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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)

SUPPLEMENTAL NOTICE OF 2011 ANNUAL GENERAL MEETING

Reference is made to the “Notice of 2011 Annual General Meeting” dated 13 April 2012 (the “Notice of AGM”) of Zhaojin Mining Industry Company Limited (the “Company”). The 2011 annual general meeting of the Company (the “AGM”) 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 Tuesday, 29 May 2012.

On 24 April 2012, the Company received two additional proposals (the “Proposed New Resolutions”) from Shandong Zhaojin Group Company Limited, the substantial shareholder of the Company, which holds 1,103,024,000 shares in the Company on 24 April 2012, representing approximately 37.84% of the total share capital of the Company. Pursuant to the relevant requirements of Article 18 of the “Rules of Procedures for General Meetings” of the Company which stipulates that “Shareholders who individually or jointly hold more than 3% of the shares of the Company shall have the right to propose an additional proposal”, the Company will present the Proposed New Resolutions for Shareholders’ consideration and approval at the AGM of the Company to be held on 29 May 2012.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the AGM of the Company will be held at the conference room of the Company at No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the PRC at 9:00 a.m. on Tuesday, 29 May 2012 to consider and approve the following two resolutions by way of special resolutions:

SPECIAL RESOLUTIONS

4. Issue of Corporate Bonds in the PRC

Each of the following proposed items in respect of the proposed issue of Corporate Bonds in the PRC be and is hereby individually approved (subject to the approval of the CSRC and the conditions of the bonds market in the PRC):

(a) Details of the Corporate Bonds

(i) Issuer: the Company

* For identification purposes only

- (ii) Place of issue: the PRC
 - (iii) Size of issue: the aggregate principal amount shall not be more than RMB1.4 billion
 - (iv) Whether to arrange issuing to the existing Shareholders: the Corporate Bonds shall not be issued to the existing Shareholders on preferential basis
 - (v) Use of proceeds: to re-finance bank loans, replenish the current capital, adjust and optimize the financial structure of the Company
 - (vi) Method of guarantee: full amount, unconditional, irrevocable and joint liability guarantee provided by Shandong Zhaojin Group Company Limited
 - (vii) Way of underwriting: the Corporate Bonds will be underwritten on a stand-by basis by the underwriting group formed by the lead underwriters
 - (viii) Listing: subject to the satisfaction of the relevant requirements for listing, an application for listing of the Corporate Bonds on a domestic stock exchange as approved by the regulatory authorities will be made; and as permitted by applicable law and approved by the regulatory authorities, the Corporate Bonds could also list on other stock exchange
 - (ix) Validity period for the resolution: the resolution of the validity period for the issue of the Corporate Bonds made on the AGM shall be 24 months from the date of the resolution
- (b) Measures to secure the repayment of the Corporate Bonds

In case of occurrence of expected inability to repay principals and interests of the Corporate Bonds as scheduled or inability to repay principals and interest of the Corporate Bonds when they become due, according to applicable law, the following measures are decided to secure the Company's ability to repay the Corporate Bonds, including but not limited to: (a) no distribution of dividends to the Shareholders; (b) suspension of the implementation of projects relating to capital expenditure, such as material external investments, mergers and acquisitions; (c) reduction or suspension of salary and bonus of the Directors and senior management of the Company; and (d) not allowing the key officers to resign from their posts.

(c) Authority to the Board

The Board be and is hereby authorised to deal with such matters in connection with the issue of the Corporate Bonds in the PRC, including but not limited to the following:

