

Revenues, Net Profit, Gold and Copper Production Increase.

VANCOUVER, May 15, 2015 /CNW/ - [China Gold International Resources Corp. Ltd.](#) (TSX: CGG; HKEx: 2099) (the "Company" or "China Gold International Resources") is pleased to report financial and operational results for the three months ended March 31, 2015 ("Q1", "quarter" or "first quarter 2015").

First Quarter 2015 Financial Highlights

- Consolidated revenues of US\$77.4 million for the first quarter ended March 31, 2015 increased compared to US\$36.7 million earned in the first quarter ended March 31, 2014.
- Revenues from the Chang Shan Hao Gold Mine (the "CSH Mine", the "CSH Gold Mine" or "CSH") accounted for 67%, or US\$51.6 million (Q1, 2014: US\$31.6 million), of total revenue for the quarter. This increase from the same period last year was due to a 7% increase in gold sales volume offset by a 7% decrease in the realized average gold price.
- Revenue from the Jiama Copper-Gold Polymetallic Mine (the "Jiama Mine" or "Jiama") accounted for 33%, or US\$25.3 million (Q1, 2014: US\$5.07 million), of total revenue for the quarter. This significant increase from the same period last year was primarily due to restored access to the power supply which was temporarily limited during the first quarter of 2014.
- Cost of sales of US\$56.2 million for the quarter ended March 31, 2015, increased by US\$33.9 million from US\$22.3 million for the same period in 2014. CSH contributed US\$17.8 million to this increase due to its 65% growth in revenue as a result of commencing production from the phase II expansion. Jiama contributed US\$16.1 million to the Company's cost of sales increase as full power was restored and regular sales volumes were sustained. Cost of sales as a percentage of revenue for the Company increased from 73% for the three months ended March 31, 2015 and 2014, respectively.
- Mine operating earnings of US\$21.2 million for the quarter ended March 31, 2015 increased by 47%, or US\$6.8 million, from US\$14.4 million for the quarter ended March 31, 2014. Mine operating earnings as a percentage of revenue decreased from 33% for the three months ended March 31, 2014 and 2015, respectively. The decrease in mine operating earnings can be attributed to a 15% decrease in the realized average price of copper per pound and a 7% decrease in the realized average price of gold per ounce for the comparative periods of March 31, 2014 and 2015, respectively.
- Income from operations of US\$15.1 million for the first quarter of 2015 increased by US\$6.8 million from US\$8.3 million for the first quarter of 2014.
- Net income of the Company increased by US\$4.8 million from US\$1.4 million for the three months ended March 31, 2014 to US\$6.2 million for the three months ended March 31, 2015.

Mr. Bing Liu, CEO of the Company, commented, "We are off to a great start for 2015. During the first quarter of 2015 we increased gold and copper production without any technological difficulties. This translated into higher revenues and net income despite the 15% decrease in the realized average price of copper per pound and a 7% decrease in the realized average price of gold per ounce. Expansion at Jiama is progressing as we anticipated and CSH is fully utilizing its increased capacity. At this stage, we are very confident about achieving our 2015 guidance".

First Quarter 2015 Production and Operating Highlights

- Gold production at the CSH Mine increased by 51% from 27,118 ounces for the three months ended March 31, 2014 to 41,031 ounces for the three months ended March 31, 2015. The significant increase in gold production is mainly due to the successful commissioning of the mine expansion program doubling the mine capacity from 30,000 tpd to 60,000 tpd, in October 2014.
- Total production cost of gold per ounce for the three months ended March 31, 2015 increased compared with the same period in 2014 largely due to the significantly higher mining assets depletion costs as a result of increased gold production volumes. The cash production cost of gold per ounce for the three months ended March 31, 2015 increased compared with the same period in 2014, mainly due to the increased operation expenditures of the new processing system as part of the mine expansion program.

CSH Mine	Three months ended March 31,	
	2015	2014
Total production cost (US\$) of gold per ounce	848	783
Cash production cost* (US\$) of gold per ounce	653	585

*?Non-IFRS measure

- Copper production from the Jiama Mine significantly increased by 475% from 771 tonnes (1.6 million pounds) during the three months ended March 31, 2014 to 4,089 tonnes (9 million pounds) during the three months ended March 31, 2015. The increase in production was mainly due to the stable power supply in the first quarter of 2015 compared with the power shortage in the first quarter of 2014.
- The total and cash production costs of copper per pound decreased during Q1, 2015 compared with the same period in 2014, mainly due to the higher equipment utilization rates, and stable power supply during the period.

	2015	2014
Total production cost* (US\$) of copper per pound	2.72	5.64
Cash production cost** (US\$) per pound of copper	2.22	2.59
Cash production cost** (US\$) of copper per pound	1.37	1.28

after by-products credits***

* 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.

2015 Outlook

- Expected production of 226,000 ounces of gold in 2015, a 25 % increase from the 181,000 ounces produced in 2014.
- Jiama's Phase II expansion is progressing well and consistent with the Company's expansion plan. Stage one of the processing plant has undergone a load-free test run at the end of 2014. After some troubleshooting efforts, the plant is ready for loaded test run which is expected to start by the end of the second quarter of 2015. The two open pits are ready for mining operations. Stage two of the processing plant expansion program is expected to be completed in the second half of 2016, along with the completion of the underground development system.
- Expected production of 53 million pounds of copper, a 71% increase from the 31 million pounds produced in 2014.

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-Gold 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).

For a detailed look at the financial statements and MD&A for the quarter ended March 31, 2015, please visit the Company's website at www.chinagoldintl.com, The Stock Exchange of Hong Kong Limited's website at www.hkex.com.hk or SEDAR at www.sedar.com.

Cautionary Note About Forward-Looking Statements

Certain information regarding China Gold International Resources contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although China Gold International Resources believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. China Gold International Resources cautions that actual performance will be affected by a number of factors, most of which are beyond its control, and that future events and results may vary substantially from what China Gold International Resources currently foresees. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. The forward-looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and subject to change after that date.

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