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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)

**COMPLETION OF
NON-PUBLIC ISSUANCE OF DOMESTIC SHARES UNDER SPECIFIC
MANDATE TO IMPLEMENT THE
EMPLOYEE SHARES SUBSCRIPTION PLAN
AND
CONNECTED SUBSCRIPTIONS**

Reference is made to (i) the announcement dated 27 May 2015 of Zhaojin Mining Industry Company Limited (the “**Company**”) in respect of the framework proposal relating to the employee shares subscription plan of the Company; (ii) the announcement dated 29 December 2015 of the Company in respect of, among other things, the proposed implementation of the ESSP by way of non-public issuance of domestic shares; (iii) the circular dated 29 July 2016 (“**Circular**”) of the Company in respect of, among other things, the proposed adoption of the ESSP, proposed non-public issuance of domestic shares under specific mandate and proposed connected subscriptions; and (iv) the announcements dated 19 September 2016 of the Company in respect of the voting results of the extraordinary general meeting and class meetings of the Company held on 19 September 2016 to approve the above matters. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

COMPLETION

The Board is pleased to announce that the Company has on 31 March 2017 completed the share registration procedures with China Securities Depository And Clearing Corporation Limited in connection with the issuance of 80 million new Domestic Shares under specific mandate for the Asset Management Plan. Such 80 million new Domestic Shares correspond to the 80 million ESSP Portions subscribed by the eligible participants of the ESSP. Among the 80 million ESSP Portions subscribed, 10,815,000 ESSP Portions have been subscribed by Connected Participants. The list of Connected Participants and the number of ESSP Portions subscribed by them are as that set out on pages 14 and 15 of the Circular. Accordingly, 10,815,000 of such 80 million new Domestic Shares issued were for the purposes for the Connected Subscriptions.

The 80 million new Domestic Shares issued represents approximately 2.63% of the enlarged total issued share capital of the Company, and approximately 3.68% of the enlarged total issued domestic share capital of the Company, as at the date of this announcement. 10,815,000 of the 80 million new Domestic Shares issued, representing 13.52% of the new Domestic Shares issued and 0.36% of the enlarged total issued share capital of the Company as at the date of this announcement, were for the purposes of the Connected Subscriptions.

The Company has on 29 March 2017 announced the placing of up to 174,869,000 new H-Shares (the “**Placing**”). As at the date of this announcement, the Placing has not been completed. On the assumption that the Placing has been completed as at the date of this announcement, the 80 million new Domestic Shares issued for the Asset Management Plan represents approximately 2.48% of the total issued share capital of the Company as enlarged by the issue of 80 million new Domestic Shares for the Asset Management Plan and 174,869,000 new H-Shares pursuant to the Placing.

The net proceeds from the issue of the 80 million new Domestic Shares, after deducting the related expenses are approximately RMB237.6 million and are intended to be used to supplement working capital. The net price of the Domestic Share is approximately RMB2.955 per Domestic Share.

EFFECTS ON SHAREHOLDING STRUCTURE

Set out below are the shareholding structures of the Company immediately before and after the completion of Non-Public Issuance:

Name of Shareholder	Notes	Class of Shares	Immediately before the Non-Public Issuance			Immediately after the Non-Public Issuance		
			Number of Shares	Approximate % of interest in the Company	Approximate % of the relevant class of Shares of the Company	Number of Shares	Approximate % of interest in the Company	Approximate % of the relevant class of Shares of the Company
Zhaojin Group		Domestic Shares	1,086,514,000	36.63	51.95	1,086,514,000	35.67	50.04
Zhaojin Non-Ferrous Mining Company Limited	1	Domestic Shares	50,967,195	1.72	2.44	50,967,195	1.67	2.35
Shanghai Yuyuan Tourist Mart Co., Ltd		Domestic Shares	742,000,000	25.02	35.48	742,000,000	24.36	34.17
Shanghai Laomiao Gold Co., Ltd.	2	Domestic Shares	21,200,000	0.71	1.01	21,200,000	0.70	0.98
Shanghai Fosun Industrial Investment Co., Ltd.		Domestic Shares	106,000,000	3.57	5.07	106,000,000	3.48	4.88
Zhaoyuan City State-owned Assets Operation Company Limited		Domestic Shares	84,800,000	2.86	4.05	84,800,000	2.78	3.91
Zhaojin Mining Industry Company Limited First Employee Shares Subscription Plan	5	Domestic Shares	—	—	—	80,000,000	2.63	3.68
Total Domestic Shares			<u>2,091,481,195</u>	<u>70.52</u>	<u>100</u>	<u>2,171,481,195</u>	<u>71.29</u>	<u>100</u>

Name of Shareholder	Notes	Class of Shares	Immediately before the Non-Public Issuance			Immediately after the Non-Public Issuance		
			Number of Shares	Approximate % of interest in the Company	Approximate % of the relevant class of Shares of the Company	Number of Shares	Approximate % of interest in the Company	Approximate % of the relevant class of Shares of the Company
Luyin Trading Pte. Ltd.	3	H Shares	43,890,000	1.48	5.02	43,890,000	1.44	5.02
Huatai No. 8 QDII Asset Management Plan	4	H Shares	565,000	0.02	0.06	565,000	0.02	0.06
Other Public Shareholders		H Shares	829,891,000	27.98	94.92	829,891,000	27.25	94.92
Total H Shares			<u>874,346,000</u>	<u>29.48</u>	<u>100</u>	<u>874,346,000</u>	<u>28.71</u>	<u>100</u>
Total (Domestic Shares and H Shares)			<u><u>2,965,827,195</u></u>	<u><u>100</u></u>		<u><u>3,045,827,195</u></u>	<u><u>100</u></u>	

Notes:

1. Zhaojin Non-Ferrous Mining Company Limited is a wholly-owned subsidiary of Zhaojin Group.
2. Shanghai Laomiao Gold Co., Ltd is held as to 95% by Shanghai Yuyuan Tourist Mart Co., Ltd.
3. Luyin Trading Pte. Ltd. is a wholly-owned subsidiary of Zhaojin Group.
4. Huatai No. 8 QDII Asset Management Plan holds the 565,000 H Shares on behalf of Zhaoyuan Jinshitou Business Consulting Co., Ltd., a company established under the laws of the PRC whose shareholders are the Directors (namely Weng Zhanbin, Li Xiuchen and Cong Jianmao), senior management and employees of the Company. Weng Zhanbin, Li Xiuchen and Cong Jianmao holds 7.943%, 3.971% and 2.383% equity interest in Zhaoyuan Jinshitou Business Consulting Co., Ltd., respectively.
5. The 80 million new Domestic Shares issued for the Asset Management Plan are registered under the name of Zhaojin Mining Industry Company Limited First Employee Shares Subscription Plan.
6. The numbers in the above table have been subject to rounding adjustments. Any discrepancies in the numbers are due to roundings.
7. The table above has not included the 174,869,000 new H-Shares to be issued pursuant to the Placing as the Placing has not been completed as at the date of this announcement.

By order of the Board
Zhaojin Mining Industry Company Limited*
Chairman
Weng Zhanbin

Zhaoyuan, the PRC, 31 March 2017

As at the date of this announcement, the Board comprises Mr. Weng Zhanbin, Mr. Li Xiuchen and Mr. Cong Jianmao as executive Directors; Mr. Liang Xinjun, Mr. Li Shousheng, Mr. Xu Xiaoliang and Mr. Gao Min as non-executive Directors; and Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo, Mr. Wei Junhao and Mr. Shen Shifu as independent non-executive Directors.

* For identification purpose only