- (i) so far as permitted by laws and regulations, determine the specific plan for the issue of the Corporate Bonds and make amendments and adjustments to the terms of the issue according to the conditions of the market and the Company, including but not limited to the actual size of issue, maturity of the Corporate Bonds, interest rate and method of determination, the duration and method of repayment of the principal and interests, timing of issue, method of issue, target offerees, whether to issue in tranches and the arrangement in relation to the issue size and maturity of each tranche and each type of Corporate Bonds, any repurchase and redemption provisions, way of underwriting, credit rating arrangement, guarantees, the arrangement for actual placing and the place of listing;
- (ii) take all necessary and ancillary actions relating to the issue of the Corporate Bonds, including but not limited to appointing intermediaries for the proposed issue of the Corporate Bonds, making underwriting arrangements and lodging the application to the relevant PRC regulatory authorities for the issue of the Corporate Bonds, obtaining the approval(s) from the relevant PRC regulatory authorities, appointing a trustee for the proposed issue of the Corporate Bonds, executing trust and custodian agreements and stipulating rules for bond holders' meeting and arranging for other issues and liquidity matters;
- (iii) take all necessary actions to determine and make arrangements for all matters relating to the proposed issue and listing of the Corporate Bonds, including negotiating, approving, authorising, executing, amending and completing the relevant legal documents, agreements, contracts relating to the issue and listing of the Corporate Bonds and make appropriate disclosure, and to approve, confirm and ratify any actions taken by the Board for the foregoing matters;
- (iv) should there be and changes of the policies of the PRC regulatory authorities in relation to the issue of the Corporate Bonds or changes in the market conditions, save for those matters subject to the resolutions by the Shareholders in general meetings as stipulated by the relevant laws, regulations and the Articles of Association, to amend the specific plan for the issue of the Corporate Bonds based on the feedback (if any) from the relevant PRC regulatory authorities or to exercise discretion to delay or suspend the issue of the Corporate Bonds;

- (v) deal with any matters relating to the issue and listing of the Corporate Bonds pursuant to the relevant rules of the relevant domestic stock exchange(s); and take all actions as deemed necessary by the Board relating to the issue of and listing of the Corporate Bonds; and
- (vi) the delegation of the power and authority of the Board to Mr. Lu Dongshang, the Chairman, and Mr. Weng Zhanbin, the director, for dealing with the abovementioned matters.

The grant of authority to the Board to deal with the above matters will take effect from the date of the passing of this resolution at the AGM.

- 5. Conditional upon passing special resolution numbered (1) as set out in the Notice of AGM relating to the approval of the Acquisition contemplated under the Transfer Agreement, the following amendments be made to the Articles of Association.

- (a) Original Article 3.5 of the Articles of Association as set out below:

“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 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-invested shares hold 874,346,000 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: 2,965,827,195 ordinary shares, of which Zhaojin Group holds 1,086,514,000 domestic shares, representing 36.63% of the issued ordinary shares of the Company; Yuyuan Mart holds 742,000,000 domestic shares, representing 25.02% of the issued ordinary shares of the Company; Fosun Investment holds 106,000,000 domestic shares, representing 3.57% of the issued ordinary shares of the Company; Zhaoyuan State-owned Assets Management Co., Ltd. holds 84,800,000 domestic shares, representing 2.86% of the issued ordinary shares of the Company; Laomiao Gold holds 21,200,000 domestic shares, representing 0.71% of the issued ordinary shares of the Company; Zhaojin Non-Ferrous holds 50,967,195 domestic shares, representing 1.72% of the issued ordinary shares of the Company; Shareholders of overseas-listed foreign-invested shares hold 874,346,000 shares, representing 29.48% of the issued ordinary shares of the Company.”

(b) Original Article 3.8 of the Articles of Association as set out below:

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

is proposed to be amended as follows:

“The registered capital of the Company is RMB2,965,827,195.”

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

Zhaoyuan, the PRC, 11 May 2012

Notes:

1. A supplemental form of proxy in respect of the above special resolutions is enclosed with this supplemental notice of AGM.
2. Apart from the additional resolutions and other information set out in this supplemental notice of AGM, all other matters relating to the AGM as set out in the notice of AGM remain unchanged. Please refer to the Notice of AGM of the Company dated 13 April 2012 for details of other resolutions to be considered and approved at the AGM, eligibility of attendance, registration procedures, appointment of proxies and other relevant matters.
3. Unless otherwise defined, capitalized terms used in this supplemental notice shall have the same meanings as defined in the circulars dated 13 April 2012 and 14 May 2012.

As at the date of this supplemental notice, members of the Board comprise:

Executive Directors: Mr. Lu Dongshang, Mr. Weng Zhanbin and Mr. Li Xiuchen

Non-executive Directors: Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Ye Kai and Mr. Kong Fanhe

Independent non-executive Directors: Mr. Ye Tianzhu, Mr. Yan Hongbo, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo