



Central China Goldfields plc  
("GGG" or "the Company")

## **DONG MAO HUO GOLD MINE CONTRACT MINING DEAL SIGNED WITH CITIC-ANHUA**

**LONDON – 5th May 2009**

Central China Goldfields plc (AIM: GGG) is pleased to announce that the Company has signed a contract mining agreement with Beijing based, CITIC Anhua's subsidiary Jiuquan Zhongan Mining Co. Ltd in respect of the Dong Mao Huo gold mine in Northern China.

CITIC Anhua Group is the mining arm of the CITIC Group which is a large Chinese Government Investment Company. CITIC Anhua currently operates three gold mines and has several exploration properties in China.

Key points of the Agreement are:

- CITIC Anhua will build a 500 tonnes per day mining and processing plant.
- Construction to start as soon as possible and mining to start by September 2009.
- CITIC Anhua will fund all the capital expenditure and operating costs.
- Central China Goldfields will receive a fixed RMB 1.5 million per annum during the initial oxide phase of the mining.
- Central China Goldfields will then receive 30% of the net profits from the key sulphide mining phase.
- In addition CITIC Anhua will pay Central China Goldfields plc RMB 250,000 per annum for the first six years to recover historic expenditures.

### **Jeff Malaihollo, Managing Director of Central China Goldfields plc, comments:**

"We are pleased to welcome CITIC Anhua subsidiary Jiuquan Zhongan as our partner at the Dong Mao Huo gold project and we look forward to a long-lasting and profitable relationship.

The contract will enable Central China Goldfields to quickly put this near surface gold project into production and will enable the company to recover its investment in the project whilst fully participating in the upside of the more important gold sulphide element of the project where the high grade gold pods are to be found.

Dong Mau Huo is the first project which Central China has taken from exploration acquisition to the planned production phase and we believe this demonstrates that the company has the skills and staff necessary to manage the full exploration to production cycle and yet retain its exploration focus.

Central China Goldfields will now focus the bulk of its human and technical resources on to its Nimu copper project situated in Western China. This project like Dong Mao Huo is being developed with the aim of bringing in a major joint venture mining partner at the appropriate time who would fund the projects substantial capital requirements.”

**For Further Information:**

Central China Goldfields plc  
Dr. Jeffrey Malaihollo  
Tel: 020 7621 0200  
Email: [info@ccgoldfields.com](mailto:info@ccgoldfields.com)  
[www.ccgoldfields.com](http://www.ccgoldfields.com)

Hanson Westhouse Limited  
Tim Metcalfe / Martin Davison  
Tel: 020 7601 6100

Alexander David Securities Limited  
Nick Bealer / David Scott  
Tel: 020 7448 9820