

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.**

中國黃金國際資源有限公司

*(a company incorporated under the laws of British Columbia, Canada with limited liability)*

(Hong Kong Stock Code: 2099)

(Toronto Stock Code: CGG)

**REVISIONS TO EXISTING CONTINUING CONNECTED TRANSACTIONS  
AND  
NEW CONTINUING CONNECTED TRANSACTIONS**

Certain capitalized terms used in this document have the meanings given to them in Section VI Definitions. All dollar figures are in Canadian dollars and references to "US\$" are to United States dollars, except as otherwise noted.

**Existing Continuing Connected Transactions**

Reference is made to the Jiama Framework Agreement between the Company and China National Gold, the ultimate controlling shareholder of the Company, for the provision of mining development and construction services at the Jiama Mine. Details of the Jiama Framework Agreement have been disclosed in the Company's announcement dated November 6, 2012 and the circular to the Shareholders dated November 20, 2012.

Having considered the current development and expansion plan at the Jiama Mine and work schedule for mining development services under the Jiama Framework Agreement, the Board anticipates that the relevant amounts payable for services rendered under the Jiama Framework Agreement will exceed the existing annual caps for the two years ending December 31, 2013 and 2014. Therefore, the Board proposes to revise such annual caps and proposes an annual cap for the year ending December 31, 2015. In addition, on April 26, 2013, the Company entered into the Supplemental Jiama Framework Agreement with China National Gold to extend the expiry date of the Jiama Framework Agreement to December 31, 2015. Except for the extension of the expiry date and the Proposed Annual Caps, no material changes have been made to the terms and conditions under the Jiama Framework Agreement.

Reference is also made to the Contract for Purchase and Sale of Dore between Inner Mongolia Pacific, a company in which the Company holds 96.5% interest, and China National Gold for the sale and purchase of gold dore bars and silver by-products produced at the CSH Mine owned and operated by Inner Mongolia Pacific. Details of the Contract for Purchase and Sale of Dore have been disclosed in the Company's announcement dated January 27, 2012 and the circular to the Shareholders dated February 14, 2012.

On April 26, 2013, Inner Mongolia Pacific entered into the Supplemental Contract for Purchase and Sale of Dore with China National Gold to revise the original payment terms of the Contract for Purchase and Sale of Dore, pursuant to which Inner Mongolia Pacific will deliver to China National Gold an invoice for the resulting settlement weight, and China National Gold will have 30 calendar days to effect payment. Except for such revision, no material changes have been

made to the terms and conditions under the Contract for Purchase and Sale of Dore.

### **New Continuing Connected Transactions**

On April 26, 2013, the Company entered into the Product and Service Framework Agreement with China National Gold, pursuant to which China National Gold will provide mining related services and products, which are not covered under the Jiama Framework Agreement, to the Company for three years until June 18, 2016 in order to facilitate the Group's operations in the PRC.

On April 26, 2013, Huatailong, an indirectly wholly-owned subsidiary of the Company, entered into the Contract for Purchase and Sale of Copper Concentrate with CNGG, which is ultimately controlled by China National Gold, for the purpose of governing the sale and purchase of copper sulphide concentrates produced at the Jiama Mine owned and operated by Huatailong in Tibet Autonomous Region of the PRC for the two years ending December 31, 2013 and 2014.

### **Implications under the Hong Kong Listing Rules**

The Company, Inner Mongolia Pacific, Huatailong and CNGG are ultimately controlled by China National Gold. As such, China National Gold and CNGG are connected persons of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

The transactions contemplated under the Continuing Connected Transaction Contracts are aggregated pursuant to Rule 14A.25 of the Hong Kong Listing Rules on the basis that such transactions have been entered into by the Group with China National Gold or CNGG (where applicable) which are connected or otherwise associated with one another. As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules), when calculated on aggregated basis, for the transactions contemplated under the Continuing Connected Transaction Contracts exceed 5%, such transactions constitute non-exempt continuing connected transactions that are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

In addition, as (1) the extension of the expiry date as contemplated under the Supplemental Jiama Framework Agreement and the Proposed Annual Caps, and (2) the Proposed Amendment (defined below) as contemplated under the Supplemental Contract for Purchase and Sale of Dore constitute material changes to the terms of the Jiama Framework Agreement and the Contract for Purchase and Sale of Dore, respectively. Pursuant to Rule 14A.36(2) of the Hong Kong Listing Rules, the Company is required to re-comply with the reporting, announcement and Independent Shareholders' approval requirements under the Hong Kong Listing Rules.

The Board has approved to convene the Meeting in Vancouver, Canada on June 18, 2013 Vancouver time (being June 19, 2013 Hong Kong time) to consider and, if thought fit, approve, among other things, the Proposed Matters. China National Gold and its associates will abstain from voting on the resolutions to be proposed at the Meeting for the approval of the Proposed Matters.

