



## China Gold International Reports Year-End 2013 Results and Provides 2014 Outlook.

VANCOUVER, March 25, 2014 - China Gold International Resources Corp. Ltd. (TSX: CGG; HKEx: 2099) (the "Company" or "China Gold International Resources") is pleased to report Year-End 2013 results and provide 2014 Outlook.

### ***2013 Financial, Production and Operating Highlights***

- Revenues decreased by 9%, or US\$29.8 million, from US\$332.4 million for the year ended December 31, 2012, to US\$302.6 million for the year ended December 31, 2013.
- Revenues from the Chang Shan Hao Gold Mine (the "CSH Mine", the "CSH Gold Mine" or "CSH") accounted for 59%, or US\$178.1 million (2012: US\$223.8 million), of total revenue for the year. Decline in CSH's 2013 revenue was due to the substantial drop in gold prices and lower production level.
- Revenue from the Jiama Copper-Gold Polymetallic Mine (the "Jiama Mine" or "Jiama") accounted for 41%, or US\$124.5 million (2012: US\$108.6 million), of total revenue for the year. This revenue growth of US\$15.9 million was mainly attributed to increased production levels and improved recovery rates.
- Cost of sales decreased by 3%, or US\$6.8 million, from US\$207.5 million for the year ended December 31, 2012 to US\$200.7 million for the same period in 2013. The decrease in cost of sales is primarily attributable to the increase in recovery rates, in addition to operation optimization of the ore processing facilities at both mines.
- Mine operating earnings for the Company decreased by 18%, or US\$23 million, from US\$124.9 million for the year ended December 31, 2012 to US\$101.9 million for the year ended December 31, 2013.
- Net income of the Company decreased by 22%, or US\$16.4 million from US\$73.5 million for the year ended December 31, 2012 to US\$57.1 million for the year ended December 31, 2013.
- Gold production from the CSH Mine mine slightly decreased by 5.8% from 139,443 ounces in 2012 to 131,418 ounces in 2013. This decline is partially due to lower grades of ore mined and longer recovery periods caused by the growing height of the leaching heap.
- The accumulative project-to-date gold recovery at CSH has been steadily increasing over the last few years: from 39% in 2010, to 46% in 2011, to 53% in 2012 and to 54% in 2013.
- The total production cost of gold per ounce and cash production cost of gold per ounce for the year ended December 31, 2013 both decreased compared with the same period in 2012. The primary reason for this decline is lower waste rock expenditures in 2013.



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CSH Mine	Year ended December 31,	
	2013	2012
Total production cost (US\$) of gold per ounce	866	928
Cash production cost* (US\$) of gold per ounce	707	825

\* Non-IFRS measure

- The company has successfully completed a new 30,000 tonne per day (“tpd”) stand-alone crushing, heap leaching and ADR (Adsorption, Desorption and Refining) plant in addition to the existing 30,000 tpd facility. A new 80 kilometer long government-built 110 Kilovolt (“KV”) power line was completed by end of November 2013. CSH Mine’s processing capacity increased from 30,000 tpd to 60,000 tpd.
- Copper production from the Jiama Mine increased by 10% from 25,820,417 pounds in 2012 to 28,323,626 pounds in 2013. This third full year of increasing production for the Jiama Mine is mainly due to higher volumes of ore mined and improved recovery rates.
- The cash production cost of copper per pound decreased during the current period due to higher recovery rates realized during the year. Total production cost of copper per pound also decreased during the current period due to a lower amortization of mining rights with an increased ore reserve base in Jiama Mine. The Company is closely monitoring production costs at the Jiama Mine and will continue to make efforts to reduce costs.

Jiama Mine	Year ended December 31,	
	2013	2012
Total production cost* (US\$) of copper per pound	3.55	4.13
Total production cost* (US\$) of copper per pound after by-products credits***	2.30	2.58
Cash production cost** (US\$) per pound of copper	2.90	3.04
Cash production cost** (US\$) of copper per pound after by-products credits***	1.65	1.49

\* Production costs include expenditures incurred at the mine sites for the activities related to production including mining, processing, mine site G&A and royalties etc.

\*\* Non-IFRS measure

\*\*\* By-products credit refers to the sales of gold and silver during the corresponding period.

- On December 20, 2013, in accordance with the schedule, the Phase II expansion NI 43-101 compliant feasibility study for Jiama has been successfully completed by the Changchun Gold Design Institute in conjunction with independent consulting firm Mining One and the Company’s management. The results showed measured and indicated copper mineral resources increased to 1,486 million tonnes averaging 0.41% Cu from 1,053 million tonnes averaging 0.44% Cu; contained copper metal increased to 6.14 million tonnes from 4.64 million tonnes. The proved and probable copper mineral reserves increased to 441 million tonnes at a grade of 0.61% Cu from 363 million tonnes at 0.77% Cu. The feasibility study estimated that the project



has an NPV (9%) of \$1.3 billion and is expected to generate a nominal after tax cash flow of \$5.8 billion.

- By the end of December 2013, the Jiama Mine completed its 2013 drilling program for the total of 3,434 meters in the existing Tongqianshan open pit. Drilling results will be available in the first half of 2014. The major goals are to further define the main high grade ore body in the current open pit mining area and also to better understand the geological structural on controlling metallogenic regularity. Total exploration expenditures were approximately US\$ 4.32 million.

Mr. Bing Liu, CEO of the Company, commented, "We are very pleased with the operational progress on both mines. Good production results were achieved for the sixth consecutive year at the CSH gold mine. The Jiama Copper Polymetallic Mine achieved its third full year of increasing production. We have seen significant cost reduction on both of our mines. We have delivered on our commitment to the shareholders and completed expansion construction at CSH ahead of the schedule. We finished Jiama's feasibility study on time.

Last year presented many challenges to us, such as metal prices fluctuations. Those challenges are not uncommon in the mining industry. Our experienced management team and a solid portfolio of outstanding producing assets will help us withstand those challenges and deliver strong operational results to our shareholders".

### ***2014 Production and Operating Outlook:***

- Organic growth, cost management and international expansion continue to be the Company's main goals for 2014.
- The Company will continue to leverage the technical and operating experience of the Company's controlling shareholder, China National Gold Group Corporation ("CNG"), to improve operations at its mines, increase production and minimize costs.
- To fulfill its growth strategy, the Company is continually working with CNG and other interested parties to identify potential international mining opportunities, mainly outside of China, which can be readily and quickly brought into production with the possibility of further expansion through continued exploration.
- The 2014 gold production for the Company is expected to be approximately 208,000 ounces.
- The 2014 copper production for the Company was previously expected to be about 50 million pounds. As announced in the previous news release on February 27, 2014, the Company is not able to provide definitive 2014 production guidance for Jiama Mine as the mine is dealing with reduced power supply that has affected the central Tibet region during the winter months. The Tibet Autonomous Region government and the Central Government of China are currently progressing a power supply development plan. The Company has implemented counteractive measures to mitigate the effect of power shortages, and anticipates that the Jiama



Mine will be able to resume full production in April or May. The Company will need to confirm its 2014 guidance for the Jiama Mine in mid-2014.

- At CSH, the ramp-up of production and test runs on the newly build 30,000 tpd crusher and ADR plant are in progress. The Company expects the first gold output from the new 30,000 tpd facility in second quarter of 2014 and gold production is expected to reach about 260,000 ounces per annum by 2015.
- Jiama's production capacity will grow in 2 stages. At the completion of stage one, scheduled for the second half of 2014, the new mill's capacity is expected to grow from 6,000 tpd to 28,000 tpd of ore. Stage two construction of an additional 22,000 tpd capacity is expected to be completed by the second half of 2015. This expansion will grow Jiama's processing capacity nearly 8 times from 6,000 tpd in 2013 to 50,000 tpd in 2015. By 2016, copper production is expected to reach 176,000,000 pounds.

## ***2013 Annual Results Investor and Media Presentation***

Management will hold its 2013 Annual Results Investor and Media Presentation in Hong Kong on March 31<sup>st</sup>, 2014 at 10 a.m. (Hong Kong time). Year-End 2013 results and performance will be discussed and the question and answer period will be held.

Analysts, investors and media are encouraged to visit the following link on the company's website (<http://www.chinagoldintl.com/investors/events/>) for the details of this event.

For a detailed look at the financial statements and MD&A for the year ended December 31, 2013, please visit the Company's website at [www.chinagoldintl.com](http://www.chinagoldintl.com), The Stock Exchange of Hong Kong Limited's website at [www.hkex.com.hk](http://www.hkex.com.hk) or SEDAR at [www.sedar.com](http://www.sedar.com).

## ***About China Gold International Resources***

China Gold International Resources Corp. Ltd. is based in Vancouver, BC, Canada and operates both profitable and growing mines, the CSH Gold Mine in Inner Mongolia, and the Jiama Copper-Polymetallic Mine in Tibet Autonomous Region of the People's Republic 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).

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