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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 ON RESUMPTION OF PRODUCTION

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

In accordance with the requirements of the local government, the Company suspended the underground exploitation of its mines in Zhaoyuan region since 7 August 2010 for self-examination and self-correction activities. The Company is now informed by the Work Safety Committee of Zhaoyuan City that all of the Company's mining enterprises in Zhaoyuan region have passed the examination and fulfilled the conditions for resumption of production. With the agreement of the local government, production is resumed on 24 August 2010.

This announcement is made by Zhaojin Mining Industry Company Limited (the "Company", together with its subsidiaries, collectively 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 clarification announcement of the Company dated 7 August 2010.

Owing to an accident that caused casualties at a gold mine in Zhaoyuan city, Shandong province where the Company is located, the local government has ordered the suspension of underground exploitation of all non-coal mines in Yantai city and the launching of the self-examination and self-correction activities. In accordance with the requirements of the government, the Company has suspended the underground exploitation of its mines in Zhaoyuan region since 7 August 2010 for self-examination and self-correction and safe production restoring activities.

After the suspension of production, the Company has thoroughly conducted self-examination and self-correction in accordance with the requirements of the local government and applied for resumption of production shortly after that. The inspection team of the local government forthwith conducted an in-depth inspection and examination on the mines of the Company in Zhaoyuan region.

On 24 August 2010, the Company received the “Notice on Resumption of Production of Fourteen Mining Enterprises Including Zhaojin Mining Industry Company Limited” (Zhao An [2010] No. 14) from the Work Safety Committee of Zhaoyuan City, pursuant to which, all of the Company’s mining enterprises located in Zhaoyuan region have passed the safety production inspection and examination, and are approved by the local government for resumption of production. The Company is among the first batch of enterprises having passed the inspection and examination and having been granted the approval for resumption of production.

The board of directors of the Company considers that, given the short duration of the production suspension, the production suspension will not exert material effect on the annual gold production volume of the Group.

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

Zhaoyuan, the PRC, 24 August 2010

As at the date of this announcement, the board of directors of the Company comprises: Executive directors: Mr. Lu Dongshang and Mr. Wang Peifu; Non-executive directors: Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Weng Zhanbin, Mr. Wu Zhongqing and Mr. Chen Guoping; Independent non-executive directors: Mr. Ye Tianzhu, Mr. Yan Hongbo, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo.

* *For identification purposes only*