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JINCHUAN 金川

JINCHUAN GROUP INTERNATIONAL RESOURCES CO. LTD

金川集團國際資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2362)

**SUPPLEMENTARY INFORMATION TO THE ANNUAL REPORT OF THE
COMPANY FOR THE YEAR ENDED 31 DECEMBER 2015**

Reference is made to the annual report of Jinchuan Group International Resources Co. Ltd (the “Company”, together with its subsidiaries, the “Group”) for the year ended 31 December 2015 (the “Annual Report 2015”). Terms used in this announcement shall have the same meaning as those defined in the Annual Report 2015 unless the context otherwise defines.

The Board would like to provide further information on the material impairment loss, in aggregate, of US\$312.3 million recorded in relation to the Group’s Mining Operations (the “Impairment Loss”) and related party transactions (the “RPT”) in the Annual Report 2015, as follows:

The Impairment Loss was made in relation to Ruashi Mine and Kinsenda Project in the DRC, as well as the Chibuluma South Mine in Zambia. The assessment of the Impairment Loss was principally triggered by the further decline in copper market price during 2015 as compared to 2014.

As set out in note 14 to the consolidated financial statements of the Company for the year ended 31 December 2015, given the nature of the Group’s activities, the valuation method adopted was determined based on discounting the respective cash flow projections to derive the value in use as the recoverable amount.

The key value of input used in the valuation comprise forecast long term copper price over LOM at a range from US\$5,200 per tonne to US\$7,500 per tonne; and forecast long term cobalt price between US\$29,982 per tonne to US\$33,069 per tonne, after taking into account the market consensus from metal analysts. The forecast copper price had been revised downwards in the

valuation for the Annual Report 2015 in light of the further decline in copper price. The discount rates, as another key value of input, were increased as a result of change of risk profiles of the respective mine primarily resulting from the expected higher country risks in the DRC and Zambia. The optimization of respective current mine plan in 2015 had, on the other hand, changed the production reserve and improved the cost structure, thus giving rise to favorable effect to offset part of the Impairment Loss.

Furthermore, the details of the RPT set out in note 36 to the consolidated financial statements of the Company for the year ended 31 December 2015 are supplemented according to the requirements in Listing Rule 14A.72, as follows:

The RPT regarding the “transactions with JCG (the controlling shareholder of the Company) and its subsidiaries”, as well as the “transaction with non-PRC government – related parties” as set out respectively in note 36 (a) and (c) to the consolidated financial statements of the Company for the year ended 31 December 2015, fall under the definition of “connected transactions” under Chapter 14A of the Listing Rules and the Company has complied with Chapter 14A of the Listing Rules.

The above information does not affect other information disclosed in the Annual Report 2015 and, save as disclosed herein, the contents of the Annual Report 2015 remain unchanged.

By Order of the Board
Jinchuan Group International Resources Co. Ltd
Wong Tak Chuen
Company Secretary

Hong Kong, 19 September 2016

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Yang Zhiqiang, Mr. Zhang Sanlin, Mr. Chen Dexin and Mr. Zhang Zhong; and three independent non-executive directors, namely Mr. Wu Chi Keung, Mr. Yen Yuen Ho, Tony and Mr. Neil Thacker Maclachlan.