A circular containing details of the Proposed Matters, the advice from the Independent Board Committee to the Independent Shareholders and the advice from TC Capital Asia Limited, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be despatched to the Shareholders on or before May 21, 2013.

For the avoidance of doubt, unless defined otherwise, all the dates stated in this announcement are in Hong Kong time.

## I SUPPLEMENTAL JIAMA FRAMEWORK AGREEMENT

### A. Background

Reference is made to the Jiama Framework Agreement between the Company and China National Gold, the ultimate controlling shareholder of the Company, for the provision of mining development and construction services at the Jiama Mine. Details of the Jiama Framework Agreement have been disclosed in the Company's announcement dated November 6, 2012 and the circular to the Shareholders dated November 20, 2012.

The Jiama Framework Agreement has an effective date of November 6, 2012 until December 31, 2014 and encompasses the following mining development services: (i) hornfels stripping and related work, (ii) construction and engineering project supervision, (iii) overall mine development and construction, including processing plant, tailings and other support services, (iv) mining research and design, and (v) auxiliary equipment.

Having considered the current development and expansion plan at the Jiama Mine and work schedule for mining development services under the Jiama Framework Agreement, the Board anticipates that the relevant amounts payable for services rendered under the Jiama Framework Agreement will exceed the existing annual caps for the two years ending December 31, 2013 and 2014. Therefore, the Board proposes to revise such annual caps and proposes an annual cap for the year ending December 31, 2015.

The Company and China National Gold entered into the Supplemental Jiama Framework Agreement dated April 26, 2013, the key terms of which are summarized below. Except for the extension of the expiry date and the proposed revised annual caps for the two years ending December 31, 2013 and 2014 and the proposed annual cap for the year ending December 31, 2015 (the "**Proposed Annual Caps**"), no material changes have been made to the terms and conditions under the Jiama Framework Agreement, and such terms and conditions shall remain effective.

<b>Date:</b>	April 26, 2013
<b>Parties:</b>	(a) the Company; and (b) China National Gold
<b>Subject matter:</b>	China National Gold shall provide mining development services to the Company at the Jiama Mine in order to implement the Phase II development plan as set out in the Pre-feasibility Study.
<b>Term:</b>	Subject to the approval of the Independent Shareholders at the Meeting, effective until December 31, 2015.
<b>Services to be provided:</b>	The mining related services and products encompass the following: (i) hornfels stripping and related work; (ii) construction and engineering project supervision; (iii) overall mine development and construction, including processing plant, tailings and other support services; (iv) mining research and design; and (v) auxiliary equipment.
<b>Decision of service provider:</b>	The service provider for each category of service will be determined by the Company through an open market tendering process.

## B. Proposed Annual Caps and basis of determination for the Proposed Annual Caps

In arriving at the Proposed Annual Caps, the Company has taken into account the following factors:

- (i) the expected contractual fees payable for the mining developments services at the Jiama Mine;
- (ii) the work schedule for mining development services under the Jiama Framework Agreement and the procurement schedule for equipment; and
- (iii) the environmental, geological and socioeconomic conditions in the Tibet Autonomous Region of the PRC.

The following table sets out (1) the actual transaction amount and the existing annual cap for the year ended December 31, 2012 and (2) the existing annual caps for the two years ending December 31, 2013 and 2014 under the Jiama Framework Agreement and the Proposed Annual Caps.

	<b>Year ended December 31, 2012</b> <i>(RMB in thousands)</i>	<b>Year ending December 31, 2013</b> <i>(RMB in thousands)</i>	<b>Year ending December 31, 2014</b> <i>(RMB in thousands)</i>	<b>Year ending December 31, 2015</b> <i>(RMB in thousands)</i>
<b>Existing annual caps under the Jiama Framework Agreement</b>	630,000	960,000	290,000	--
<b>Actual transaction amount</b>	317,123	--	--	--
<b>Proposed annual caps under the Supplemental Jiama Framework Agreement</b>	--	1,167,500	299,550	95,827

## C. Reasons for and benefits of transactions

China National Gold is the largest gold production enterprise in the PRC. Its business covers survey design, resources development, production, sale and construction in relation to minerals such as gold, silver, copper and molybdenum. By leveraging upon China National Gold's expertise in mining design, centralized procurement system and technological capabilities, the Company, through its subsidiary, Huatailong, can effectively maximize productivity at the Jiama Mine.

The terms of the material transactions contemplated under the Jiama Framework Agreement were or will be agreed, through an open market tendering process (and subsequently upon arm's length negotiations regarding the implementation details) between the Company and China National Gold.

The Jiama Mine is located in the Tibet Autonomous Region of the PRC where mining conditions are harsh. China National Gold is able to arrange experienced workforce and suitable equipment for projects under high altitude and extreme weather, and it has the capability to provide equipment maintenance services required at the Jiama Mine.

The Directors (including all independent non-executive Directors) are of the view that (i) the transactions contemplated under the Supplemental Jiama Framework Agreement will be entered into in the ordinary and usual course of business of the Group; (ii) the terms of the Supplemental Jiama Framework Agreement are conducted on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and (iii) the Proposed Annual Caps are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **II SUPPLEMENTAL CONTRACT FOR PURCHASE AND SALE OF DORE**

### **A. Background**

Reference is made to the Company's announcement dated January 27, 2012 and the Company's circular to the Shareholders dated February 14, 2012.

As previously disclosed, on January 27, 2012, Inner Mongolia Pacific (a joint venture company controlled by the Company) entered into the Contract for Purchase and Sale of Dore with China National Gold. The purpose of the agreement was for the sale and purchase of gold dore bars and silver by-products produced at the CSH Mine owned and operated by Inner Mongolia Pacific in Inner Mongolia to be carried out for the year ended December 31, 2012 and the two years ending December 31, 2013 and 2014.

The payment terms referred to in the Contract for Purchase and Sale of Dore referenced the daily average price of Au9995 gold ingot as quoted on the Shanghai Gold Exchange on the notification date (i.e. three working days prior to delivery of shipment of gold dore bars) less RMB0.95 per gram, multiplied by the settlement weight and the daily average price of No. 2 silver at the Shanghai Huatong Platinum & Silver Exchange on the notification date less RMB0.5 per gram, multiplied by the settlement weight.

Pursuant to the terms of the Contract for Purchase and Sale of Dore, Inner Mongolia Pacific is to deliver a provisional invoice to China National Gold three working days in advance of the delivery date, and China National Gold is to effect provisional payment to Inner Mongolia Pacific two working days prior to the delivery date (the "**Original Payment Term**"). If samples of gold and silver delivered are sent to an umpire for analysis, the settlement date shall be two working days following the completion of the umpire analysis.

As previously disclosed, the annual monetary caps for the transactions contemplated under the Contract for Purchase and Sale of Dore are RMB1,782 million, RMB1,980 million and RMB3,168 million, for the year ended December 31, 2012 and the two years ending December 31, 2013 and 2014.

### **B. Basis for the proposed revision to the Original Payment Term**

Owing to the various reasons set out below, Inner Mongolia Pacific and China National Gold entered into a supplemental contract (the "**Supplemental Contract for Purchase and Sale of Dore**") dated April 26, 2013 to delete the Original Payment Term and to revise the terms, pursuant to which Inner Mongolia Pacific will deliver to China National Gold an invoice for the resulting settlement weight, and China National Gold will have 30 calendar days to effect payment (the "**Proposed Amendment**"). In arriving at the Proposed Amendment, the Directors have considered the following factors:

- (i) China National Gold is the largest gold producer and has the largest gold refinery facility in the PRC;

- (ii) China National Gold has excellent credibility in the gold industry and also has a very good payment history;
- (iii) the Group has a long term cooperative relationship with China National Gold; and
- (iv) the Proposed Amendment will not cause significant financial impact to the Group.

Except for the Proposed Amendment, no material changes have been made to the terms and conditions under the Contract for Purchase and Sale of Dore, and such terms and conditions shall remain effective. The annual monetary caps for the transactions contemplated thereunder for the year ended December 31, 2012 and the two years ending December 31, 2013 and 2014 shall remain unchanged.

### **C. Reasons for and benefits of transactions**

The reasons for and benefits of the Supplemental Contract for Purchase and Sale of Dore mainly include:

- (a) the Group (including Inner Mongolia Pacific) has established a long-term cooperative relationship with China National Gold and therefore, the Group (including Inner Mongolia Pacific) is able to execute the transactions with China National Gold with more flexibility and on more favourable terms;
- (b) China National Gold, being the largest gold producer in China, has good credibility in the industry. This lends assurance to the Group (including Inner Mongolia Pacific) that risks it may face conducting business with China National Gold would be low; and
- (c) the pricing term under the Supplemental Contract for Purchase and Sale of Dore is fair, reasonable and beneficial to Inner Mongolia Pacific.

The Directors (including the independent non-executive Directors) consider that (i) the transactions contemplated under the Supplemental Contract for Purchase and Sale of Dore will be entered into in the ordinary and usual course of business of the Group; (ii) the terms of the Supplemental Contract for Purchase and Sale of Dore are conducted on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and (iii) the annual monetary caps for the transactions contemplated under the Contract for Purchase and Sale of Dore for the year ended December 31, 2012 and the two years ending December 31, 2013 and 2014 are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **III NEW CONTINUING CONNECTED TRANSACTIONS**

On April 26, 2013, the Company entered into two new continuing connected transactions: (i) the Product and Service Framework Agreement and (ii) the Contract for the Purchase and Sale of Copper Concentrate.

### ***PRODUCT AND SERVICE FRAMEWORK AGREEMENT***

#### **A. Key terms**

**Date:** April 26, 2013

**Parties:** (a) the Company; and  
(b) China National Gold

**Subject matter:** China National Gold shall provide mining related services and products to the Company in order to facilitate the Group's operations in the PRC.

**Term:** Subject to the approval of the Independent Shareholders at the Meeting, effective until June 18, 2016

**Products and services to be provided:** The mining related services and products encompass the following which are not covered under the Jiama Framework Agreement:

- (i) stripping and related services;
- (ii) mining research, development and design and related services;
- (iii) environmental, safety and occupational health management;
- (iv) tendering agency service;
- (v) office lease; and
- (vi) auxiliary equipment.

**Decision of service provider:** The provider for each category of services and products will be determined by the Company through an open market tendering process.

**B. Proposed annual caps and basis of determination for annual caps under the Product and Service Framework Agreement**

The annual cap amounts for the transactions contemplated under the Product and Service Framework Agreement and the basis of determination for such annual cap amounts are set out as follows:

	Annual cap for the year ending December 31,			<b>Basis for the annual caps</b>
	<b>2013</b> <i>(RMB in thousands)</i>	<b>2014</b> <i>(RMB in thousands)</i>	<b>2015</b> <i>(RMB in thousands)</i>	
Aggregate amount payable by the Company to China National Gold for mining related services and products	870,000	780,000	650,000	Based on (i) the expected contractual fees payable for the mining related services and products; (ii) the work schedule for mining development services under the Product and Service Framework Agreement and the procurement schedule for equipment; and (iii) the environmental, geological and socioeconomic conditions in the

mines operated  
by the Group in  
the PRC.

### **C. Reasons for and benefits of transactions**

China National Gold is the largest gold production enterprise in the PRC and is engaged in survey design, resources development, production, sale and construction in relation to minerals such as gold, silver, copper and molybdenum. The Group can leverage on China National Gold's expertise in mining design, its centralized procurement system and its technological capabilities to maximize productivity at the CSH Mine and the Jiama Mine.

The Directors are of the view that the Product and Service Framework Agreement will effectively facilitate the Group's operations in the PRC.

The terms of the material transactions contemplated under the Product and Service Framework Agreement will be agreed, through an open market tendering process (and subsequently upon arm's-length negotiations regarding the implementation details) between the Company and China National Gold.

The Directors (including all independent non-executive Directors) are of the view that (i) the transactions contemplated under the Product and Service Framework Agreement will be entered into in the ordinary and usual course of business of the Group; (ii) the terms of the Product and Service Framework Agreement are conducted on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and (iii) the annual monetary caps for the transactions contemplated under the Product and Service Framework Agreement for the three years ending December 31, 2013, 2014 and 2015 are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### ***CONTRACT FOR PURCHASE AND SALE OF COPPER CONCENTRATE***

#### **A. Key terms**

**Date:** April 26, 2013

**Parties:** (a) Huatailong (as the seller); and  
(b) CNGG (as the purchaser)

**Subject matter:** The sale and purchase of copper sulphide concentrates produced at the Jiama Mine owned and operated by Huatailong in Tibet Autonomous Region of the PRC

**Term:** Subject to the approval of the Independent Shareholders at the Meeting, effective until December 31, 2014

**Payment terms:** Settlement price for copper sulphide concentrates is to be determined through prescribed figures disclosed in the agreement, based on the monthly average bench mark price of copper, gold and silver.

The average bench mark price for copper is determined by the monthly arithmetic average price settled in each trading day of the month in which the goods are delivered under the spot contract of the standard cathode copper in Shanghai Futures Exchange. If the bench mark price is equal to or below RMB20,000 a ton or more than RMB75,000 a ton, both parties will use friendly negotiation to determine the settlement price. Otherwise, the calculation of the settlement price shall be based on prescribed formulas depends on bench mark price disclosed in the agreement. If the market situation significantly changes, both parties shall, through friendly

negotiation, determine the copper bearing settlement price in writing.

The average bench mark price for gold is based on the trading days from 1st to 31st of the month in which the goods are delivered, to be calculated by the monthly arithmetic average of the weighted (settlement) price of Au9995 gold ingot of each trading day in the Shanghai Gold Exchange. If the gold content is equal to or less than one gram per dry metric ton, the settlement price shall be the bench mark price multiplied by the corresponding coefficient for pricing, which is determined by gold content and disclosed in the agreement.

The average bench mark price for silver is based on the trading days from the 1st to 31st of the month in which the goods are delivered, and calculated using the monthly arithmetic average of No.3 GB silver in the Shanghai White Platinum & Silver Exchange. If the silver content is equal to or less than 20 grams per dry metric ton, the settlement price shall be the bench mark price multiplied by the corresponding coefficient for pricing, which is determined by silver content and disclosed in the agreement.

Delivery of goods shall be made by Huatailong within 30 days after receiving advance payment by CNGG according to the quantity to be delivered. Settlement shall be conducted within five working days of the next month. Huatailong shall timely provide the invoice for settlement according to the settlement amount (issue 17% value added tax special invoice for copper and silver; and issue plain invoice for gold).

**B. Proposed annual caps and basis of determination for annual caps under the Contract for Purchase and Sale of Copper Concentrate**

The Directors estimate that the annual aggregate sales amount in respect of the transactions contemplated under the Contract for Purchase and Sale of Copper Concentrate will not exceed RMB510 million and RMB3,400 million for the two years ending December 31, 2013 and 2014, respectively.

In arriving at such annual caps, the Directors have considered the following factors:

- (a) Such caps are determined with reference to the amount of previous transactions during the three years ended December 31, 2010, 2011 and 2012. For the three years ended December 31, 2010, 2011 and 2012, the total production of copper sulphide concentrates at the Jiama Mine was approximately 1,177.41 tons, 46,521 tons and 52,795 tons, respectively, and the aggregate sales to an independent third party of the Group was approximately RMB39,622,940, approximately RMB664,752,271 and approximately RMB702,773,750, respectively, for the three years ended December 31, 2010, 2011 and 2012.
- (b) The price of copper sulphide concentrates to be purchased by CNGG will be referenced to (i) the monthly arithmetic average price settled in each trading day of the month in which the goods are delivered under the spot contract of the standard cathode copper in Shanghai Futures Exchange, (ii) the monthly arithmetic average of the weighted (settlement) price of Au9995 gold ingot of each trading day in the Shanghai Gold Exchange, and (iii) the monthly arithmetic average of No.3 GB silver in the Shanghai White Platinum & Silver Exchange prevailing at the time of each purchase order. Taking into account the steadily increasing prices of copper, gold and silver from 2010 to 2012, the Directors estimate that the selling price for the Group's copper sulphide concentrates to CNGG will remain relatively stable with possible upward adjustments for the two years ending December 31, 2013 and 2014.
- (c) The Directors expect that the sales volume to CNGG for the two years ending December

31, 2013 and 2014 is expected to increase in line with the continued growth in the production of copper sulphide concentrates at the Jiama Mine pursuant to the expansion plan of the Jiama Mine.

### **C. Reasons for and benefits of transactions**

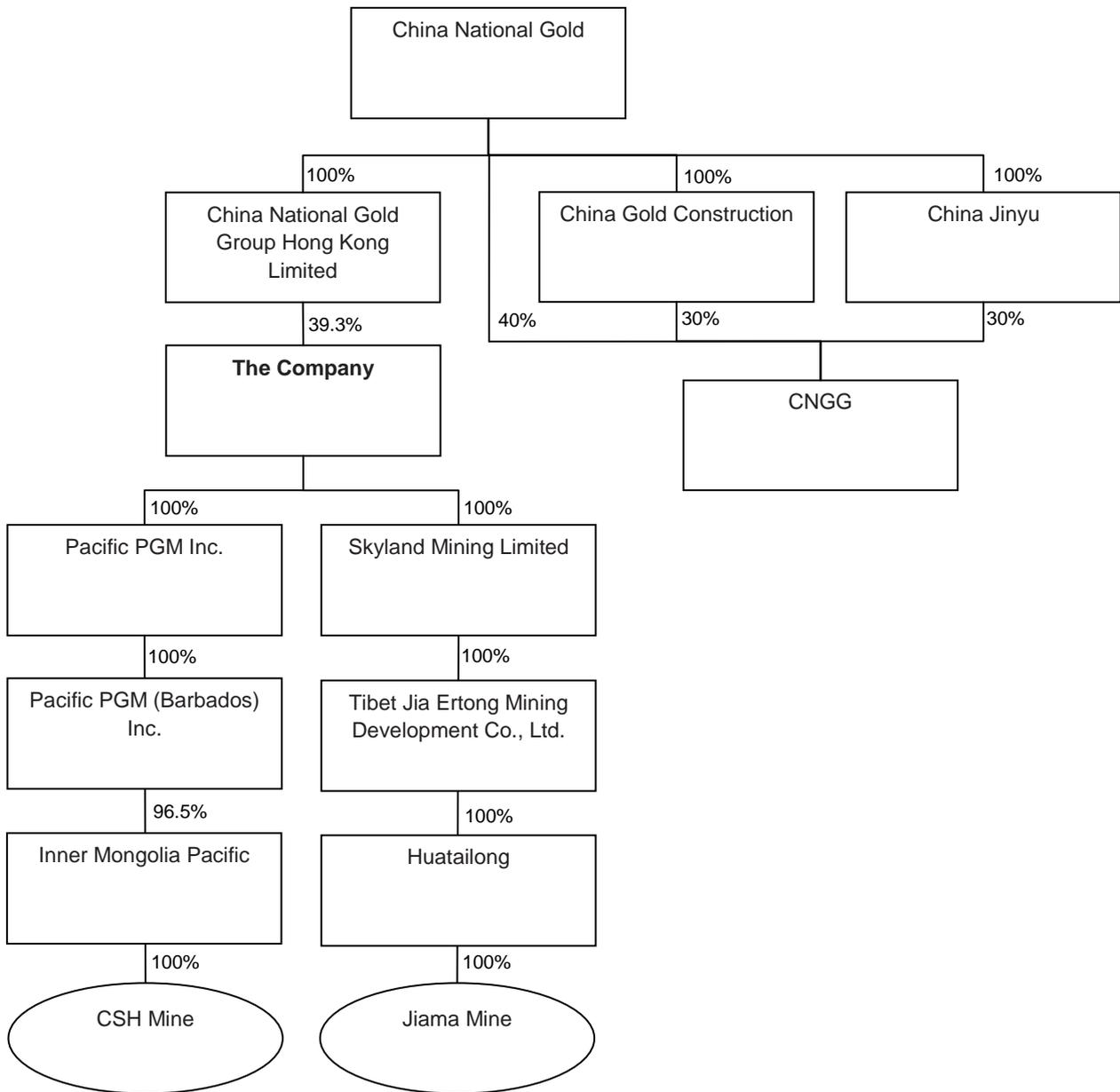
The reasons for and benefits of the Contract for Purchase and Sale of Copper Concentrate mainly include:

- (a) the Group (including Huatailong) has established a long-term cooperative relationship with China National Gold and therefore, the Group (including Huatailong) is able to execute the transactions with CNGG, which is ultimately controlled by China National Gold, with more flexibility and on more favourable terms;
- (b) China National Gold, being the largest gold producer in China, has good credibility in the industry. This lends assurance to the Group (including Huatailong) that risks it may face conducting business with CNGG, which is ultimately controlled by China National Gold, would be low;
- (c) the pricing term under the Contract for Purchase and Sale of Copper Concentrate is fair, reasonable and beneficial to Huatailong; and
- (d) the sales volume to CNGG for the two years ending December 31, 2013 and 2014 is expected to increase in line with the continued growth in the production of copper sulphide concentrates at the Jiama Mine pursuant to the expansion plan of the Jiama Mine.

The Directors (including all independent non-executive Directors) are of the view that (i) the transactions contemplated under the Contract for Purchase and Sale of Copper Concentrate will be entered into in the ordinary and usual course of business of the Group; (ii) the terms of the Contract for Purchase and Sale of Copper Concentrate are conducted on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and (iii) the annual monetary caps for the transactions contemplated under the Contract for Purchase and Sale of Copper Concentrate for the two years ending December 31, 2013 and 2014 are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### **IV IMPLICATION UNDER THE HONG KONG LISTING RULES**

The following diagram sets out the current shareholding relationship among China National Gold, the Company and CNGG.



As shown above, the Company, Inner Mongolia Pacific, Huatailong and CNGG are ultimately controlled by China National Gold. As such, China National Gold and CNGG are connected persons of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

The transactions contemplated under the Continuing Connected Transaction Contracts are aggregated pursuant to Rule 14A.25 of the Hong Kong Listing Rules on the basis that such transactions have been entered into by the Group with China National Gold or CNGG (where applicable) which are connected or otherwise associated with one another. As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules), when calculated on aggregated basis, for the transactions contemplated under the Continuing Connected Transaction Contracts exceeds 5%, such transactions constitute non-exempt continuing connected transactions that are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

In addition, as (1) the extension of the expiry date as contemplated under the Supplemental Jiama Framework Agreement and the Proposed Annual Caps, and (2) the Proposed Amendment as contemplated under the Supplemental Contract for Purchase and Sale of Dore constitute material changes to the terms of the Jiama Framework Agreement and the Contract for Purchase and Sale of Dore, respectively. Therefore, pursuant to Rule 14A.36(2) of the Hong Kong Listing Rules, the Company is required to re-comply with the reporting, announcement

and Independent Shareholders' approval requirements under the Hong Kong Listing Rules.

