
9. Shareholders who intend to attend the AGM should return the reply slip by hand, by post, by telegram or by fax to the registered address of the Company (for holders of Domestic Shares), or the Company's H Shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) on or before 23 May 2011. Completion and return of the reply slip of the AGM will not preclude a Shareholder from attending the AGM.
10. The AGM is expected to be held for less than half a day. Shareholders and their proxies who attend the meeting shall arrange for their own transportation and accommodation at their own expenses.

NOTICE OF ANNUAL GENERAL MEETING

The registered address of the Company is as follows:

No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, PRC

Tel: (86 535) 8256086 Fax: (86 535) 8262256

Postal code: 265400

As at the date of this notice, members of the Board comprises:

<i>Executive Directors:</i>	Mr. Lu Dongshang and Mr. Weng Zhanbin
<i>Non-executive Directors:</i>	Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Wang Peifu, Mr. Wu Zhongqing and Mr. Chen Guoping
<i>Independent non-executive Directors:</i>	Mr. Ye Tianzhu, Mr. Yan Hongbo, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo

NOTICE OF DOMESTIC SHARES CLASS MEETING



ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1818)

NOTICE OF DOMESTIC SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that the Domestic Shares class meeting (the “Domestic Shares Class Meeting”) of Zhaojin Mining Industry Company Limited (the “Company”) will be held at the conference room of the Company at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the People’s Republic of China (the “PRC”) on Monday, 13 June 2011 at 10:30 a.m. for the following purposes:

SPECIAL RESOLUTIONS

To consider and approve the followings as special resolutions:

1. Proposal for Bonus Issue and Increase in Registered Capital

The proposal relating to the increase in the registered capital of the Company from RMB1,457,430,000 to RMB2,914,860,000 by way of Bonus Issue to the Shareholders whose names appear on the register of members of the Company on 13 June 2011 (the “Record Date”) on the basis of one Bonus Share to be issued (0.5 of which is to be made by way of capitalization of retained profits and 0.5 of which is to be made by way of capitalization of the capital reserve fund) for every one Share held by the Shareholders (i.e., one bonus H Share and one bonus Domestic Share to be issued in respect of every one H Share and one Domestic Share held by the Shareholders, respectively) on the Record Date (Note 1).

2. The General Mandate for the Issue of Additional H Shares

- (a) the Board be and is hereby granted an unconditional general mandate to issue, allot and deal with additional H Shares in the share capital of the Company and to make or grant offers, agreements and options in respect thereof, subject to the following terms:
 - (i) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;

** For identification purposes only*

NOTICE OF DOMESTIC SHARES CLASS MEETING

- (ii) the number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board shall not exceed 20% of the existing issued H Shares as at the date of passing this resolution, being 87,434,600 H Shares; and
 - (iii) the Board will only exercise its power under such mandate in accordance with the Company Law and the Listing Rules and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained.
- (b) for the purpose of this resolution:
- “Relevant Period”** means the period from the passing of this resolution until the earliest of the three periods below:
- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
 - (ii) the expiration of a 12-month period following the passing of this resolution; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the Company in a general meeting.
- (c) contingent on the Board’s resolving to issue shares pursuant to sub-paragraph (a) of this resolution, the Board be and is hereby authorized to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider relevant in connection with the issue of such new Shares including, but not limited to, determining the time and place of issue, making all necessary applications to the relevant authorities and entering into an underwriting agreement (or any other agreement), to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities, and to make such amendments to the Articles of Association as it thinks fit so as to reflect the increase in registered capital of the Company and to reflect the new share capital structure of the Company under the intended allotment and issue of the Shares of the Company pursuant to the resolution under paragraph (a) of this resolution.

3. The General Mandate for the Repurchase of H Shares

- (a) subject to paragraphs (b) and (c) below, the Board be and is hereby authorized to exercise all the powers of the Company to repurchase the H Shares in issue of the Company on the Hong Kong Stock Exchange during the Relevant Period (as defined in paragraph 2(b) above), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the PRC, the Hong Kong Stock Exchange or any other governmental or regulatory bodies.

NOTICE OF DOMESTIC SHARES CLASS MEETING

- (b) the aggregate nominal value of H Shares of the Company authorised to be repurchased subject to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of the H Shares in issue of the Company as at the date of the passing of this resolution.

- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution at the 2010 annual general meeting (the “AGM”) of the Company to be held on 13 June 2011 with the same terms (except for this sub-paragraph (c)(i)) as the resolutions passed at the Class Meetings to be convened separately for such purpose;
 - (ii) the approval of the relevant PRC regulatory authorities as may be required by laws, rules and regulations of the PRC being obtained by the Company; and
 - (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 4.2 of the Articles of Association of the Company.

- (d) subject to approval of all relevant PRC regulatory authorities for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the Articles of Association of the Company accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares of the Company as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC.

