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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)**

**NOTICE OF 2010 FIRST EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2010 first extraordinary general meeting (the "EGM") of Zhaojin Mining Industry Company Limited (the "Company") will be held at the Company's conference room in Xinyuan Gold Hotel, No. 299 Jinhui Road, Zhaoyuan City, Shandong Province, the People's Republic of China (the "PRC") at 9:00 a.m. on Friday, 26 February 2010 for the following purposes:

To consider and approve the following as special resolutions:

**SPECIAL RESOLUTIONS**

**"THAT**

**Amendments to the Articles of Association**

**(a) The original Article 3.5 of the Articles of Association as set out below:**

"The capital structure of the Company is as follows: 1,457,430,000 ordinary shares, of which, 543,257,000 domestic shares are held by Zhaojin Group, representing 37.3% of the total issued ordinary shares of the Company; 371,000,000 domestic shares are held by Yuyuan Tourist Mart, representing 25.5% of the total issued ordinary shares of the Company; 53,000,000 domestic shares are held by Fosun Investment, representing 3.6% of the total issued ordinary shares of the Company; 42,400,000 domestic shares are held by Guangxin Investments, representing 2.9% of the total issued ordinary shares of the Company; 10,600,000 domestic shares are held by Laomiao Gold, representing 0.7% of the total issued ordinary shares of the Company; 437,173,000 domestic shares are held by the holders of the overseas listed foreign shares, representing 30% of the total issued ordinary shares of the Company."

\* *For identification purposes only*

*is proposed to be amended as follows:*

“The capital structure of the Company is as follows: 1,457,430,000 ordinary shares, of which, 543,257,000 domestic shares are held by Zhaojin Group, representing 37.3% of the total issued ordinary shares of the Company; 371,000,000 domestic shares are held by Yuyuan Tourist Mart, representing 25.5% of the total issued ordinary shares of the Company; 53,000,000 domestic shares are held by Fosun Investment, representing 3.6% of the total issued ordinary shares of the Company; 42,400,000 domestic shares are held by Zhaoyuan City State-owned Assets Operation Limited, representing 2.9% of the total issued ordinary shares of the Company; 10,600,000 domestic shares are held by Laomiao Gold, representing 0.7% of the total issued ordinary shares of the Company; 437,173,000 domestic shares are held by the holders of the overseas listed foreign shares, representing 30% of the total issued ordinary shares of the Company.”

**(b) The original Article 10.1 of the Articles of Association as set out below:**

“The company shall establish a board of directors which shall report to the shareholders’ general meeting. The board of directors shall comprise 11 members, of which three members shall be executive directors who shall be responsible for managing daily affairs assigned by the Company; and the rest shall be non-executive directors who shall not be responsible for managing daily affairs. The board of directors shall have no less than three independent non-executive directors. The board of directors shall have one chairman and one vice chairman.”

*is proposed to be amended as follows:*

“The company shall establish a board of directors which shall report to the shareholders’ general meeting. The board of directors shall comprise 11 members, of which no less than two members shall be executive directors who are responsible for managing daily affairs assigned by the Company; and the rest shall be non-executive directors who are not responsible for managing daily affairs. The board of directors shall have no less than three independent non-executive directors. The board of directors shall have one chairman and one vice chairman.”

**(c) The original Article 10.2 of the Articles of Association as set below:**

“Directors shall be elected by shareholders at the general meeting for a term of three years from the effective date of appointment. Directors may be re-elected and re-appointed for consecutive terms upon the expiry of their term.

Directors elected as additional or supplemented directors at a general meeting shall hold office from the effective date of such election to the expiry of the term of such session of the Board.

Any person appointed by the Board to fill a casual vacancy on or as an addition to the Board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election and re-appointment.

A written notice stating the intention to nominate a candidate for directorship and the nominee's consent to the nomination shall be submitted to the Company after the despatch of the notice of general meeting at which the election of directors will be held and which shall not be less than 7 days before the convening of general meeting, and the notice period shall not be less than 7 days.

Subject to the compliance with relevant laws and administrative regulations, any director may be removed during his/her service term by way of an ordinary resolution at the general meeting (however, any claim for compensation pursuant to any contract shall not be prejudiced).

The chairman and vice-chairman shall be elected or removed by more than half of all directors. The chairman and vice-chairman shall serve for a term of three years from the date of appointment and may be re-elected and re-appointed for consecutive terms.

A director is not required to hold any shares of the Company.”

*is proposed to be amended as follows:*

“Directors shall be elected by shareholders at the general meeting for a term of three years from the effective date of appointment. Directors may be re-elected and re-appointed for consecutive terms upon the expiry of their term.

A director may not be removed by the general meeting without any reason prior to the expiry of his/her term.

Directors elected as additional or supplemented directors at a general meeting shall hold office from the effective date of such election to the expiry of the term of such session of the Board.

If, upon the expiry of a director's term of office, a new director is not elected on a timely basis, or the resignation of any director during the term of office causes the number of directors to fall below the statutory requirement, such director shall continue to perform his/her duties as director under the requirements as stipulated by laws, administrative regulations and the Articles of Association until a new director is elected and assumes his/her office.

Any person appointed by the Board to fill a casual vacancy of or as an addition to the Board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election and re-appointment.

A written notice stating the intention to nominate a candidate for directorship and the nominee's consent to the nomination shall be submitted to the Company after the despatch of the notice of general meeting at which the election of directors will be held but not less than 7 days before the convening of such general meeting, and the notice period shall not be less than 7 days.

The chairman and vice-chairman shall be elected or removed by more than half of all directors. The chairman and vice-chairman shall serve for a term of three years from the date of appointment and may be re-elected or re-appointed for consecutive terms.

A director is not required to hold any shares of the Company.”

**(d) The original Article 13.2 of the Articles of Association as set out below:**

“The board of supervisors shall comprise three members of which one of them shall act as the chairman of the board of supervisors. The appointment and removal of the chairman of the board of supervisors shall be passed by more than two-thirds of the members of the board of supervisors. The supervisors shall hold office for a term of three years and may be re-elected or re-appointed for consecutive terms.”

*is proposed to be amended as follows:*

“The board of supervisors shall comprise three members of which one of them shall act as the chairman of the board of supervisors. The appointment and removal of the chairman of the board of supervisors shall be passed by more than two-thirds of the members of the board of supervisors. The supervisors shall hold office for a term of three years and may be re-elected or re-appointed for consecutive terms.

If, upon the expiry of a supervisor’s term of office, a new supervisor is not elected on a timely basis, or the resignation of any supervisor during term of office causes the number of supervisors to fall below the statutory requirement, such supervisor shall continue to perform his/her duties as supervisor under the requirements as stipulated by laws, administrative regulations and the Articles of Association until a new supervisor is elected and assumes his/her office.”

**(e) The original Article 14.1 of the Articles of Association as set out below:**

“A person, may not serve as director, supervisor, general manager, deputy general manager or other senior management of the Company if he/she is under any of the following situations:

- (1) a person who does not have or who has limited capacity for civil acts;
- (2) a person who has been sentenced for corruption, bribery, infringement of property, misappropriation of property or other crimes which destroy the social economic order, where less than five years have elapsed since the sentence was served or a person who has been deprived of his/her political rights for committing a crime, where less than five years have elapsed since the sentence was served;

- (3) a person who is a former director, factory manager or general manager of a company or enterprise which has put into liquidation as a result of mismanagement and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;
- (4) a person who is a former legal representative of a company or enterprise whose business licence was revoked due to violation of law and who was personally liable therefor, where less than three years have elapsed since the date of the revocation of the business license;
- (5) a person who has a relatively large amount of debts due and outstanding;
- (6) a person who is under criminal investigation or prosecution by judicial authority for violation of criminal law and the case is not yet concluded;
- (7) a person who is not eligible for enterprise leadership under the laws and administrative regulations;
- (8) a person other than a natural person;
- (9) a person who has been convicted by the relevant competent authority for violation of relevant securities regulations, and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have elapsed from the date of such conviction.”

*is proposed to be amended as follows:*

“A person, may not serve as director, supervisor, general manager, deputy general manager or other senior management of the Company if he/she is under any of the following situations:

- (1) a person who does not have or who has limited capacity for civil acts;
- (2) a person who has been sentenced for corruption, bribery, infringement of property, misappropriation of property or other crimes which destroy the social economic order, where less than five years have elapsed since the sentence was served or a person who has been deprived of his/her political rights for committing a crime, where less than five years have elapsed since the sentence was served;
- (3) a person who is a former director, factory manager or general manager of a company or enterprise which has put into liquidation as a result of mismanagement and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;

- (4) a person who is a former legal representative of a company or enterprise whose business licence was revoked due to violation of law and who was personally liable therefor, where less than three years have elapsed since the date of the revocation of the business license;
- (5) a person who has a relatively large amount of debts due and outstanding;
- (6) a person who has been prohibited from entering the market by CSRC, where such prohibition has not been removed;
- (7) a person who is an employee of the companies or its subsidiaries which are engaging in business that competes with that of the Company and its immediate family members and principal associates;
- (8) other contents as required by laws, administrative regulations or departmental rules.

Any election and appointment of directors, supervisors and senior management who is in breach of the preceding sub-paragraphs shall be void.

Directors, supervisors and senior management are prohibited from making use of their powers to accept bribes or other unlawful income and from appropriating the properties of the Company.

A person may not serve as an independent non-executive director if he/she is:

- (1) a person who is an employee of the Company or its subsidiary and its immediate family member and principal associate of such person;
- (2) a person who directly or indirectly holds more than 1% of the issued share capital of the Company or who is a natural person shareholder amongst the top ten shareholders of the Company or an immediate family member of such person;
- (3) a person who is an employee of a shareholder's entity which directly or indirectly holds more than 5% of the issued share capital of the Company or in the entities of the top five shareholders of the Company or an immediate family member of such person;
- (4) a person falling under the conditions mentioned in the preceding three paragraphs in the past twelve months;
- (5) a person who provides financial, legal and consultancy services to the Company or its subsidiaries;
- (6) other persons who may not serve as independent non-executive directors as stipulated by CSRC, the Listing Rules and the Articles of Association.”

## ORDINARY RESOLUTIONS

To consider and approve the following matters as ordinary resolutions:

1. Consider and approve the follow candidates as Directors of the third session of the Board of the Company with a term of 3 years commencing from the conclusion of the date of the EGM:
  - (a) to re-elect Mr. Lu Dongshang as executive Director of the Company;
  - (b) to re-elect Mr. Wang Peifu as executive Director of the Company;
  - (c) to re-elect Mr. Liang Xinjun as non-executive Director of the Company;
  - (d) to re-elect Mr. Cong Jianmao as non-executive Director of the Company;
  - (e) to appoint Mr. Weng Zhanbin as non-executive Director of the Company;
  - (f) to appoint Mr. Wu Zhongqing as non-executive Director of the Company;
  - (g) to re-elect Mr. Chen Guoping as non-executive Director of the Company;
  - (h) to re-elect Mr. Yan Hongbo as independent non-executive Director of the Company;
  - (i) to re-elect Mr. Ye Tianzhu as independent non-executive Director of the Company;
  - (j) to re-elect Ms. Chen Jinrong as independent non-executive Director of the Company;
  - (k) to re-elect Mr. Choy Sze Chung Jojo as independent non-executive Director of the Company.
  
2. Consider and approve the follow candidates as Supervisors of the third session of the Supervisory Committee of the Company with a term of 3 years commencing from the conclusion of the date of the EGM:
  - (a) to re-elect Mr. Wang Xiaojie as Supervisor of the Company;
  - (b) to appoint Ms. Jin Ting as Supervisor of the Company.

3. the Board of the Company be authorised to fix the remuneration of the Directors and Supervisors of the third session of the Board and Supervisory Committee of the Company and other matters related to the entering into of the service contracts with each of the Directors and Supervisors.

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

Zhaoyuan, the PRC, 11 January 2010

*Notes:*

1. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as those defined in the circular of the Company dated 11 January 2010.
2. The shareholders of the Company should note that the register of members of the Company will be closed from 27 January 2010 to 26 February 2010 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), or the registered address of the Company in the PRC (for holders of Domestic Shares) no later than 4:30 p.m. on 26 January 2010.
3. Shareholders of the Company whose names appear on the register of members on 27 January 2010 are entitled to attend and vote at the EGM or any adjourned meetings.
4. If a shareholder appoints more than one proxy to attend the meeting, its proxy can only vote by poll.
5. Holders of H Shares who have the right to attend and vote at the EGM are entitled to appoint one or more proxies (whether or not a Shareholder) in writing to attend and vote at the EGM on his/her behalf. For those Shareholders who appoint more than one proxy, such proxies can only exercise their voting rights by way of poll. Shareholders who intend to appoint one or more proxies should first read the accompanying circular.
6. If a proxy is appointed to attend the EGM on behalf of a Shareholder, the proxy must produce proof of identity and the authorisation instrument with the date of issue and duly signed by the proxy or its legal personal representative, and in the case of legal representatives of legal person shareholders, such legal representatives must produce proof of identity and valid document to identify its identity as legal representative. If a legal person shareholder appoints a company representative other than its legal representative to attend the EGM, such representative must produce proof of identity and the authorisation instrument bearing the company chop of the legal person shareholder and duly authorised by its legal representative.

7. If the proxy form is signed by a person under a power of attorney or other authority, the power of attorney or other authority must be notarially certified. In order to be valid, the notarially certified copy of such power of attorney or other authority under which it is signed together with the proxy form must be deposited at the H Shares registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), or the registered address of the Company in the PRC (for holders of Domestic Shares) not less than 24 hours before the time for holding the EGM.
8. Shareholders who intend to attend the EGM should return the reply slip by hand, by post, by telegram or by fax to the registered address of the Company in the PRC (for holders of Domestic Shares), or the H Shares registrar of the Company in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) on or before 6 February 2010. Completion and return of the reply slip of the EGM will not preclude a Shareholder from attending the EGM.
9. The EGM is expected to be held for less than half a day. Shareholders and their proxies who attend the meeting shall arrange for their own transportation and accommodation at their own expenses.

The registered address of the Company is as follows:

No. 299 Jinhui Road,  
Zhaoyuan City,  
Shandong Province, PRC  
Tel: (86 535) 8256086  
Fax: (86 535) 8262256  
Postal code: 265400

As at the date of this notice, members of the Board of the Company comprise:

*Executive Directors:* Mr. Lu Dongshang, Mr. Wang Peifu and Mr. Ma Yushan

*Non-executive Directors:* Mr. Liang Xinjun, Mr. Wu Ping, Mr. Cong Jianmao and Mr. Chen Guoping

*Independent non-executive Directors:* Mr. Yan Hongbo, Mr. Ye Tianzhu, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo