CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.

中 國 黃 金 國 際 資 源 有 限 公 司

(a company continued under the laws of British Columbia, Canada with limited liability)
(Hong Kong Stock code: 2

As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) for the transactions contemplated under the 2015 Contract for Purchase and Sale of Dore 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.

As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) for the transactions contemplated under the 2015 Contract for Purchase and Sale of Copper Concentrate 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.

As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) for the transactions contemplated under the Jiama Phase II Hornfels Stripping and Mining Agreement 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.

GENERAL INFORMATION

An Independent Board Committee has been formed to advise the Independent Shareholders on the subject transactions. The Independent Board Committee has also approved the appointment of TC Capital Asia Limited, as the independent financial adviser to advise the Independent Board Committee and Independent Shareholders in accordance with the Hong Kong Listing Rules.

The Board has approved to convene the Meeting in Vancouver, Canada on Wednesday, June 18, 2014 Vancouver time (i.e. Thursday, June 19, 2014 Hong Kong time) to consider and, if thought fit, approve, among other matters, each of the Continuing Connected Transaction Contracts and the respective annual monetary caps for the transactions contemplated under each of the Continuing Connected Transaction Contracts by way of ordinary resolutions. China National Gold and its associates will abstain from voting with regards to the ordinary resolutions to be proposed at the Meeting in connection with the Continuing Connected Transaction Contracts.

A circular containing, among other matters, details of the Continuing Connected Transaction Contracts, the advice from the Independent Board Committee to the Independent Shareholders and the advice from TC Capital Asia Limited, will be despatched to the Shareholders on or before May 15, 2014.

China Gold International Resources Corp. Ltd (the "**Company**") hereby announces that on May 7, 2014, the Company entered into three new continuing connected transactions: (i) the 2015 Contract for the Purchase and Sale of Dore; (ii) the 2015 Contract for the Purchase and Sale of Copper Concentrate; and (iii) the Jiama Phase II Hornfels Stripping and Mining Agreement.

I. 2015 CONTRACT FOR THE PURCHASE AND SALE OF DORE

On May 7, 2014, Inner Mongolia Pacific entered into the 2015 Contract for Purchase and Sale of Dore with China National Gold for the purpose of regulating the sale and purchase of gold dore to be carried out between them for the three years ending December 31, 2015, 2016 and 2017.

A. Key terms

Date: May 7, 2014

Parties:
(a) Inner Mongolia Pacific (as the seller); and
(b) China National Gold (as the purchaser)

Subject matter: The sale and purchase of gold dore bars and silver by-products produced at the CSH Gold Mine owned and operated by Inner Mongolia Pacific in Inner Mongolia, China.

Term: Subject to the approval of the Independent Shareholders at the Meeting and compliance with other requirements under the Hong Kong Listing Rules, effective until December 31, 2017.

Payment terms Pricing for gold dore bar products is referenced to the daily average price of Au9995 gold ingot as quoted on the Shanghai Gold Exchange on the notification date to be notified by the seller to the purchaser at least three working days prior to delivery of shipment of gold dore bars less RMB0.95 per gram, multiplied by the settlement weight. The amounts of RMB0.95 per gram to be deducted from the quoted price is the cost of refining gold dore bars by the purchaser which was determined based on and is consistent with that for the historical transactions between the Group and independent third parties.

Pricing for silver by-products is referenced to the daily average price of No. 2 silver at the Shanghai Huatong Platinum & Silver Exchange on the notification date to be notified by the seller to the purchaser at least three working days prior to delivery of shipment of silver by-products less RMB0.5 per gram, multiplied by the settlement weight. The amount of RMB0.5 per gram to be deducted from the quoted price is the cost of refining silver by-products which was determined based on and is consistent with that for the historical transactions between the Group and independent third parties.

Settlement shall take place three working days after China National Gold has received the material at the refinery unless samples are sent to an umpire analysis. Inner Mongolia Pacific shall deliver an invoice to China National Gold for the resulting settlement weight, and China National Gold will have 30 calendar days to effect payment to Inner Mongolia Pacific.

The Board is of the view that making references to unit price of gold and silver in the two exchanges located in Shanghai is fair and reasonable having considered that (i) the Company's principal market of gold dore bar products and silver by-products is in PRC, (ii) the Shanghai Gold Exchange and the Shanghai Huatong Platinum & Silver Exchange are the two most influential nonferrous metal exchanges in PRC and (iii) it is the prevailing market and industry practice to determine price of gold and silver with reference to these two exchange platforms in PRC.

The Board considers that granting 30 days credit period to China National Gold is fair and reasonable having considered (i) contract terms negotiated at arm's length with independent third parties and (ii) prevailing market and industry practice. It is also the industry practice to take into account the refinery cost in determining the settlement price of gold dore bars and silver by-products.

B. Proposed annual caps and basis of determination for annual caps under the 2015 Contract for the Purchase and Sale of Dore

The annual cap amounts for the transactions contemplated under the 2015 Contract for the Purchase and Sale of Dore and the basis of determination for such annual cap amounts are set out as follows:

	Annual cap for the year ending December 31,		
	2015	**2016**	**2017**
	(RMB in thousands)	*(RMB in thousands)*	*(RMB in thousands)*
Aggregate sales amount	2,275,000	2,437,500	2,470,000

The Directors have estimated such annual monetary caps for the transactions contemplated under the 2015 Contract for Purchase and Sale of Dore based on the following factors:

(a) Such caps are determined with reference to the amount of previous transactions during the year ended December 31, 2012 and December 31, 2013. For the year ended December 31, 2012 and the year ended December, 2013, the total gold production at the CSH Gold Mine was approximately 139,443 ounces and 131,418 ounces, respectively, and the aggregate sales amount to China National Gold was RMB1,457 million for the year ended December 31, 2012 and RMB1,127.36 million for the year ended December 31, 2013.

(b) The production of gold at the CSH Gold Mine is expected to continue to grow from the current production of 134,418 ounces per annum to about 260,000 ounces per annum by 2016 pursuant to the potential operation expansion plan of CSH Gold Mine and the demand for gold by China National Gold will continue to increase. However, actual quantity of gold dore bar products and silver by-products to be sold would be affected by (i) limits of gold production capacity and (ii) fluctuation in gold price.

(c) The price of gold dore bars to be purchased by China National Gold from Inner Mongolia Pacific will be referenced to the daily average price of Au9995 gold ingot as quoted on the Shanghai Gold Exchange prevailing at the time of each purchase order.

C. Reasons for and benefits of the 2015 Contract for Purchase and Sale of Dore

The reasons for and benefits of the 2015 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 for 6 years since 2008 in similar transactions and given Inner Mongolia Pacific has the flexibility to determine the timing of sale (as it is entitled but not obligated to designate one delivery date per week, and may cancel any shipment without penalty up to two working days prior to the relevant delivery date), therefore, the 2015 Contract for Purchase and Sale of Dore will provide the Group with a ready buyer of the gold dore bars and silver by-products produced at the CSH Gold Mine and 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;

(c) the terms and conditions of the 2015 Contract for Purchase and Sale of Dore are based on substantially the same terms of the 2012 Contract for Purchase and Sale of Dore (as amended by the Supplemental Contract for Purchase and Sale of Dore). The 2012 Contract for Purchase and Sale of Dore (as amended by the Supplemental Contract for Purchase and Sale of Dore) has been well executed which further demonstrates the good cooperative relationship between Inner Mongolia Pacific and China National Gold as well as the credibility of China National Gold; and

(d) the pricing term under the 2015 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 under the 2015 Contract for Purchase and Sale of Dore will be entered into in the ordinary course of business of the Group; (ii) the terms of the 2015 Contract for Purchase and Sale of Dore are normal commercial terms and are fair and reasonable and in the interest of the Company and its Shareholders as a whole; and (iii) the annual monetary caps for the transactions contemplated under the 2015 Contract for Purchase and Sale of Dore for the three years ending December 31, 2015, 2016 and 2017 are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

II. 2015 CONTRACT FOR PURCHASE AND SALE OF COPPER CONCENTRATE

On May 7, 2014, Huatailong and CNGG entered into the 2015 Contract for Purchase and Sale of Copper Concentrate for the purpose of governing the sale and purchase of copper sulphide concentrates produced at the Jiama Mine from time to time from January 1, 2015 until December 31, 2015.