By order of the Board
Zhaojin Mining Industry Company Limited
LU Dongshang
Chairman

Zhaoyuan, the PRC, 20 April 2011

NOTICE OF DOMESTIC SHARES CLASS MEETING

Notes:

1. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as those defined in the circular of the Company dated 20 April 2011.
2. For details of the general mandates for the issue of additional H Shares and the repurchase of H Shares, please refer to the accompanying circular.
3. The holders of domestic shares (“Domestic Shares”) of the Company should note that the register of members of the Company will be closed from 14 May 2011 to 13 June 2011 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending the Domestic Shares Class Meeting and the payment of final dividends, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s registered address at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, PRC no later than 4:30 p.m. on 13 May 2011.
4. Shareholders of the Company whose names appear on the register of members of Domestic Shares of the Company on 14 May 2011 are entitled to attend and vote at the Domestic Shares Class Meeting or any adjourned meetings. Shareholders who have the right to attend and vote at the Domestic Shares Class Meeting are entitled to appoint one or more proxies to attend and vote at the Domestic Shares Class Meeting on his/her behalf. A proxy need not be a Shareholder of the Company.
5. If a Shareholder appoints more than one proxy to attend the meeting, its proxy can only vote by poll.
6. Holders of Domestic Shares who have the right to attend and vote at the Domestic Shares Class Meeting are entitled to appoint one or more proxies (whether or not a Shareholder) in writing to attend and vote at such meeting on his/her behalf. For those Shareholders who appoint more than one proxy, such proxies can only exercise their voting rights by way of poll. Shareholders who intend to appoint one or more proxies should first read the accompanying circular.
7. If a proxy is appointed to attend the Domestic Shares Class Meeting on behalf of a Shareholder, the proxy must produce proof of identity and the authorisation instrument with the date of issue and duly signed by the proxy or its legal personal representative, and in the case of legal representatives of legal person Shareholders, such legal representatives must produce proof of identity and effective document to identify its identity as legal representative. If a legal person Shareholder appoints a company representative other than its legal representative to attend the Domestic Shares Class Meeting, such representative must produce proof of identity and the authorisation instrument bearing the company chop of the legal person Shareholder and duly authorised by its legal representative.
8. If the proxy form is signed by a person under a power of attorney or other authority, the power of attorney or other authority must be notarially certified. In order to be valid, the notarially certified copy of such power of attorney or other authority under which it is signed together with the proxy form must be deposited at the registered address of the Company in the PRC not less than 24 hours before the time for holding the Domestic Shares Class Meeting.
9. Shareholders who intend to attend the Domestic Shares Class Meeting should return the reply slip by hand, by post, by telegram or by fax to the registered address of the Company on or before 23 May 2011. Completion and return of the reply slip of the Domestic Shares Class Meeting will not preclude a Shareholder from attending such meeting.
10. The Domestic Shares Class Meeting is expected to be held for less than half a day. Shareholders and their proxies who attend the meeting shall arrange for their own transportation and accommodation at their own expenses.

The registered address of the Company is as follows:

No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, PRC

Tel: (86 535) 8256086 Fax: (86 535) 8262256

Postal code: 265400

NOTICE OF DOMESTIC SHARES CLASS MEETING

As at the date of this notice, members of the Board comprises:

<i>Executive Directors:</i>	Mr. Lu Dongshang and Mr. Weng Zhanbin
<i>Non-executive Directors:</i>	Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Wang Peifu, Mr. Wu Zhongqing and Mr. Chen Guoping
<i>Independent non-executive Directors:</i>	Mr. Ye Tianzhu, Mr. Yan Hongbo, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo

NOTICE OF H SHARES CLASS MEETING



ZHAOJIN
ZHAOJIN MINING INDUSTRY COMPANY LIMITED*
招金礦業股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1818)

NOTICE OF H SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that the H Shares class meeting (the “H Shares Class Meeting”) of Zhaojin Mining Industry Company Limited (the “Company”) will be held at the conference room of the Company at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the People’s Republic of China (the “PRC”) on Monday, 13 June 2011 at 10:00 a.m. for the following purposes:

SPECIAL RESOLUTIONS

To consider and approve the followings as special resolutions:

1. Proposal for Bonus Issue and Increase in Registered Capital

The proposal relating to the increase in the registered capital of the Company from RMB1,457,430,000 to RMB2,914,860,000 by way of Bonus Issue to the Shareholders (“Bonus Issue”) whose names appear on the register of members of the Company on 13 June 2011 (the “Record Date”) on the basis of one Bonus Share to be issued (0.5 of which is to be made by way of capitalization of retained profits and 0.5 of which is to be made by way of capitalization of the capital reserve fund) for every one Share held by the Shareholders (i.e., one bonus H Share and one bonus Domestic Share to be issued in respect of every one H Share and one Domestic Share held by the Shareholders, respectively) on the Record Date (Note 1).

