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ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

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

(Stock Code: 1818)

FIRST QUARTERLY REPORT OF 2012

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the Company's announcement dated 27 October 2011.

On 27 October 2011, the Company made an announcement in respect of the issue of the short-term bonds and the relevant prospectus. The principal amount of the short-term bonds is RMB700 million with a maturity period of 366 days. Details of the relevant documents relating to the short-term bonds have been published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>).

Pursuant to the relevant regulations in the PRC, the Company's unaudited quarterly financial statement shall be published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>) during the life of the short-term bonds.

The following is the unaudited first quarterly consolidated financial information of the Group for the period ended 31 March 2012 prepared in accordance with PRC GAAP, which is also published on the website of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>).

CONSOLIDATED BALANCE SHEETS

Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

ASSETS	31 December 2011	31 March 2012
Current assets:		
Cash and cash equivalents	1,176,280,541.73	500,576,535.70
Trading financial assets	9,331,584.43	34,331,949.55
Notes receivable	16,444,557.00	16,237,000.00
Accounts receivable	16,571,517.54	45,128,994.30
Advances to suppliers	550,399,854.44	829,891,634.82
Interest receivable	449,887.30	261,209.05
Dividend receivable		
Other receivables	884,890,359.17	1,983,780,683.53
Inventories	2,263,547,410.01	1,543,118,501.97
Non-current assets due within one year		
Other current assets	15,000,000.00	15,000,000.00
Total current assets	4,932,915,711.62	4,968,326,508.92
Non-current assets:		
Available for sale financial assets		
Held-to-maturity investments		
Long term receivables		
Long-term equity investments	183,486,302.49	98,319,619.70
Investment properties		
Fixed assets	3,998,266,765.74	4,017,662,526.08
Construction in progress	1,153,342,956.06	1,279,735,714.41
Construction material	541,029.15	
Liquidation of fixed assets	477,970.03	2,895,038.39
Productive biological assets		
Oil and gas assets		
Intangible assets	2,070,059,562.94	2,314,621,657.25
Development Expenditure	2,258,716.98	2,258,716.98
Goodwill	485,854,440.37	485,854,440.37
Long-term deferred expenses	22,512,085.97	21,400,764.95
Deferred income tax assets	41,545,223.33	47,772,058.97
Other non-current assets		
Total non-current assets	7,958,345,053.06	8,270,520,537.10
Total assets	12,891,260,764.68	13,238,847,046.02

**LIABILITIES AND SHAREHOLDERS'
EQUITY**

31 December 2011

31 March 2012

Current liabilities:		
Short-term borrowings	886,550,000.00	1,595,800,000.00
Financial liabilities at fair value through profit or loss		
Notes payable		
Accounts payable	1,736,531,801.62	916,326,911.70
Advances from customers	34,286,860.55	123,022,829.81
Employee benefits payable	158,037,544.78	145,103,530.17
Taxes & expense payable	385,966,726.72	272,403,818.35
Interest payable	10,770,338.76	38,791,057.91
Dividend payable	43,570,148.07	27,994,002.31
Other payables	112,202,966.92	200,555,008.22
Non-current liabilities due within one year	44,100,000.00	
Other current liabilities	699,842,657.00	699,842,657.00
Total current liabilities	4,111,859,044.42	4,019,839,815.47
Non-current liabilities:		
Long-term borrowings	12,941,686.09	55,324,430.09
Bonds payable	1,490,275,896.78	1,491,575,133.09
Long-term payables	591,554.22	599,578.22
Specific payable		
Provisions	11,202,128.04	10,602,128.04
Deferred income tax liabilities	248,076,971.44	241,490,417.47
Other non-current liabilities	147,601,750.00	152,001,750.00
Total non-current liabilities	1,910,689,986.57	1,951,593,436.91
Total liabilities	6,022,549,030.99	5,971,433,252.38
Owners' equity:		
Paid-in share capital	2,914,860,000.00	2,914,860,000.00
Capital reserve	1,112,777,733.71	1,112,777,733.71
Less: treasury stock		
Surplus reserve	445,058,071.06	445,058,071.06
Retained earnings	2,008,180,584.55	2,224,220,982.25
Translation difference	-10,417,588.80	-9,052,214.22
Equity attributable to owners of the parent	6,470,458,800.52	6,687,864,572.80
Minority interests	398,252,933.17	579,549,220.84
Total owners' equity	6,868,711,733.69	7,267,413,793.64
Total liabilities and owners' equity	12,891,260,764.68	13,238,847,046.02

CONSOLIDATED INCOME STATEMENT

Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

Events	Jan-Mar 2012 Amount	Jan-Mar 2011 Amount
I. Operating revenue	900,864,608.60	819,209,412.93
Less: Cost of Sales	382,787,110.36	298,329,426.48
Taxes and surcharges	7,274,119.08	7,130,577.32
Provision for impairment of assets	-321,737.22	
Operating expenses	8,389,502.21	29,238,423.71
General and administration expenses	173,941,274.17	128,325,642.49
Financial expenses	36,481,937.47	21,072,267.06
Add: Gains on changes in fair value		
(loss marked by “-”)	2,820,066.08	-4,190,128.04
Investment income (loss marked by “-”)	1,331,578.96	-985,181.18
Included: Share of profit of associates and joint ventures		
II. Operating profit	296,464,047.57	329,937,766.65
Non-operating income	530,619.65	114,087.50
Non-operating expenses	5,636,953.08	2,168,805.49
Included: Loss on disposal of non-current assets	2,140,692.22	622,716.43
III. Total Profit	291,357,714.14	327,883,048.66
Less: income tax	65,958,494.05	83,366,462.81
IV. Net profit	225,399,220.09	244,516,585.85
Net profit attributable to owners of the parent	216,040,397.70	223,981,890.38
Minority interests	9,358,822.39	20,534,695.47
V. Earnings per share		
(I) Basic earnings per share	0.07	0.08
(II) Diluted earnings per share		

CONSOLIDATED CASH FLOW STATEMENT
Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

Events	Jan-Mar 2012 Amount
I. Net cash flows from operating activities:	
Cash received from sale of goods or rendering of services	501,334,726.33
Cash received from refunds of taxes	
Cash received relating to other operating activities	10,502,418.21
Sub-total of cash inflows	511,837,144.54
Cash paid for goods and services	409,598,424.42
Cash paid to and on behalf of employees	141,004,603.53
Cash paid for all types of taxes	196,440,998.36
Cash paid relating to other operating activities	53,728,605.39
Sub-total of cash outflows	800,772,631.70
Net cash flows from operating activities	-288,935,487.16
II. Net cash from investing activities:	
Cash received from retrieve of investments	
Cash received from investment income	2,956,878.13
Net cash received from disposal of fixed assets, intangible assets and other long-term assets, net	
Cash received from disposal of subsidiaries and other entities	
Cash received relating to other investing activities	
Sub-total of cash inflows	2,956,878.13
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	377,486,611.71
Cash paid for acquisition of investments	735,063,606.24
Cash paid for acquisition of subsidiaries and other entities	
Cash paid relating to other investing activities	
Sub-total of cash outflows	1,112,550,217.95
Net cash flows from investing activities	-1,109,593,339.82
III. Net cash from financing activities:	
Cash received from capital contributions	
Cash received by borrowings	1,167,000,000.00
Cash received from other financing activities	13,824,820.95
Sub-total of cash inflows	1,180,824,820.95
Cash repayment of borrowings	458,000,000.00
Cash paid for distribution of dividends or profits and for payment of interest expenses	
Cash paid relating to other financing activities	
Sub-total of cash outflows	458,000,000.00
Net cash flows from financing activities	722,824,820.95
IV. Effect of changes in exchange rate on cash	
V. Net increase in cash and cash equivalents	-675,704,006.03

BALANCE SHEET*Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

ASSETS	31 December 2011	31 March 2012
Current assets:		
Cash and cash equivalents	888,604,747.35	171,531,697.74
Equity investments at fair value through profit or loss		
Notes receivable	5,500,000.00	4,000,000.00
Accounts receivable	21,725,819.59	27,824,048.35
Advances to suppliers	426,088,132.97	492,371,724.77
Interest receivable	19,982,153.97	40,829,615.06
Dividend receivable	82,236,245.70	82,236,245.70
Other receivables	1,074,610,392.20	1,484,345,829.54
Inventories	1,615,627,543.72	883,690,090.97
Non-current assets due within one year		
Other current assets	1,319,305,000.00	1,848,633,420.00
Total current assets	5,453,680,035.50	5,035,462,672.13
Non-current assets:		
Available for sale financial assets		
Held-to-maturity investments		
Long term receivables		
Long-term equity investments	2,515,175,754.23	2,697,539,360.47
Investment properties		
Fixed assets	1,763,862,539.34	1,789,549,525.86
Construction in progress	382,078,915.08	485,607,962.54
Construction material		
Liquidation of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	739,710,924.69	723,430,268.41
Development Expenditure		
Goodwill		
Long-term deferred expenses	5,140,534.29	4,586,363.70
Deferred income tax assets	35,434,048.83	41,660,884.47
Other non-current assets	354,615,000.00	354,615,000.00
Total non-current assets	5,796,017,716.46	6,096,989,365.45
Total assets	11,249,697,751.96	11,132,452,037.58

