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江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

**ANNOUNCEMENT IN RELATION TO
THE PROPOSED GUARANTEE**

This announcement is made by Jiangxi Copper Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

PROPOSED GUARANTEE

On 27 March 2019, the board (the “**Board**”) of directors (the “**Directors**”) of the Company considered and approved the “Resolution on Proposing to the General Meeting to Authorise the Board to Approve the Provision of Guarantee for the Wholly-owned Subsidiaries” (《關於提請股東大會授權董事會批准為全資子公司提供擔保的議案》), and proposed to put forward to the general meeting of the Company for authorisation to be granted to the Board to approve the provision of guarantee for the application of its wholly-owned subsidiaries, namely, Jiangxi Copper Hong Kong Company Limited (“**JCHK**”) and Jiangxi Copper (Hong Kong) Investment Company Limited (“**JCI**”) to financial institutions (including financial institutions and factoring companies) for comprehensive credit facilities (the “**Comprehensive Credit Facilities**”) of a total amount not exceeding US\$1.8 billion (the “**Proposed Guarantee**”). No counter guarantees in relation to the Proposed Guarantee will be provided. Upon obtaining authorization at the 2018 annual general meeting of the Company (the “**2018 AGM**”), the Board will authorise the Chairman of the Board to execute, apply and process documents in relation to the Proposed Guarantee on behalf of the Company. The authorisation will be valid from the date of the 2018 AGM to the date of the 2019 annual general meeting of the Company.

The Comprehensive Credit Facilities will mainly be used as liquidity needed for normal production and operation and as funds to invest in overseas resources projects (including but not limited to mining fund investment, risk exploration investment, minority equity interest investment, equity mergers and acquisitions investment).

As at the date of this announcement, the Company, JCHK and JCI have yet to determine the contents of the specific guarantee agreement. The specific amount, the term and such other terms of the Proposed Guarantee shall fall within the above-mentioned ranges, and shall be determined by the then guarantee agreements to be signed by the Company. The Company will perform its obligations regarding to the Proposed Guarantee during the authorisation period in strict accordance with the authorization granted at the 2018 AGM.

LISTING RULES IMPLICATIONS

As the Proposed Guarantee will be provided by the Company for its wholly-owned subsidiaries, the Proposed Guarantee will not be subject to any requirement under Chapter 14 or 14A of the Listing Rules. However, under the relevant provisions of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Proposed Guarantee shall be subject to the shareholders' approval requirements.

INFORMATION OF THE COMPANY AND THE GUARANTEED PARTIES

The Company

The Company is a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China (the "PRC") on 24 January 1997. The Company's main scope of operations include: mining, selection, smelting, processing of non-ferrous metals and rare metals and related technical services; smelting, calendaring and deep processing of non-ferrous metal ore, rare metals, non-metallic minerals, non-ferrous metals, and related by-products; vulcanisation work related to the above-mentioned businesses and their extension products and fine chemical products; mineral processing chemicals, rubber products; production and processing of poisons, corrosives, compressed gases, liquefied gases; sales of self-produced products and after-sales service and related consulting services and business; geotechnical slope, measurement and culvert, tunnel engineering; mechanical and civil engineering maintenance and decoration; automotive and engineering machinery maintenance, mobile crane maintenance; steel wire enhanced hydraulic rubber hose assembly production; alloy wear-resistant product casting; manufacturing, processing, installation, maintenance and sales of specific equipment for mines and smelting; painting, insulation, anti-corrosion engineering; industrial equipment cleaning; freight forwarding, warehousing (except for dangerous goods); engaged in overseas futures hedging business; acting as agent for import and export business (the import and export of above goods does not involve goods regulated by state-owned trade and import quota licenses, export quotas, export licenses and other special provisions; except where the above projects are subject to national special provisions).

JCHK

JCHK is a limited company incorporated in Hong Kong in February 2012 with a share capital of US\$140 million and its registered address is situated at Suite 4501, 45/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong. JCHK is a wholly-owned subsidiary of the Company. It is principally engaged in import and export trading, import and export business settlement, overseas investment and financing, cross-border renminbi settlement and bonded business, etc.

As at 31 December 2017, the audited total assets, total liabilities and net assets of JCHK were HK\$5,594,130,000, HK\$5,232,650,000 and HK\$361,490,000 respectively. The realised operating income and realised net profit for the year 2017 were HK\$11,567,120,000 and HK\$39,530,000 respectively.

As at 31 December 2018, the unaudited total assets, total liabilities and net assets of JCHK were HK\$7,541,980,000, HK\$6,269,710,000 and HK\$1,272,280,000 respectively. The realised operating income and realised net profit for the year 2018 were HK\$10,816,220,000 and HK\$41,760,000, respectively.

JCI

JCI is a limited company incorporated in Hong Kong in June 2016 with a share capital of US\$155.74 million and its registered address is situated at Suite 4501, 45/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong. JCI is a wholly-owned subsidiary of the Company. It is principally engaged in project investment, fund investment, investment management, investment consulting and economic information consultation.

As at 31 December 2017, the audited total assets of JCI were US\$28,350,000 and its total liabilities were nil.

As at 31 December 2018, the unaudited total assets of JCI were US\$156,900,000 and its total liabilities were nil.

REASONS FOR AND BENEFITS OF THE PROPOSED PROVISION OF GUARANTEES

The Directors (including the independent non-executive Directors) are of the view that, JCHK and JCI have been operating in a relatively stable manner in recent years with good credit standing. According to the Company's adjustment to the latest strategic positioning of JCHK and JCI, the Proposed Guarantee is conducive to solving the operating capital requirements of the Company's overseas subsidiaries, so as to better serve the Company's overall overseas strategy. The Company will continue to pay attention to the use of the Comprehensive Credit Facilities and the operating condition of JCHK and JCI, and to take timely measures to prevent risks and effectively control guarantee risks.

The independent non-executive Directors are of the view that, the Proposed Guarantee will not affect the independence and normal operation of the Company, nor prejudice the interests of the Company and its shareholders (the “**Shareholders**”), and are in the interest of the Company and its Shareholders as a whole. As the guaranteed parties, namely, JCHK and JCI, are both wholly-owned subsidiaries of the Company, the risk is controllable. The Proposed Guarantee and the relevant decision-making procedures comply with the relevant regulations. Hence, the independent non-executive Directors approved the said resolution.

STATUS OF GUARANTEES PROVIDED BY THE GROUP

As at the date of this announcement, the total amount of external guarantees provided by the Group amounted to RMB414,556,800, accounting for approximately 0.83% of the Company’s audited net assets for the latest period. The total amount of guarantees provided by the Company to its subsidiaries is nil. There were no overdue external guarantees provided by the Company.

A circular containing, among others, details of the resolutions in relation to the Proposed Guarantee will be despatched to the Shareholders in due course.

By Order of the Board
JIANGXI COPPER COMPANY LIMITED
Long Ziping
Chairman

Nanchang, Jiangxi, the PRC, 27 March 2019

As at the date of this announcement, the executive Directors are Mr. Long Ziping, Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Dong Jiahui and Mr. Yu Tong; and the independent non-executive Directors are Mr. Tu Shutian, Mr. Liu Erh Fei, Mr. Liu Xike and Mr. Zhu Xingwen.