2. The General Mandate for the Issue of Additional H Shares

- (a) the Board be and is hereby granted an unconditional general mandate to issue, allot and deal with additional H Shares in the share capital of the Company and to make or grant offers, agreements and options in respect thereof, subject to the following terms:
 - (i) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;

* For identification purposes only

NOTICE OF H SHARES CLASS MEETING

- (ii) the number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board shall not exceed 20% of the existing issued H Shares as at the date of passing this resolution, being 87,434,600 H Shares; and
 - (iii) the Board will only exercise its power under such mandate in accordance with the Company Law and the Listing Rules and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained.
- (b) for the purpose of this resolution:
- “Relevant Period”** means the period from the passing of this resolution until the earliest of the three periods below:
- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
 - (ii) the expiration of a 12-month period following the passing of this resolution; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting.
- (c) contingent on the Board’s resolving to issue shares pursuant to sub-paragraph (a) of this resolution, the Board be and is hereby authorized to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider relevant in connection with the issue of such new shares including, but not limited to, determining the time and place of issue, making all necessary applications to the relevant authorities and entering into an underwriting agreement (or any other agreement), to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities, and to make such amendments to the Articles of Association as it thinks fit so as to reflect the increase in registered capital of the Company and to reflect the new share capital structure of the Company under the intended allotment and issue of the shares of the Company pursuant to the resolution under paragraph (a) of this resolution.

3. The General Mandate for the Repurchase of H Shares

- (a) subject to paragraphs (b) and (c) below, the Board be and is hereby authorized to exercise all the powers of the Company to repurchase the H Shares in issue of the Company on the Hong Kong Stock Exchange during the Relevant Period (as defined in paragraph 2(b) above), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the PRC, the Hong Kong Stock Exchange or any other governmental or regulatory bodies.

NOTICE OF H SHARES CLASS MEETING

- (b) the aggregate nominal value of H Shares of the Company authorised to be repurchased subject to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of the H Shares in issue of the Company as at the date of the passing of this resolution.

- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution at the 2010 annual general meeting of the Company (the “AGM”) to be held on 13 June 2011 with the same terms (except for this sub-paragraph (c)(i)) as the resolutions passed at the Class Meetings to be convened separately for such purpose;
 - (ii) the approval of the relevant PRC regulatory authorities as may be required by laws, rules and regulations of the PRC being obtained by the Company; and
 - (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 4.2 of the Articles of Association of the Company.

- (d) subject to approval of all relevant PRC regulatory authorities for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the Articles of Association of the Company accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares of the Company as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC.

By order of the Board
Zhaojin Mining Industry Company Limited
LU Dongshang
Chairman

Zhaoyuan, the PRC, 20 April 2011

NOTICE OF H SHARES CLASS MEETING

Notes:

1. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as those defined in the circular of the Company dated 20 April 2011.
2. For details of the general mandates for the issue of additional H Shares and the repurchase of H Shares, please refer to the accompanying circular.
3. The holders of H Shares (“H Shares”) of the Company should note that the register of members of the Company will be closed from 14 May 2011 to 13 June 2011 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending the H Shares Class Meeting and the payment of final dividends, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 13 May 2011.
4. Shareholders of the Company whose names appear on the register of members of H Shares of the Company on 14 May 2011 are entitled to attend and vote at the H Shares Class Meeting or any adjourned meetings. Shareholders who have the right to attend and vote at the H Shares Class Meeting are entitled to appoint one or more proxies to attend and vote at the H Shares Class Meeting on his/her behalf. A proxy need not be a Shareholder of the Company.
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8. If the proxy form is signed by a person under a power of attorney or other authority, the power of attorney or other authority must be notarially certified. In order to be valid, the notarially certified copy of such power of attorney or other authority under which it is signed together with the proxy form must be deposited at the H Shares registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the H Shares Class Meeting.
9. Shareholders who intend to attend the H Shares Class Meeting should return the reply slip by hand, by post, by telegram or by fax to the H Shares registrar of the Company, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on or before 23 May 2011. Completion and return of the reply slip of the H Shares Class Meeting will not preclude a Shareholder from attending such meeting.
10. The H Shares Class Meeting is expected to be held for less than half a day. Shareholders and their proxies who attend the meeting shall arrange for their own transportation and accommodation at their own expenses.

NOTICE OF H SHARES CLASS MEETING

As at the date of this notice, members of the Board comprises:

<i>Executive Directors:</i>	Mr. Lu Dongshang and Mr. Weng Zhanbin
<i>Non-executive Directors:</i>	Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Wang Peifu, Mr. Wu Zhongqing and Mr. Chen Guoping
<i>Independent non-executive Directors:</i>	Mr. Ye Tianzhu, Mr. Yan Hongbo, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo