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**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)

**China Gold International Reports 2012 First Half Financial  
and Operational Results**

**Vancouver** – China Gold International Resources Corp. Ltd. (the “Company”) is pleased to report on the Company's financial and operational results for six months ended June 30, 2012.

Please see the attached announcement for more details.

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

Hong Kong, 16 August 2012

*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 Ian, Mr. Chen, Yunfei, Mr. Hall, Gregory Clifton and Mr. Burns, John King.*



## China Gold International Reports 2012 First Half Financial and Operational Results

Vancouver, British Columbia, August 16<sup>th</sup>, 2012 – China Gold International Resources Corp. Ltd. (TSX: CGG, HK: 2099) (the “Company”) reports financial and operational results for the six months ended June 30, 2012.

### **First Half 2012 Highlights:**

- Revenue increased by 20% from US\$128.4 million in the six months ended June 30, 2011 to US\$154.1 million in the six months ended June 30, 2012.
- Gold production from the CSH Mine increased by 26% from 55,259 ounces in the six months ended June 30, 2011 to 69,678 ounces in the six months ended June 30, 2012; total cash costs US\$802 per ounce of gold.
- Revenue from the CSH Mine accounted for 70%, or US\$107.7 million (2011: US\$82.0 million), of total revenue for the six month period.
- Copper production from the Jiama Mine increased by 9% from 4,180 tonnes (9,215,380 pounds) in the six months ended June 30, 2011 to 4,563 tonnes (10,059,540 pounds) in the six months ended June 30, 2012; cash production cost of copper per pound after by-products credits was US\$1.71.
- Revenue from the Jiama Mine accounted for 30%, or US\$46.4 million (2011: US\$46.4 million), of total revenue for the six month period.
- Comprehensive income decreased by 21% from US\$31.4 million in the six months ended June 30, 2011 to US\$24.8 million for the six months ended June 30, 2012.
- Basic earnings per share decreased 16% from 7.59 cents in the six months ended June 30, 2011, to US 6.33 cents in the six months ended June 30, 2012.
- Net cash flows from operations increased 11% from US\$ 18.47 million in the six months ended June 30, 2011, to US\$ 20.46 million in the six months ended June 30, 2012.
- As of June 30, 2012, the total cash and equivalents was US\$ 333.89 million and total current and long terms borrowings were US\$229.8 million.

### **Outlook:**

China Gold International’s outlook for the remainder of 2012 and beyond remains positive as the Company continues to work towards improving operating results and expanding operations at its current mine sites. In addition, the Company remains focused on evaluating targets for possible acquisitions and/or joint ventures with support from its largest shareholder, China National Gold.



## The CSH Gold Mine

- The CSH Mine is located in Inner Mongolia Autonomous Region of China. The property hosts two low-grade, near surface gold deposits, along with other mineralized prospects.
- For 2012, the Company is on track to meet its production guidance of 130,000-135,000 ounces of gold.
- As of June 30, 2012, the Company has successfully completed approximately 4,600 meters of its planned 10,200 meter 2012 drill program. The purpose of the drill program is to explore for higher grade mineralization down depth and mineralization in between the two open pits.
- A 59,000 meter (108 holes) drilling program was completed at the end of October 2011 in the mining permit area. A full evaluation on the mine's potential for gold mineralization is in progress, for both down depth and surrounding the mining permit area. The Company is preparing an expansion study to support a potential expansion of the operation from its current 30,000 tpd processing capacity.

## Jiama Copper Polymetallic Mine

- The Jiama Mine consists of both underground and open pit mining operations and is a large copper-gold polymetallic deposit containing copper, gold, silver, molybdenum, and other metals located in the Gandise metallogenic belt in Tibet, Autonomous Region of China.
- For 2012, the Company's production guidance remains at 9,800-11,500 tonnes (21.6 M lbs – 25.3 M lbs pounds) of copper from the Jiama Mine.
- As of June 30, 2012, the Company successfully completed 10,750 meters of its planned 44,900 meter drilling program for 2012. The purpose of the drilling program is to upgrade a significant portion of the inferred resource to a higher resource category.
- A 37,000 meter (71 holes) drilling program was completed in the fourth quarter of 2011 within the mining permit area. The Company is in the process of preparing an expansion study to support a potential expansion of the operation from its current 6,000 tpd processing capacity.

For a detailed look at the financial statements and MD&A for the three and six months ended June 30, 2012, please visit the Company's website at [www.chinagoldintl.com](http://www.chinagoldintl.com) or [www.sedar.com](http://www.sedar.com).

## About China Gold International Resources Corp. Ltd.

China Gold International Resources Corp. Ltd. is based in Vancouver, BC, Canada and operates both the CSH Gold Mine in Inner Mongolia, and the Jiama Copper-Polymetallic



# China Gold International Resources Corp. Ltd.

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Mine in Tibet Autonomous Region of China. The Company's objective is to continue to build shareholder value by growing production at its current mining operations, expanding its resource base, and aggressively acquiring and developing new projects internationally. The Company is listed on the Toronto Stock Exchange (TSX: CGG) and the Main Board of The Stock Exchange of Hong Kong Limited (HKEx:2099).  
For additional information:

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## **Forward-looking statements**

*Certain statements made herein, and other statements relating to matters that are not historical facts and statements of our beliefs, intentions and expectations about developments, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information and statements are typically identified by words such as "anticipate", "could", "should", "expect", "seek", "may", "intend", "likely", "plan", "estimate", "will", "believe" and similar expressions suggesting future outcomes or statements regarding an outlook. All such forward-looking information and statements are based on certain assumptions and analysis made by China Gold International Resources Corp. Ltd.'s management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements. Important factors that could cause actual results to differ from these forward-looking statements include those described under the heading "Risks and Uncertainties" elsewhere in the Company's MD&A filed at [www.SEDAR.com](http://www.SEDAR.com). The reader is cautioned not to place undue reliance on forward-looking information or statements. Except as required by law the Company does not assume the obligation to revise or update these forward looking statements after the date of this document or to revise them to reflect the occurrence of future, unanticipated events.*