## **V GENERAL INFORMATION**

China National Gold is the only enterprise directly supervised by the State Council of the PRC that focuses on the exploration, mining, processing, smelting, refining and sales of gold. It also operates other nonferrous mineral assets related businesses. The predecessor of China National Gold was China National Gold Corporation, which was established in 1979 and headquartered in Beijing. China National Gold was the largest gold producer in China in 2012 by gold output, according to the China Gold Association. It is also the only enterprise in the gold industry in China that explores, produces and processes gold with a grade of Au99999.

The Company is a gold and base metal mining company based in Vancouver, Canada. Its principal properties are the CSH Mine located in Inner Mongolia, China and the Jiama Mine, located in the Tibet Autonomous Region, China. The Company commenced gold production at the CSH Mine in July 2007 and commenced commercial production on July 1, 2008. The Company acquired 100% ownership of the Jiama Mine which hosts a large scale copper-gold polymetallic deposit consisting of copper, molybdenum, gold, silver, lead and zinc on December 1, 2010. The mine commenced commercial production in September 2010.

Inner Mongolia Pacific is a co-operative joint venture company controlled by the Company whose major asset is the CSH Mine. Since its establishment in April 2002, it has been primarily engaged in exploration and mining activities. The Company has been in control of 96.5% of the equity interest of Inner Mongolia Pacific through its wholly-owned subsidiary Pacific PGM (Barbados) Inc., since April 2005.

Huatailong owns and operates the Jiama Mine. Since its establishment on January 11, 2007, it has been primarily engaged in exploration and mining activities. It is ultimately controlled by the Company.

CNGG is ultimately controlled by China National Gold directly through itself and indirectly through its wholly-owned subsidiaries, China Gold Construction and China Jinyu. CNGG primarily focuses on import and export of non-ferrous metals, such as copper, aluminum, lead and zinc, and related technology, sales of mineral products and steel, warehousing and investment advisory service.

The Board has approved to convene the Meeting in Vancouver, Canada on June 18, 2013 Vancouver time (being June 19, 2013 Hong Kong time) to consider and, if thought fit, approve, among other things, the Proposed Matters. China National Gold and its associates will abstain from voting on the resolutions to be proposed at the Meeting for the approval of the Proposed Matters.

A circular containing details of the Proposed Matters, the advice from the Independent Board Committee to the Independent Shareholders and the advice from TC Capital Asia Limited, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be despatched to the Shareholders on or before May 21, 2013.

## **VI DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“AGM” or “the Meeting”	the annual general meeting and special meeting of the Company to be held on Tuesday, June 18, 2013 at 11:00 a.m. in Vancouver, British Columbia, Canada (Wednesday, June 19, 2012 Hong Kong time), to consider and, if thought fit, approve, among other things, the Proposed Matters;
------------------------	--

“Board”	the board of Directors;
“China Gold Construction”	China National Gold Group Corporation Construction Co. Ltd.* (中国黄金集团建设有限公司), a limited liability company established in the PRC in March 2011 which is wholly-owned by China National Gold;
“China Jinyu”	China National Jinyu Gold Materials & Equipment Corporation* (中国金城黄金物资总公司), a company established in the PRC in May 1992 which is wholly-owned by China National Gold;
“China National Gold”	China National Gold Group Corporation (中國黃金集團公司), the ultimate controlling shareholder of the Company currently holding approximately 39.3% of the issued share capital of the Company through China National Gold Hong Kong Limited, its wholly-owned subsidiary;
“CNGG”	CNGG International Trade Co., Ltd.* (中國黃金集團國際貿易有限公司), a limited liability company established in the PRC in May 2012 which is owned as to 40% by China National Gold, 30% by China Gold Construction and 30% by China Jinyu;
“Company”	China Gold International Resources Corp. Ltd. (中國黃金國際資源有限公司), a limited liability company incorporated under the laws of British Columbia, Canada with shares listed on both the Hong Kong Stock Exchange and the Toronto Stock Exchange;
“connected person(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Continuing Connected Transaction Contracts”	collectively, (i) the Supplemental Jiama Framework Agreement, (ii) the Supplemental Contract for Purchase and Sale of Dore, (iii) the Product and Service Framework Agreement, and (iv) the Contract for Purchase and Sale of Copper Concentrate;
“Contract for Purchase and Sale of Copper Concentrate”	the purchases and sales contract of the copper sulphide concentrates dated April 26, 2013 between Huatailong and CNGG for the sale by Huatailong and the purchase by CNGG copper sulphide concentrate produced at the Jiama Mine from time to time from July 1, 2013 till December 31, 2014;
“Contract for Purchase and Sale of Dore”	the contract for purchase and sale of dore dated January 27, 2012 between Inner Mongolia Pacific and China National Gold for the sale by Inner Mongolia Pacific and the purchase by China National Gold of gold dore bars and silver by-products produced at the CSH Mine from time to time for the year ended December 31, 2012 and the two years ending December 31, 2013 and 2014;
“CSH Mine”	Chang Shan Hao mine (長山壕金礦), a gold mine located in Wulate Zhong Qi in Inner Mongolia, in which the Company holds a 96.5% interest through Pacific PGM (Barbados) Inc., its wholly-owned subsidiary incorporated in Barbados;
“Directors”	the directors of the Company;

