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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)

ANNOUNCEMENT

ISSUE OF SHORT TERM BONDS

The Board wishes to inform the Shareholders and potential investors of the Company that the Company anticipates that the issue of short term bonds amounting to RMB700 million will be completed on 4 November 2011. This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

This announcement is made by Zhaojin Mining Industry Company Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Reference is made to the circular and announcement of the Company dated 25 May 2011 and 13 June 2011, respectively, relating to the issue of the short term bonds of the Company. The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that the Company anticipates that the issue of short term bonds amounting to RMB700 million will be completed on 4 November 2011.

The details of the prospectus of the Company in relation to the issue of the short term bonds will be published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>) on 27 October 2011.

The unaudited financial statement of the Company for the first quarter and for January to June of 2011 prepared according to PRC Accounting Standards disclosed in the prospectus on the issue of the short term bonds is set out in the Appendix herein.

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

Zhaoyuan, the PRC, 27 October 2011

As at the date of this announcement, the Board comprises Mr. Lu Dongshang and Mr. Weng Zhanbin as executive Directors, Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Wang Peifu, Mr. Wu Zhongqing and Mr. Chen Guoping as non-executive Directors, and Mr. Ye Tianzhu, Mr. Yan Hongbo, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo as independent non-executive Directors.

* For identification purposes only

APPENDIX

CONSOLIDATED BALANCE SHEET

Zhaojin Mining Industry Company Limited (Consolidated)

For the three months ended 31 March 2011

Unit: RMB Yuan

Assets	At Beginning of Year	At End of Period
Current Assets:		
Cash and cash equivalents	774,752,470.70	540,320,936.72
Trading financial assets	16,212,935.09	104,039,747.78
Notes receivables	14,408,875.37	17,442,675.25
Account receivables	171,300,646.53	110,074,613.02
Advance to suppliers	408,422,164.50	570,479,557.12
Interest receivables	227,922.92	
Dividend receivables		
Other receivables	210,877,932.62	534,099,998.42
Inventories	910,013,607.22	782,420,971.97
Non-current assets due within one year	100,000.00	
Other current assets		
Total current assets	2,506,316,554.95	2,658,878,500.28
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturity investments		1,328,420.00
Long-term receivables		
Long-term equity investments	40,735,360.82	40,735,360.82
Investment properties		
Fixed assets	3,330,058,289.23	3,301,132,206.06
Construction in progress	489,973,458.19	596,129,664.63
Construction materials		
Fixed assets pending for disposal	68,633.69	68,633.69
Productive biological assets		
Oil and gas assets		
Intangible assets	2,073,367,385.36	2,280,529,541.23
Development expenditures		
Goodwill	485,828,754.57	356,533,518.03
Long-term deferred expenses	20,967,247.35	28,351,017.79
Deferred tax asset	38,454,284.28	38,747,874.14
Other non-current assets		
Total non-current assets	6,479,453,413.49	6,643,556,236.39
Total assets	8,985,769,968.44	9,302,434,736.67

Liabilities and Equity	At Beginning of Year	At End of Period
Current Liabilities:		
Short-term loans	370,000,000.00	445,250,000.00
Trading financial liabilities		
Notes payables		
Account payables	622,332,464.06	513,523,248.17
Advance from customers	5,436,522.02	75,693,386.72
Payroll payables	162,832,162.24	119,604,529.58
Tax payables	244,069,570.51	182,287,137.72
Interest payables	2,146,835.67	21,044,963.31
Dividend payables	45,375,097.89	45,375,097.89
Other payables	81,274,913.86	112,433,347.71
Non-current liabilities due within one year	10,000,000.00	
Other current liabilities		
Total current liabilities	1,543,467,566.25	1,515,211,711.10
Non-current Liabilities:		
Long-term borrowings	55,467,124.09	65,467,124.09
Bonds payables	1,490,219,779.58	1,490,789,473.13
Long-term payables	550,224.74	550,224.74
Specific payables	28,539,000.00	57,839,000.00
Provisions	11,975,600.55	11,312,888.92
Deferred tax liabilities	239,399,867.62	196,985,320.78
Other non-current liabilities		
Total non-current liabilities	1,826,151,596.58	1,822,944,031.66
Total liabilities	3,369,619,162.83	3,338,155,742.76
Equity:		
Paid-in-capital	1,457,430,000.00	1,457,430,000.00
Capital reserves	1,854,150,618.05	1,854,150,618.05
Less: Treasury Stock		
Surplus reserves	312,051,771.61	312,051,771.61
Retained earnings	1,642,446,472.69	1,866,428,363.07
Translation difference	-8,165,647.54	-8,674,567.14
Equity attributable to equity holders of the Company	5,257,913,214.81	5,481,386,185.59
Minority interests	358,237,590.80	482,892,808.32
Total equity	5,616,150,805.61	5,964,278,993.91
Total liabilities and equity	8,985,769,968.44	9,302,434,736.67