A. Key terms

Date: May 7, 2014

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

Subject matter: The sale and purchase of copper sulphide concentrates, which mainly contain copper with a small amount of gold and silver, 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 and compliance with other requirements under the Hong Kong

Listing Rules, effective until December 31, 2015

Payment terms: Settlement price for copper sulphide concentrates is to be determined through prescribed figures disclosed in the agreement, based on the monthly average benchmark 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 benchmark 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. Under this scenario, the staffs responsible for such copper purchase and sales contract are required to submit no less than 3 price quotations from independent third parties in the PRC for the review, comparison and approval by Independent Board Committee on the basis that such price is no less favourable to the Group than prices available from independent third parties. Otherwise, the settlement price shall be the benchmark price, multiplied by the corresponding coefficient for pricing (with a range of 0.664 to 0.863 which is identical to that agreed with independent third parties and is consistent with industry practice), which increases with the benchmark price and is disclosed in the agreement. If the market situation significantly changes, both parties shall, through friendly negotiation as discussed above, determine the copper bearing settlement price in writing.

The reason to set an increment on the corresponding coefficient for the increase of copper benchmark prices is that it is the usual industry practice and this is to maintain a relatively stable nominal value for the copper refinery cost (which is the difference between settlement price and the benchmark price) irrespective of the level of copper benchmark prices. The Company considers that due to the differences in copper contents and the presence of other minerals in copper concentrates, it is difficult for the parties to agree on a fixed refinery cost or determine a refinery cost batch by batch on site. Therefore, the Directors consider that it is reasonable to include a mechanism to align the increase of corresponding coefficient with the increase of copper benchmark price to maintain a stable nominal value as copper refinery cost because this cost should not be highly correlated to copper prices.

The average bench mark price for gold (with gold content less than one gram per dry metric ton) 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 more than one gram per dry metric ton, the settlement price shall be the bench mark price, multiplied by the corresponding coefficient for pricing, which increases with the gold content and is disclosed in the agreement. Such coefficient is negotiated at arm's length and is identical to that agreed with independent third parties. If the gold benchmark price increases and such coefficient would increase with the gold content as the extraction cost should be adjusted to remain constant when gold content increases. Such arrangement is an industry practice as it reflects the cost of extracting the gold content of the ore.

The average bench mark price for silver (with silver content less than 20 grams per dry metric ton) 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 more than 20 grams per dry metric ton, the settlement price shall be the bench mark price multiplied by the corresponding coefficient for pricing, which increases with the silver content and is disclosed in the agreement. Such coefficient is negotiated at arm's length and is identical to that agreed with independent third parties. The treatment for silver settlement price with respect to the silver benchmark price is similar to that of gold as discussed above except the average is calculated based on No.3 GB silver in the Shanghai White Platinum & Silver Exchange and a different coefficient.

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). If there is a difference between the amount of the advance payment and the settlement amount, the amount overpaid shall be refunded by Huatailong while the amount deficient shall be supplemented by CNGG.

The Board is of the view that making references to unit price of copper sulphide concentrate in the three exchanges located in Shanghai is fair and reasonable having considered that (i) the Company's principal market of copper sulphide concentrate products is in PRC, (ii) the Shanghai Futures Exchange, the Shanghai Gold Exchange and the Shanghai Huatong Platinum & Silver Exchange are influential nonferrous metal exchanges in PRC and (iii) it is the prevailing market and industry practice to determine price of copper, gold and silver with reference to these three exchange platforms in PRC.

B. Proposed annual caps and basis of determination for annual caps under the 2015 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 2015 Contract for Purchase and Sale of Copper Concentrate will not exceed RMB3,553,000,000 for the year ending December 31, 2015.

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, 2011, 2012 and 2013. For the three years ended December 31, 2011, 2012 and 2013, the total production of copper sulphide concentrates at the Jiama Mine was approximately 46,521 tons, 52,795 tons and 55,007 tons, respectively, and the aggregate sales to an independent third party of the Group and/or CNGG was approximately RMB664,752,271, approximately RMB702,773,750 and approximately RMB772,220,392, respectively, for the three years ended December 31, 2011, 2012 and 2013.

(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.

(c) The Directors expect that the sales volume to CNGG for the year ending December 31, 2015 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, details of which are set out in the Pre-feasibility Study. The increase in the annual caps under the 2015 Contract for Purchase and Sale of Copper Concentrate is also in line with the significant increase of the ore mining capacity of the Jiama Mine, which would be increased by approximately 8 times from 6,000 tonnes per day ("tpd") in 2013 to 50,000 tpd in the end of 2015. Copper produced in 2014 is also expected to reach 22,700 tons, which is significantly more than the amount of copper produced in 2013. However, actual quantity of copper sulphide concentrates to be sold would be affected by (i) limits of copper production capacity and (ii) fluctuation in copper price.

C. Reasons for and benefits of transactions

The reasons for and benefits of the 2015 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 the Directors, having considered other contracts for purchase and sale of copper concentrate entered into between the Company and independent third parties, are of the view that the 2015 Contract for Purchase and Sale of Copper Concentrate is on no less favourable terms compared to those offered by independent third parties, therefore, the 2015 Contract for Purchase and Sale of Copper Concentrate will provide the Group with a ready buyer of the copper sulphide concentrate produced at the Jiama Mine and the Group (including Huatailong) is able to execute the transactions with CNGG, which is ultimately controlled by China National Gold, with more flexibility (such as the flexibility to determine the timing of sale as it is entitled but not obligated to designate one delivery date per week, and may cancel any shipment without penalty up to two working days prior to the relevant delivery date) 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 year ending December 31, 2015 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 2015 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 2015 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 2015 Contract for Purchase and Sale of Copper Concentrate for the year ending December 31, 2015 are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

III Jiama Phase II Hornfels Stripping and Mining Agreement

Huatailong entered into the Jiama Phase II Hornfels Stripping and Mining Agreement CTMG on May 7, 2014 pursuant to which CTMG will provide services for Phase II Hornfels Stripping and Mining at the Jiama Copper-Polymetallic Mine for the period from July 1, 2014 through December 31, 2016.

A. Key terms

Date: May 7, 2014

Parties:
(a) Haitailong; and
(b) CTMG

Subject matter: CTMG shall provide stripping and mining services for phase II production-period hornfels at the Jiama Copper-Polymetallic Mine

Term: Subject to the approval of Independent Shareholders at the Meeting and compliance with other requirements under the Hong Kong Listing Rules, the project is planned to commence on July 1, 2014 and is planned to complete on December 31, 2016.

The mining volume is 6,000,000m^3 and the stripping volume is 10,870,000m^3 for the project, with a fixed mining price of RMB 38.30/m^3 and stripping price of RMB 38.92/m^3.

The selection of CTMG as the contractor for the stripping and mining services at the Jiama Mine was made pursuant to the open market tendering process in accordance with the internal tendering guidelines of the Company, which are prepared in accordance with the Tendering and Bidding Law of the PRC, which serves to protect national and public interests as well as the legitimate rights and interests of the parties involved in tendering and bidding activities in the PRC. In determining the above mining price and stripping price, the Group considered that the terms provided by CTMG are more favourable than other parties and CTMG is more experienced in the services to be provided compared to the other bidders.

Service Fee: In consideration of the Stripping and Mining services, Huatailong shall pay CTMG service fee up to an aggregate amount of RMB 652,840,000 calculated based on the unit price of workload for the finished quantity of work as the project progresses.

Payment Terms: CTMG shall compile monthly report which shall be submitted to the supervising engineer and Huatailong together with monthly payment request and supporting documents.

Within 10 days after the supervising engineer and Huatailong have verified and confirmed the actual completed quantity of work in the report for the relevant month, Huatailong shall pay CTMG progress payment being 90% of the accrued service fee based on the unit price and the finished quantity of work.

By the end of each year and upon settlement of all related expenses, up to 95% of the accrued service fee shall become payable by Huatailong to CTMG.

The remaining service fee shall become payable by Huataiong to CTMG upon completion or expiration of the term of the Jiama Phase II Hornfels Stripping and Mining Agreement provided that CTMG has strictly complied with all the requirements for the stripping and mining carried out under the Jiama Phase II Hornfels Stripping and Mining Agreement.

B. Proposed annual caps and basis of determination for annual caps under the Jiama Phase II Hornfels Stripping and Mining Agreement

	Annual cap *(RMB in thousands)*		
	For the period commencing July 1, 2014 and ending December 31, 2014	**For the year ending December 31, 2015**	**For the year ending December 31, 2016**
Aggregate service fee	183,000	366,000	366,000

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

(a) the expected total service fee payable under the Jiama Phase II Hornfels Stripping and Mining Agreement; and

(b) the work schedule of the project based on the fixed unit price.

C. Reasons for and benefits of transactions

The reasons for and benefits of the Jiama Phase II Hornfels Stripping and Mining

Agreement mainly include:

(a) The Jiama Mine is located in the Tibet Autonomous Region where the mining conditions are harsh. The workforce of CTMG possesses extensive experience and the technological capabilities necessary to complete projects in harsh environments and at high altitude.

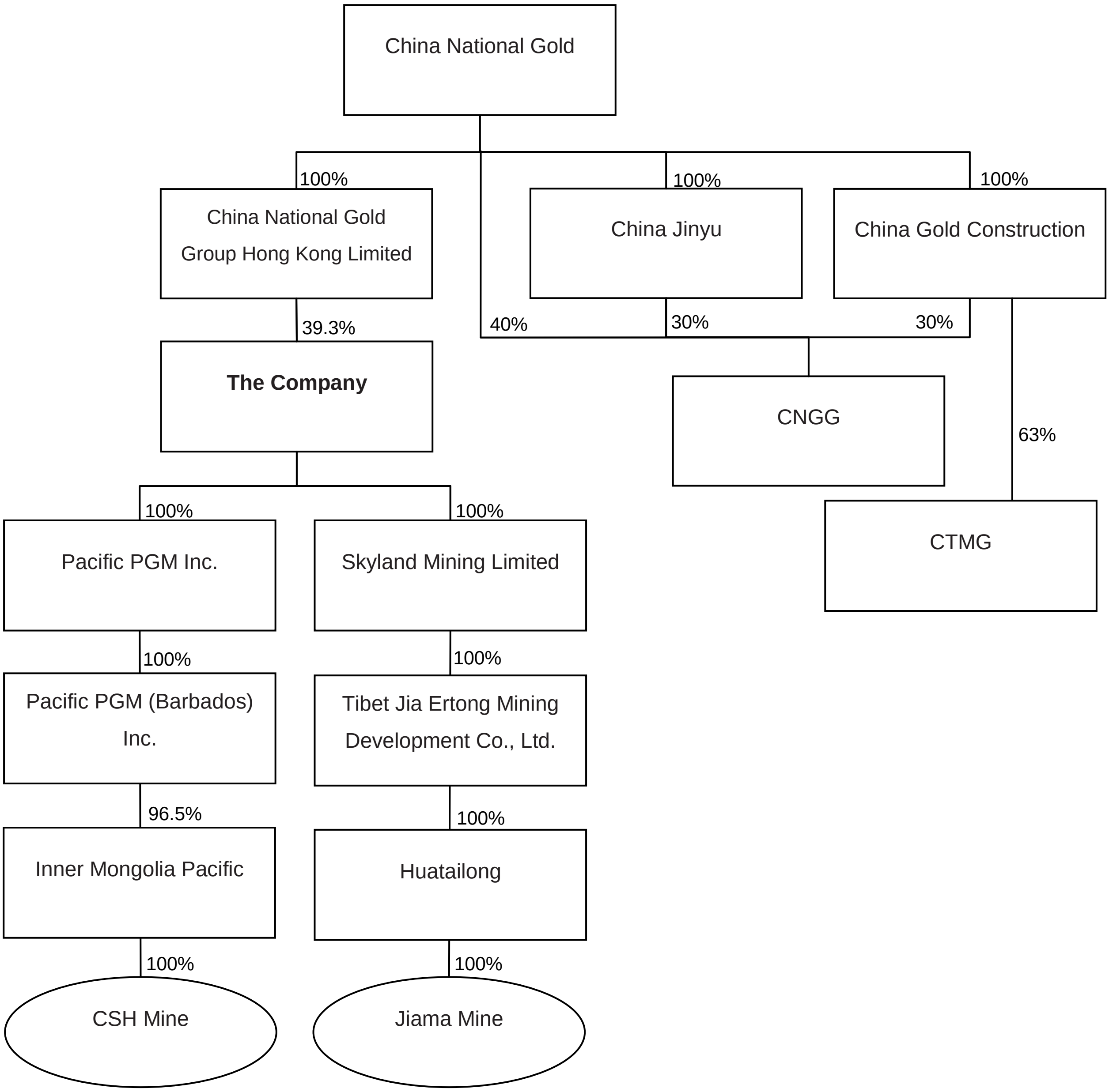
(b) The experience and expertise of CTMG: China Tenth Metallurgy Group Limited Corporation is established in 1948, over 60 years with total asset more than RMB 1 billion. The registered capital of CTMG is RMB 300 million. There are 4,700 staffs present in CTMG, and among them, there are 1,558 professional technicians with different courses, 189 with senior professional title. CTMG with construction industry as core business has complete qualifications, including 8 first-grade qualifications in construction general contracting, such as house building engineering, mine engineering and etc. Over 60 years, CTMG has spread over 28 provinces, cities, and municipalities and have accumulated abundant construction experiences in State large projects, especially in "High-end, Large, Fine, Top, and Special" projects construction. Many times, CTMG has continuously been awarded as National Excellent Construction Company, China Engineering Construction Credit AAA Company.

(c) The Jiama Phase II Hornfels Stripping and Mining Agreement will effectively implement the Phase II development plan for the Jiama Mine as set out in the Prefeasibility Study.

The Directors (including all independent non-executive Directors) are of the view that (i) the transactions contemplated under the Jiama Phase II Hornfels Stripping and Mining Agreement will be entered into in the ordinary and usual course of business of the Group; (ii) the terms of the Jiama Phase II Hornfels Stripping and Mining 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 Jiama Phase II Hornfels Stripping and Mining Agreement for the period commencing July 1, 2014 and ending December 31, 2014 and for the two years ending December 31, 2015 and 2016 are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

IMPLICATION UNDER THE HONG KONG LISTING RULES

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



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

As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) for the transactions contemplated under the 2015 Contract for

Purchase and Sale of Dore 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.

As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) for the transactions contemplated under the 2015 Contract for Purchase and Sale of Copper Concentrate 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.

As one or more of the relevant percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) for the transactions contemplated under the Jiama Phase II Hornfels Stripping and Mining Agreement 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.

Each of Mr. Xin Song, Mr. Bing Liu, Mr. Lianzhong Sun and Mr. Zhanming Wu is considered to have a conflict of interest in the transactions contemplated under the Continuing Connected Transaction Contracts due to their senior management positions in China National Gold. They abstained from voting on the Board resolutions in relation to such transactions.

FURTHER INFORMATION OF THE PARTIES

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 nonferrous metals, such as copper, aluminum, lead and zinc, and related technology, sales of mineral products and steel, warehousing and investment advisory service.

CTMG is a large-scale construction services corporation established by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC in 1948. In October 2011, China Gold Construction acquired 63% of the equity interest in CTMG. The primary businesses of CTMG are construction, real estate development and mine resources development. Its total asset value is more than RMB1 billion. The registered capital of CTMG is RMB300 million.

GENERAL INFORMATION

An Independent Board Committee has been formed to advise the Independent Shareholders on the subject transactions. The Independent Board Committee has also approved the appointment of TC Capital Asia Limited, as the independent financial adviser to advise the Independent Board Committee and Independent Shareholders in accordance with the Hong Kong Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no member of the Independent Board Committee has any material interest in the transaction contemplated under the subject transactions.

The Board has approved to convene the Meeting in Vancouver, Canada on Wednesday, June 18, 2014 Vancouver time (i.e. Thursday, June 19, 2014 Hong Kong time) to consider and, if thought fit, approve, among other matters, each of the Continuing Connected Transaction Contracts and the respective annual monetary caps for the transactions contemplated under each of the Continuing Connected Transaction Contracts by way of ordinary resolutions. China National Gold and its associates will abstain from voting with regards to the ordinary resolutions to be proposed at the Meeting in connection with the

Continuing Connected Transaction Contracts.

A circular containing, among other matters, details of the Continuing Connected Transaction Contracts, the advice from the Independent Board Committee to the Independent Shareholders and the advice from TC Capital Asia Limited, will be despatched to the Shareholders on or before May 15, 2014.

DEFINITIONS

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

"2012 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 Gold Mine from time to time for three years ending December 31, 2012, 2013 and 2014;
"2015 Contract for Purchase and Sale of Copper Concentrate"	the purchases and sales contract of the copper sulphide concentrates dated May 7, 2014 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 January 1, 2015 until December 31, 2015;
"2015 Contract for Purchase and Sale of Dore"	the contract for purchase and sale of dore dated May 7, 2014 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 Gold Mine from time to time for three years ending December 31, 2015, 2016 and 2017;
"AGM" or "the Meeting"	the annual general meeting and special meeting of the Company to be held on Wednesday, June 18, 2014 in Vancouver, British Columbia, Canada (Thursday, June 19, 201r Hong Kong time), to consider and, if thought fit, approve, among other things, the Continuing Connected Transaction Contracts;
''Board''	the board of Directors;
"China Gold Construction"	China National Gold Group Corporation Construction Co. Ltd., 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, 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, 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"	China National Gold Group International Trade Co., Ltd., 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;
"CTMG"	China Tenth Metallurgy Group Limited Corporation* (中十冶集團有限公司), a limited liability company established in 1948 in Xi'an, Shanxi Province of the PRC. It is owned as to 63% by China Gold Construction;
''Company''	China Gold International Resources Corp. Ltd., a limited liability company incorporated under the laws of British Columbia, Canada with its 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 2015 Contract for Purchase and Sale of Dore; (ii) the 2015 Contract for Purchase and Sale of Copper Concentrate and (iii) the Jiama Phase II Hornfels Stripping and Mining Agreement;
"CSH Gold Mine" or "CSH Mine"	Chang Shan Hao mine, a gold mine located in Wulate Xhong 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 under 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 of Hong Kong Limited;
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Huatailong"	Tibet Huatailong Mining Development Co., Ltd., 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., its wholly-owned subsidiaries;
"Independent Board Committee"	an independent committee of the Board comprising all of the independent non-executive Directors;
"Independent Financial Adviser" or "TC Capital"	TC Capital Asia Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) of the regulatory activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Continuing Connected Transaction Contracts including the respective annual monetary caps for each of the Continuing Connected Transaction Contracts;

"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 approve the Continuing Connected Transaction Contracts and the respective monetary caps for each of the Continuing Connected Transaction Contracts;
"Inner Mongolia"	Inner Mongolia Autonomous Region of the PRC;
"Inner Mongolia Pacific"	Inner Mongolia Pacific Mining Co. Limited, 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 Barbados;
"Jiama Mine"	Jiama Copper-Gold Polymetallic Mine 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;
"Jiama Phase II Hornfels Stripping and Mining Agreement"	the agreement between Huatailong and CTMG pursuant to which CTMG will provide services for Phase II Hornfels Stripping and Mining at the Jiama Mine for the period from July 1, 2014 through December 31, 2016;
''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;
''RMB''	Renminbi, the lawful currency of the PRC;
"SFO"	Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong);
"Shareholder(s)"	holder(s) of Share(s);
"Share(s)"	share(s) of the Company;
"Supplemental Contract for Purchase and Sale of Dore"	a supplemental contract dated April 26, 2013 between Inner Mongolia Pacific and China National Gold to revise certain terms under the Contract for Purchase and Sale of Dore;
"Toronto Stock Exchange" or "TSX"	The Toronto Stock Exchange of Toronto, Canada; and
"%"	percent.

* For identification purposes only

By order of the Board
China Gold International Resources Corp. Ltd.
Mr. Song, Xin
Chairman

Hong Kong, May 7, 2014

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