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CITIC Limited
中國中信股份有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00267)

ANNOUNCEMENT

CONSTRUCTION MILESTONE AT SINO IRON

CITIC Limited is pleased to report that it has commenced commissioning the last two of six concentrator lines at its Sino Iron Project in Western Australia.

This represents a major milestone for construction activities at the processing area.

What was a greenfield site in the Pilbara region has been transformed into Australia's largest, fully integrated magnetite mining, processing and export operation.

Infrastructure includes the region's first greenfield port development in 40 years; a 51 gigalitre desalination plant; a 450 megawatt combined cycle gas-fired power station; and a 30km slurry pipeline.

CITIC Limited Chairman Mr Chang Zhenming congratulated the company's Australian-based team and contractors on the achievement.

"We've overcome many challenges associated with the construction and integration of a greenfield megaproject, enabling us to export quality concentrate to CITIC's special steel plants, as well as other steel producers." Mr Chang said.

"Our focus now turns to ramping up production, maximising efficiencies across all lines, lowering our operating costs and completing other elements of the project.

"There's still a lot of work to do. It will take time to optimise line performance but we're heading in the right direction.

“This project represents the realisation of the next phase of iron ore production in Western Australia. We have shown it is possible to produce steel from resources in WA that have been considered low value until now. This type of production will be the way of the future and underpin WA’s long-term competitiveness as a premier iron ore province.”

Sino Iron is expected to contribute billions in royalties to the State of Western Australia, generate significant export revenue for the Australian economy and deliver thousands of direct and indirect jobs for Australians over its life.

Sino Iron represents China’s largest-ever overseas investment in the resources sector, and is an important aspect of relations between China and Western Australia, providing wide-ranging mutual benefits.

Sino Iron will provide CITIC and other customers with long-term supply of a premium feedstock, ideal for steelmaking.

About CITIC Limited

CITIC Limited is China’s largest conglomerate operating domestically and overseas. With businesses in financial services, resources and energy, manufacturing, engineering contracting and real estate as well as others. CITIC’s rich history, diverse platform and strong corporate culture across all businesses, ensure that CITIC Limited is unrivalled in capturing opportunities arising from China’s continued growth. CITIC Limited is listed on the Stock Exchange of Hong Kong (SEHK: 267) where it is a constituent of the Hang Seng Index. CITIC Group, a Chinese state owned enterprise, owns 58% of CITIC Limited. For more information about CITIC Limited, please visit the company website at www.citic.com.

By Order of the Board
CITIC Limited
Ricky Choy Wing Kay Tang Zhenyi
Joint Company Secretaries

Hong Kong, 26 May 2016

As at the date of this announcement, the executive directors of the Company are Mr Chang Zhenming (Chairman), Mr Wang Jiong, Ms Li Qingping and Mr Pu Jian; the non-executive directors of the Company are Mr Yang Jinming, Mr Liu Yeqiao, Mr Song Kangle, Ms Yan Shuqin, Mr Liu Zhongyuan, Mr Yang Xiaoping and Mr Li Rucheng; and the independent non-executive directors of the Company are Mr Francis Siu Wai Keung, Dr Xu Jinwu, Mr Anthony Francis Neoh, Ms Lee Boo Jin, Mr Noriharu Fujita and Mr Paul Chow Man Yiu.