CONSOLIDATED INCOME STATEMENT

Zhaojin Mining Industry Company Limited (Consolidated)

For the three months ended 31 March 2011

Unit: RMB Yuan

Items	Jan-Mar 2011	Year 2011	Year 2010
I. Operating revenue	382,134,894.13	819,209,412.93	555,393,612.06
Less: Cost of sales	132,330,538.57	298,329,426.48	163,883,358.42
Taxes and surcharges	2,708,231.09	7,130,577.32	5,907,417.91
Impairment loss			6,091,317.72
Operating expenses	20,960,153.98	29,238,423.71	3,933,973.51
General and administrative expenses	44,595,885.33	128,325,642.49	118,304,728.76
Financial expenses	6,743,429.69	21,072,267.06	21,719,149.67
Add: Gain on changes in fair value (loss is marked by “-”)	-2,316,708.20	-4,190,128.04	-11,511,103.70
Investment income (loss is marked by “-”)	-629,418.01	-985,181.18	4,233,752.76
Including: Share of profit of an associate			
II. Operating profit	171,850,529.26	329,937,766.65	228,276,315.13
Non-operating income	48,975.68	114,087.50	196,052.83
Non-operating expenses	446,469.99	2,168,805.49	4,958,388.19
Including: Loss on disposal of non-current assets	99,464.45	622,716.43	285,838.40
III. Total profit before taxation	171,453,034.95	327,883,048.66	223,513,979.77
Less: Income tax	41,112,248.49	83,366,462.81	59,590,259.70
IV. Net profit after taxation	130,340,786.46	244,516,585.85	163,923,720.07
Attributable to shareholders of the Company	112,453,861.59	223,981,890.38	164,153,599.68
Minority interests	17,886,924.87	20,534,695.47	-229,879.61
V. Earnings per share			
(I) Basis earnings per share	0.05	0.15	0.11
(II) Diluted earnings per share			

CONSOLIDATED STATEMENT OF CASH FLOWS
Zhaojin Mining Industry Company Limited (Consolidated)

For the three months ended 31 March 2011

Unit: RMB Yuan

Items	Amount
I. Net cash flows from operating activities	
Cash received from sale of goods or rendering of services	751,353,206.94
Refunds of taxes	2,400,136.09
Cash received relating to other operating activities	2,201,944.74
Sub-total of cash inflows	755,595,287.77
Cash paid for goods and services	509,885,421.78
Cash paid to and on behalf of employees	126,843,083.78
Cash paid for all types of taxes	177,094,327.90
Cash paid relating to other operating activities	46,046,759.57
Sub-total of cash outflows	859,869,593.03
Net cash flows from operating activities	-103,914,305.26
II. Net cash from investing activities	
Cash received from sale of investments	0.00
Cash received from return on investments	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	30,648.00
Cash received from disposal of subsidiaries or other companies	0.00
Cash received relating to other investing activities	0.00
Sub-total of cash inflows	30,648.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	164,795,507.35
Cash paid for investments	0.00
Cash paid for subsidiaries or other companies acquisitions	0.00
Cash paid relating to other investing activities	1,238,847.44
Sub-total of cash outflows	166,034,354.79
Net cash from investing activities	-166,003,706.79
III. Net cash from financing activities	
Cash received from capital contributions	0.00
Cash received from borrowings	465,000,000.00
Cash received relating to other financing activities	50,261.27
Sub-total of cash inflows	465,050,261.27
Cash repayments of borrowings	400,000,000.00
Cash paid for distribution of dividends or profits and for interest expenses	3,007,819.96
Cash paid relating to other financing activities	1,213.50
Sub-total of cash outflows	403,009,033.46
Net cash from financing activities	62,041,227.81
IV. Effect of changes in exchange rate on cash	0.00
V. Net increase in cash and cash equivalents	-234,431,533.98