“Group”	the Company and its subsidiaries (as defined in the Hong Kong Listing Rules);
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Huatailong”	Tibet Huatailong Mining Development Co., Ltd.* (西藏華泰龍礦業開發有限公司), a limited liability company incorporated in the PRC which owns and operates the Jiama Mine, in which the Company holds a 100% interest through Skyland Mining Limited and Tibet Jia Ertong Mining Development Co., Ltd. (西藏嘉爾通礦業開發有限公司), its wholly-owned subsidiaries;
“Independent Board Committee”	an independent committee of the Board comprising all of the independent non-executive Directors;
“Independent Shareholders”	the Shareholders (other than China National Gold and any of its associates) which are not required to abstain from voting at the Meeting to approved the Proposed Matters;
“Inner Mongolia”	Inner Mongolia Autonomous Region of the PRC;
“Inner Mongolia Pacific”	Inner Mongolia Pacific Mining Co. Limited* (內蒙古太平礦業有限公司), a cooperative joint venture company incorporated in the PRC which owns and operates the CSH Mine and in which the Company holds a 96.5% interest through Pacific PGM (Barbados) Inc., its wholly-owned subsidiary incorporated in the Barbados;
“Jiama Framework Agreement”	the service framework agreement entered into between the Company and China National Gold on November 6, 2012, pursuant to which China National Gold will provide mining development services to the Company at the Jiama Mine in order to implement the Phase II development plan as set out in the Pre-feasibility Study;
“Jiama Mine”	Jiama Copper-Gold Polymetallic Mine (甲瑪銅多金屬礦) located in Tibet, China. Jiama hosts a large scale copper-gold polymetallic deposit consisting of copper, gold, molybdenum, silver, lead and zinc. It is owned and operated by the Group through the Company’s indirect wholly-owned subsidiary Huatailong;
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong, Macau Special Administrative Region of the PRC, and Taiwan;
“Pre-feasibility Study”	the pre-feasibility study report produced by Minarco-MineConsult, details of which have been disclosed in the announcement of the Company dated October 25, 2012;
“Product and Service	the product and service framework agreement dated April 26,

Framework Agreement”	2013 between the Company and China National Gold, pursuant to which China National Gold will provide products and services to the Company for three years until June 18, 2016 in order to facilitate the Group’s operations in the PRC;
“Proposed Amendment”	has the meaning as defined on page 5 of this announcement;
“Proposed Matters”	collectively, (i) the entering into of each of the Continuing Connected Transaction Contracts and the transactions contemplated thereunder, (ii) the Proposed Annual Caps, (iii) the respective annual monetary caps for the transactions contemplated under each of the Product and Service Framework Agreement and the Contract for Purchase and Sale of Copper Concentrate as more particularly described in this announcement, and (iv) the authorization to any one Director to do such further acts and things and to execute or cause to be executed, and to deliver or cause to be delivered, such documents and instruments, and to take all such steps which in the opinion of such Director do or cause to be done all such other acts and things, necessary or desirable to implement and/or carry out and/or give effect to the terms of the foregoing matters;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of share(s) of the Company;
“Supplemental Contract for Purchase and Sale of Dore”	a supplemental contract entered into between Inner Mongolia Pacific and China National Gold on April 26, 2013 to revise the Original Payment Terms under the Contract for Purchase and Sale of Dore as more particularly described in this announcement;
“Supplemental Jiama Framework Agreement”	a supplemental agreement entered into between the Company and China National Gold on April 26, 2013 to extend the expiry date of the Jiama Framework Agreement to December 31, 2015; and
“%”	percent.

*\*The English translations are for identification purposes only.*

By Order of the Board  
**China Gold International Resources Corp. Ltd.**  
**Sun Zhaoxue**  
*Chairman*

Hong Kong, April 26, 2013

*As of the date of this announcement, the executive Directors are Mr. Sun, Zhaoxue, Mr. Song, Xin, Mr. Wu, Zhanming and Mr. Jiang, Xiangdong, the non-executive Director is Mr. Liu, Bing and the independent non-executive Directors are Mr. He, Ying Bin lan, Mr. Chen, Yunfei, Mr. Hall, Gregory Clifton and Mr. Burns, John King.*