**LIABILITIES AND SHAREHOLDERS'
EQUITY**

31 December 2011

31 March 2012

Current liabilities:		
Short-term borrowings	740,000,000.00	1,477,250,000.00
Trading financial liabilities		
Notes payable		
Accounts payable	1,405,312,860.05	598,712,567.79
Advances from customers	9,662,035.11	11,300,372.91
Employee benefits payable	116,418,416.92	97,990,846.02
Taxes & expense payable	261,574,560.79	197,761,792.56
Interest payable	9,274,937.57	37,790,337.58
Dividend payable		
Other payables	225,779,037.19	78,692,803.35
Non-current liabilities due within one year		
Other current liabilities	699,842,657.00	699,842,657.00
Total current liabilities	3,467,864,504.63	3,199,341,377.21
Non-current liabilities:		
Long-term borrowings	6,373,636.00	6,373,636.00
Bonds payable	1,490,275,896.78	1,491,575,133.09
Long-term payables	18,000.00	17,000.00
Specific payable		
Provisions	10,067,422.59	9,467,422.59
Deferred income tax liabilities		
Other non-current liabilities	128,696,000.00	97,776,000.00
Total non-current liabilities	1,635,430,955.37	1,605,209,191.68
Total Liabilities	5,103,295,460.00	4,804,550,568.89
Owners' equity:		
Paid-in share capital	2,914,860,000.00	2,914,860,000.00
Capital reserve	1,170,055,864.68	1,170,055,864.68
Less: treasury stock		
Surplus reserve	443,882,005.83	443,882,005.83
Retained earnings	1,617,604,421.45	1,799,103,598.18
Translation difference		
Equity attributable to owners of the parent	6,146,402,291.96	6,327,901,468.69
Minority interests		
Total owners' equity	6,146,402,291.96	6,327,901,468.69
Total liabilities and owners' equity	11,249,697,751.96	11,132,452,037.58

INCOME STATEMENT

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

Events	Jan-Mar 2012 Amount	Jan-Mar 2011 Amount
I. Operating revenue	530,418,159.77	563,177,379.97
Less: Cost of Sales	174,062,605.80	172,443,708.88
Taxes and surcharges	3,598,432.47	5,299,243.38
Loss on impairment of assets		
Operating expenses	2,772,350.14	1,660,008.79
General and administration expenses	97,007,664.90	83,537,283.04
Financial expenses	36,964,798.26	20,180,046.78
Add: Gains on changes in fair value (loss marked by “-”)		
Investment income (loss marked by “-”)	22,047,461.09	7,256,224.19
Included: Share of profit of associates and joint ventures		
II. Operating profit	238,059,769.29	287,313,313.29
Non-operating income	321,019.00	58,660.00
Non-operating expenses	4,684,333.50	1,516,372.18
Included: Loss on disposal of non-current assets	2,139,528.22	543,560.34
III. Total Profit	233,696,454.79	285,855,601.11
Less: income tax	52,197,278.06	71,463,900.28
IV. Net profit	181,499,176.73	214,391,700.83
Net profit attributable to owners of the parent	181,499,176.73	214,391,700.83
Minority interests		
V. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

CASH FLOW STATEMENT

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

Events	Jan-Mar 2012 Amount
I. Net cash flows from operating activities	
Cash received from sale of goods or rendering of services	260,281,241.98
Cash received from refunds of taxes	
Cash received relating to other operating activities	
Sub-total of cash inflows	260,281,241.98
Cash paid for goods and services	363,240,396.22
Cash paid to and on behalf of employees	93,250,082.81
Cash paid for all types of taxes	141,354,716.93
Cash paid relating to other operating activities	32,723,272.53
Sub-total of cash outflows	630,568,468.49
Net cash flows from operating activities	-370,287,226.51
II. Net cash flow from investing activities	
Cash received from sale of investments	
Cash received from investment income	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets, net	
Cash received from disposal of subsidiaries and other entities	
Cash received relating to other investing activities	
Sub-total of cash inflows	
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	303,722,216.86
Cash paid for acquisition of investments	775,063,606.24
Cash paid for acquisition of subsidiaries and other entities	
Cash paid relating to other investing activities	
Sub-total of cash outflows	1,078,785,823.10
Net cash flows from investing activities	-1,078,785,823.10
III. Net cash flow from financing activities	
Cash received from capital contributions	
Cash received from borrowings	1,132,000,000.00
Cash received relating to other financing activities	
Sub-total of cash inflows	1,132,000,000.00
Cash repayment of borrowings	400,000,000.00
Cash paid for distribution of dividends or profits and for payment of interest expenses	
Cash paid relating to other financing activities	
Sub-total of cash outflows	400,000,000.00
Net cash flows from financing activities	732,000,000.00
IV. Effect of changes in exchange rate on cash	
V. Net increase in cash and cash equivalents	-717,073,049.61

The financial information set forth in this announcement is prepared in accordance with PRC GAAP and unaudited. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the board
Zhaojin Mining Industry Company Limited
Chairman
Lu Dongshang

Zhaoyuan, China, 25 April 2012

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lu Dongshang, Mr. Weng Zhanbin and Mr. Li Xiuchen, four non-executive Directors, namely Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Ye Kai and Mr. Kong Fanhe, and four independent non-executive Directors, namely Mr. Ye Tianzhu, Mr. Yan Hongbo, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo.

* *for identification purposes only*