Items from schedule	Amount
Net profit	223,981,890.38
Add: Assets impairment provision	-890,540.27
Depreciation of fixed assets, oil and gas assets and productive biological assets	53,361,848.43
Amortisation of intangible assets	29,350,797.72
Amortisation of long-term deferred expenses	2,241,165.23
Loss on disposal of fixed assets, intangible assets and other long-term assets (less: gain)	290,732.72
Loss on retirement of fixed assets	0.00
Loss on changes in fair value	2,958,979.99
Finance expenses	21,072,267.06
Investment loss	7,256,224.19
Decrease in deferred tax assets	0.00
Increase in deferred tax liabilities	0.00
Decrease in inventories (less: increase)	81,245,162.48
Decrease in operating receivables (less: increase)	-268,227,975.17
Increase in operating payables (less: decrease)	-256,533,457.74
Others	-21,400.28
Net cash flows from operating activities	-103,914,305.26
Transfer of debt into equity	0.00
Convertible corporate bonds due within one year	0.00
Fixed assets under finance lease	0.00
Cash at the end of the period	540,320,936.72
Less: cash at the beginning of the period	774,752,470.70
Add: cash equivalents at the end of the period	
Less: cash equivalents at the beginning of the period	
Net increase in cash and cash equivalents	-234,431,533.98

BALANCE SHEET*Zhaojin Mining Industry Company Limited*

For the three months ended 31 March 2011

Unit: RMB Yuan

Assets	At Beginning of Year	At End of Period
Current Assets:		
Cash and cash equivalents	535,042,820.66	342,952,889.68
Trading financial assets		55,882,757.24
Notes receivables	5,110,844.24	1,835,000.00
Account receivables	4,069,830.93	10,429,029.98
Advance to suppliers	242,479,117.34	274,004,039.41
Interest receivables	10,902,903.97	14,887,886.97
Dividend receivables	89,800,545.56	89,800,545.56
Other receivables	443,736,670.41	625,479,010.42
Inventories	522,716,708.23	380,522,712.61
Non-current assets due within one year	100,000.00	
Other current assets	795,705,000.00	701,705,000.00
Total current assets	2,649,664,441.34	2,497,498,871.87
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	2,326,124,812.56	2,439,024,812.56
Investment properties		
Fixed assets	1,424,319,738.90	1,410,483,088.13
Construction in progress	263,134,276.52	350,892,258.30
Construction materials		
Fixed assets pending for disposal		
Productive biological assets		
Oil and gas assets		
Intangible assets	770,699,416.53	747,922,984.58
Development expenditures		
Goodwill		
Long-term deferred expenses	6,135,464.48	5,764,377.88
Deferred tax asset	33,330,680.61	33,330,680.61
Other non-current assets	351,600,000.00	352,928,420.00
Total non-current assets	5,175,344,389.60	5,340,346,622.06
Total assets	7,825,008,830.94	7,837,845,493.93

Liabilities and Equity	At Beginning of Year	At End of Period
Current Liabilities:		
Short-term loans	250,000,000.00	350,250,000.00
Trading financial liabilities		
Notes payables		
Account payables	362,850,100.05	165,428,642.89
Advance from customers	799,303.71	12,201,447.71
Payroll payables	125,772,491.78	92,542,566.38
Tax payables	128,422,041.79	111,869,078.79
Interest payables	2,001,628.35	20,598,728.35
Dividend payables		
Other payables	158,151,703.81	44,922,073.98
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	1,027,997,269.49	797,812,538.10
Non-current Liabilities:		
Long-term borrowings	7,081,818.00	7,081,818.00
Bonds payables	1,490,219,779.58	1,490,789,473.13
Long-term payables	29,000.00	29,000.00
Specific payables	24,219,000.00	52,879,000.00
Provisions	10,840,895.10	10,240,895.10
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,532,390,492.68	1,561,020,186.23
Total liabilities	2,560,387,762.17	2,358,832,724.33
Equity:		
Paid-in-capital	1,457,430,000.00	1,457,430,000.00
Capital reserves	1,898,770,864.68	1,898,770,864.68
Less: Treasury Stock		
Surplus reserves	311,980,983.51	311,980,983.51
Retained earnings	1,596,439,220.58	1,810,830,921.41
Translation difference		
Equity attributable to equity holders of the Company	5,264,621,068.77	5,479,012,769.60
Minority interests		
Total equity	5,264,621,068.77	5,479,012,769.60
Total liabilities and equity	7,825,008,830.94	7,837,845,493.93

INCOME STATEMENT

Zhaojin Mining Industry Company Limited

For the three months ended 31 March 2011

Unit: RMB Yuan

Items	Jan-Mar 2011	Year 2011	Year 2010
I. Operating revenue	233,889,844.26	563,177,379.97	473,168,755.51
Less: Cost of sales	76,748,610.09	172,443,708.88	134,497,008.57
Taxes and surcharges	1,852,357.85	5,299,243.38	4,674,020.08
Impairment loss			
Operating expenses	590,150.62	1,660,008.79	1,294,388.63
General and administrative expenses	25,874,795.07	83,537,283.04	82,178,027.83
Financial expenses	6,282,576.08	20,180,046.78	21,455,944.03
Add: Gain on changes in fair value (loss is marked by “-”)			-8,699,435.82
Investment income (loss is marked by “-”)	2,813,904.14	7,256,224.19	4,688,657.19
Including: Share of profit of an associate			
II. Operating profit	125,355,258.69	287,313,313.29	225,058,587.74
Non-operating income	6,000.00	58,660.00	94,900.06
Non-operating expenses	68,684.04	1,516,372.18	3,312,874.87
Including: Loss on disposal of non-current assets	20,309.36	543,560.34	285,838.40
III. Total profit before taxation	125,292,574.65	285,855,601.11	221,840,612.93
Less: Income tax	31,323,143.66	71,463,900.28	55,460,153.23
IV. Net profit after taxation	93,969,430.99	214,391,700.83	166,380,459.70
Attributable to shareholders of the Company	93,969,430.99	214,391,700.83	166,380,459.70
Minority interests			
V. Earnings per share			
(I) Basis earnings per share	0.05	0.15	0.11
(II) Diluted earnings per share			

STATEMENT OF CASH FLOWS

Zhaojin Mining Industry Company Limited

For the three months ended 31 March 2011

Unit: RMB Yuan

Items	Amount
I. Net cash flows from operating activities	
Cash received from sale of goods or rendering of services	496,332,317.32
Refunds of taxes	
Cash received relating to other operating activities	
Sub-total of cash inflows	496,332,317.32
Cash paid for goods and services	447,150,032.88
Cash paid to and on behalf of employees	92,341,841.73
Cash paid for all types of taxes	128,789,766.20
Cash paid relating to other operating activities	
Sub-total of cash outflows	668,281,640.81
Net cash flows from operating activities	-171,949,323.49
II. Net cash from investing activities	
Cash received from sale of investments	
Cash received from return on investments	3,776,845.36
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	
Cash received from disposal of subsidiaries or other companies	
Cash received relating to other investing activities	
Sub-total of cash inflows	3,776,845.36
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	89,937,055.55
Cash paid for investments	
Cash paid for subsidiaries or other companies acquisitions	
Cash paid relating to other investing activities	30,986,097.14
Sub-total of cash outflows	120,923,152.69
Net cash from investing activities	-117,146,307.33
III. Net cash from financing activities	
Cash received from capital contributions	
Cash received from borrowings	398,000,000.00
Cash received relating to other financing activities	
Sub-total of cash inflows	398,000,000.00
Cash repayments of borrowings	298,000,000.00
Cash paid for distribution of dividends or profits and for interest expenses	2,994,300.16
Cash paid relating to other financing activities	
Sub-total of cash outflows	300,994,300.16
Net cash from financing activities	97,005,699.84
IV. Effect of changes in exchange rate on cash	
V. Net increase in cash and cash equivalents	-192,089,930.98

Items from schedule	Amount
Net profit	214,391,700.83
Add: Assets impairment provision	
Depreciation of fixed assets, oil and gas assets and productive biological assets	29,300,529.07
Amortisation of intangible assets	22,776,431.95
Amortisation of long-term deferred expenses	503,692.56
Loss on disposal of fixed assets, intangible assets and other long-term assets (less: gain)	
Loss on retirement of fixed assets	
Loss on changes in fair value	
Finance expenses	20,180,046.78
Investment loss	7,256,224.19
Decrease in deferred tax assets	
Increase in deferred tax liabilities	
Decrease in inventories (less: increase)	142,193,995.62
Decrease in operating receivables (less: increase)	-338,576,183.00
Increase in operating payables (less: decrease)	-269,975,761.49
Others	
Net cash flows from operating activities	-171,949,323.49
Transfer of debt into equity	
Convertible corporate bonds due within one year	
Fixed assets under finance lease	
Cash at the end of the period	342,952,889.68
Less: cash at the beginning of the period	535,042,820.66
Add: cash equivalents at the end of the period	
Less: cash equivalents at the beginning of the period	
Net increase in cash and cash equivalents	-192,089,930.98

CONSOLIDATED BALANCE SHEET*Zhaojin Mining Industry Company Limited (Consolidated)*

For the six months ended 30 June 2011

Unit: RMB Yuan

Assets	At Beginning of Year	At End of Period
Current Assets:		
Cash and cash equivalents	774,752,470.70	521,725,204.17
Trading financial assets	16,212,935.09	79,907,074.28
Notes receivables	14,408,875.37	30,393,177.00
Account receivables	171,300,646.53	16,415,269.49
Advance to suppliers	408,422,164.50	657,632,325.19
Interest receivables	227,922.92	
Dividend receivables		
Other receivables	210,877,932.62	307,766,214.20
Inventories	910,013,607.22	954,954,650.51
Non-current assets due within one year		
Other current assets	100,000.00	
Total current assets	2,506,316,554.95	2,568,793,914.84
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturity investments		96,978,057.38
Long-term receivables		
Long-term equity investments	40,735,360.82	40,735,360.82
Investment properties		
Fixed assets	3,330,058,289.23	3,377,924,308.48
Construction in progress	489,973,458.19	778,217,080.96
Construction materials		692,577.07
Fixed assets pending for disposal	68,633.69	-251,366.31
Productive biological assets		
Oil and gas assets		
Intangible assets	2,073,367,385.36	2,466,063,720.47
Development expenditures		
Goodwill	485,828,754.57	316,620,160.21
Long-term deferred expenses	20,967,247.35	18,575,725.50
Deferred tax asset	38,454,284.28	35,883,618.74
Other non-current assets		
Total non-current assets	6,479,453,413.49	7,131,439,243.32
Total assets	8,985,769,968.44	9,700,233,158.16

Liabilities and Equity	At Beginning of Year	At End of Period
Current Liabilities:		
Short-term loans	370,000,000.00	655,864,965.69
Trading financial liabilities		
Notes payables		
Account payables	622,332,464.06	511,835,068.07
Advance from customers	5,436,522.02	11,643,702.87
Payroll payables	162,832,162.24	121,054,555.13
Tax payables	244,069,570.51	159,346,367.31
Interest payables	2,146,835.67	40,313,815.58
Dividend payables	45,375,097.89	45,375,097.89
Other payables	81,274,913.86	136,622,632.09
Non-current liabilities due within one year		
Other current liabilities	10,000,000.00	
Total current liabilities	1,543,467,566.25	1,682,056,204.63
Non-current Liabilities:		
Long-term borrowings	55,467,124.09	54,758,942.09
Bonds payables	1,490,219,779.58	1,491,359,166.68
Long-term payables	550,224.74	551,232.74
Specific payables	28,539,000.00	63,904,000.00
Provisions	11,975,600.55	11,458,035.27
Deferred tax liabilities	239,399,867.62	194,303,332.31
Other non-current liabilities		
Total non-current liabilities	1,826,151,596.58	1,816,334,709.09
Total liabilities	3,369,619,162.83	3,498,390,913.72
Equity:		
Paid-in-capital	1,457,430,000.00	2,914,860,000.00
Capital reserves	1,854,150,618.05	1,125,435,618.05
Less: Treasury Stock		
Surplus reserves	312,051,771.61	312,051,771.61
Retained earnings	1,642,446,472.69	1,203,850,344.60
Translation difference	-8,165,647.54	-9,200,263.52
Equity attributable to equity holders of the Company	5,257,913,214.81	5,546,997,470.74
Minority interests	358,237,590.80	654,844,773.70
Total equity	5,616,150,805.61	6,201,842,244.44
Total liabilities and equity	8,985,769,968.44	9,700,233,158.16

CONSOLIDATED INCOME STATEMENT

Zhaojin Mining Industry Company Limited (Consolidated)

For the six months ended 30 June 2011

Unit: RMB Yuan

Items	Jan-Jun 2011	Year 2011	Year 2010
I. Operating revenue	777,977,322.31	2,523,005,000.67	1,730,941,287.66
Less: Cost of sales	345,950,778.81	1,047,406,844.83	615,952,205.15
Taxes and surcharges	4,472,761.41	19,017,369.33	12,528,049.07
Impairment loss	1,873,545.83	1,873,545.83	1,211,437.61
Operating expenses	7,657,129.66	55,443,265.77	9,349,031.62
General and administrative expenses	82,036,131.24	324,155,431.71	238,133,023.45
Financial expenses	9,248,193.67	43,401,123.78	36,548,764.85
Add: Gain on changes in fair value (loss is marked by “-”)	-9,135,199.54	-13,747,865.35	-19,490,755.80
Investment income (loss is marked by “-”)	-3,787,938.59	-6,737,988.49	-1,073,452.88
Including: Share of profit of an associate			
II. Operating profit	313,815,643.56	1,011,221,565.58	796,654,567.23
Non-operating income	1,353,606.64	2,531,859.01	6,618,821.45
Non-operating expenses	10,819,292.16	14,202,793.92	13,373,546.30
Including: Loss on disposal of non-current assets	17,907.89	1,373,839.64	4,590,315.70
III. Total profit before taxation	304,349,958.04	999,550,630.67	789,899,842.38
Less: Income tax	84,421,509.20	238,113,322.97	188,530,993.60
IV. Net profit after taxation	219,928,448.84	761,437,307.70	601,368,848.78
Attributable to shareholders of the Company	214,214,820.02	727,347,871.91	578,968,695.70
Minority interests	5,713,628.82	34,089,435.79	22,400,153.08
V. Earnings per share			
(I) Basis earnings per share	0.05		
(II) Diluted earnings per share			

CONSOLIDATED STATEMENT OF CASH FLOWS
Zhaojin Mining Industry Company Limited (Consolidated)

For the six months ended 30 June 2011

Unit: RMB Yuan

Items	Amount
I. Net cash flows from operating activities	
Cash received from sale of goods or rendering of services	2,250,177,008.44
Refunds of taxes	2,400,000.00
Cash received relating to other operating activities	112,161,501.94
Sub-total of cash inflows	2,364,738,510.38
Cash paid for goods and services	1,138,947,025.56
Cash paid to and on behalf of employees	266,346,372.35
Cash paid for all types of taxes	400,964,109.74
Cash paid relating to other operating activities	165,614,220.40
Sub-total of cash outflows	1,971,871,728.05
Net cash flows from operating activities	392,866,782.33
II. Net cash from investing activities	
Cash received from sale of investments	380,972.50
Cash received from return on investments	4,856,711.44
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	4,888,743.44
Cash received from disposal of subsidiaries or other companies	
Cash received relating to other investing activities	1,028,254.85
Sub-total of cash inflows	11,154,682.23
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	412,419,753.57
Cash paid for investments	248,287,684.01
Cash paid for subsidiaries or other companies acquisitions	
Cash paid relating to other investing activities	2,496,252.24
Sub-total of cash outflows	663,203,689.82
Net cash from investing activities	-652,049,007.59
III. Net cash from financing activities	
Cash received from capital contributions	
Cash received from borrowings	752,828,908.62
Cash received relating to other financing activities	603,522.43
Sub-total of cash inflows	753,432,431.05
Cash repayments of borrowings	396,708,182.00
Cash paid for distribution of dividends or profits and for interest expenses	350,347,822.22
Cash paid relating to other financing activities	221,468.10
Sub-total of cash outflows	747,277,472.32
Net cash from financing activities	6,154,958.73
IV. Effect of changes in exchange rate on cash	
V. Net increase in cash and cash equivalents	-253,027,266.53

BALANCE SHEET*Zhaojin Mining Industry Company Limited (Consolidated)*

For the six months ended 30 June 2011

Unit: RMB Yuan

Assets	At Beginning of Year	At End of Period
Current Assets:		
Cash and cash equivalents	535,042,820.66	229,607,491.26
Trading financial assets		38,303,946.00
Notes receivables	5,110,844.24	5,050,000.00
Account receivables	4,069,830.93	8,257,459.82
Advance to suppliers	242,479,117.34	369,596,241.06
Interest receivables	10,902,903.97	18,092,469.57
Dividend receivables	89,800,545.56	89,800,545.56
Other receivables	443,736,670.41	439,633,001.23
Inventories	522,716,708.23	518,645,019.65
Non-current assets due within one year		
Other current assets	795,805,000.00	
Total current assets	2,649,664,441.34	1,716,986,174.15
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturity investments		1,282,783,057.38
Long-term receivables		
Long-term equity investments	2,326,124,812.56	2,538,624,812.56
Investment properties		
Fixed assets	1,424,319,738.90	1,420,431,517.52
Construction in progress	263,134,276.52	403,597,803.35
Construction materials		
Fixed assets pending for disposal		
Productive biological assets		
Oil and gas assets		
Intangible assets	770,699,416.53	724,442,187.58
Development expenditures		
Goodwill		
Long-term deferred expenses	6,135,464.48	5,225,346.54
Deferred tax asset	33,330,680.61	29,599,577.26
Other non-current assets	351,600,000.00	
Total non-current assets	5,175,344,389.60	6,404,704,302.19
Total assets	7,825,008,830.94	8,121,690,476.34

Liabilities and Equity	At Beginning of Year	At End of Period
Current Liabilities:		
Short-term loans	250,000,000.00	545,864,965.69
Trading financial liabilities		
Notes payables		
Account payables	362,850,100.05	287,184,386.58
Advance from customers	799,303.71	2,145,704.11
Payroll payables	125,772,491.78	93,210,737.18
Tax payables	128,422,041.79	60,738,904.62
Interest payables	2,001,628.35	40,055,603.35
Dividend payables		
Other payables	158,151,703.81	126,171,342.14
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	1,027,997,269.49	1,155,371,643.67
Non-current Liabilities:		
Long-term borrowings	7,081,818.00	6,373,636.00
Bonds payables	1,490,219,779.58	1,491,359,166.68
Long-term payables	29,000.00	27,000.00
Specific payables	24,219,000.00	52,879,000.00
Provisions	10,840,895.10	10,323,329.82
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,532,390,492.68	1,560,962,132.50
Total liabilities	2,560,387,762.17	2,716,333,776.17
Equity:		
Paid-in-capital	1,457,430,000.00	2,914,860,000.00
Capital reserves	1,898,770,864.68	1,170,055,864.68
Less: Treasury Stock		
Surplus reserves	311,980,983.51	311,980,983.51
Retained earnings	1,596,439,220.58	1,008,459,851.98
Translation difference		
Equity attributable to equity holders of the Company	5,264,621,068.77	5,405,356,700.17
Minority interests		
Total equity	5,264,621,068.77	5,405,356,700.17
Total liabilities and equity	7,825,008,830.94	8,121,690,476.34

INCOME STATEMENT

Zhaojin Mining Industry Company Limited (Consolidated)

For the six months ended 30 June 2011

Unit: RMB Yuan

Items	Jan-Jun 2011	Year 2011	Year 2010
I. Operating revenue	487,737,913.27	1,714,340,632.23	1,368,989,713.01
Less: Cost of sales	230,769,077.36	711,759,081.45	451,437,504.91
Taxes and surcharges	2,052,422.33	11,465,024.93	9,107,726.53
Impairment loss	-858,095.19	-858,095.19	1,120,119.89
Operating expenses	1,307,791.24	6,796,689.74	5,077,896.77
General and administrative expenses	41,036,516.46	198,283,569.44	156,128,540.42
Financial expenses	9,296,611.96	42,362,113.36	35,531,667.72
Add: Gain on changes in fair value (loss is marked by “-”)	-4,337,223.51	-4,337,223.51	-7,541,773.54
Investment income (loss is marked by “-”)	-662,794.58	14,176,571.30	718,393.30
Including: Share of profit of an associate			
II. Operating profit	199,133,571.02	754,371,596.29	703,762,876.53
Non-operating income	119,964.03	865,970.32	299,490.26
Non-operating expenses	2,536,662.75	4,439,706.91	8,018,110.95
Including: Loss on disposal of non-current assets	17,728.74	741,961.06	974,140.31
III. Total profit before taxation	196,716,872.30	750,797,859.70	696,044,255.84
Less: Income tax	49,162,629.40	172,833,228.30	174,011,063.97
IV. Net profit after taxation	147,554,242.90	577,964,631.40	522,033,191.87
Attributable to shareholders of the Company	147,554,242.90	577,964,631.40	522,033,191.87
Minority interests			
V. Earnings per share			
(I) Basis earnings per share		0.20	0.36
(II) Diluted earnings per share			

STATEMENT OF CASH FLOWS

Zhaojin Mining Industry Company Limited (Consolidated)

For the six months ended 30 June 2011

Unit: RMB Yuan

Items	Amount
I. Net cash flows from operating activities	
Cash received from sale of goods or rendering of services	1,700,158,636.03
Refunds of taxes	
Cash received relating to other operating activities	43,678,226.86
Sub-total of cash inflows	1,743,836,862.89
Cash paid for goods and services	988,693,783.58
Cash paid to and on behalf of employees	175,560,257.35
Cash paid for all types of taxes	292,841,225.71
Cash paid relating to other operating activities	55,743,357.43
Sub-total of cash outflows	1,512,838,624.07
Net cash flows from operating activities	230,998,238.82
II. Net cash from investing activities	
Cash received from sale of investments	
Cash received from return on investments	3,781,454.18
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	237,942.50
Cash received from disposal of subsidiaries or other companies	
Cash received relating to other investing activities	1,028,254.85
Sub-total of cash inflows	5,047,651.53
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	285,507,497.72
Cash paid for investments	212,965,132.38
Cash paid for subsidiaries or other companies acquisitions	
Cash paid relating to other investing activities	
Sub-total of cash outflows	498,472,630.10
Net cash from investing activities	-493,424,978.57
III. Net cash from financing activities	
Cash received from capital contributions	
Cash received from borrowings	593,614,965.69
Cash received relating to other financing activities	535,508.66
Sub-total of cash inflows	594,150,474.35
Cash repayments of borrowings	298,708,182.00
Cash paid for distribution of dividends or profits and for interest expenses	338,235,241.76
Cash paid relating to other financing activities	215,640.24
Sub-total of cash outflows	637,159,064.00
Net cash from financing activities	-43,008,589.65
IV. Effect of changes in exchange rate on cash	
V. Net increase in cash and cash equivalents	-305,435,329.40