

29 September 2015

**China Nonferrous Gold Limited 中国有色黄金有限公司
(‘CNG’ or the ‘Company’)**

Interim Results for the Six-Month Period Ended 30 June 2015

China Nonferrous Gold Limited (AIM:CNG), the mineral exploration and development company currently developing the Pakrut Gold Project (‘the Pakrut Project’) in the Republic of Tajikistan, today announces its interim results for the six-month period ended 30 June 2015.

The results below are available on the Company’s website at www.cnfgold.com.

Highlights

- Further progress towards bringing the Pakrut Project into production:
 - The construction of main decline at the mine has been completed;
 - West ventilation access decline has been completed;
 - Ore extraction ramps and cuttings at 2110, 2170, 2292 and 2230 levels have reached 6,914 metres and the connection ramp between 2170 and 2350 levels has been completed reaching 1,633 metres;
 - 29,395 tons of ore has been mined at 2292 level and more than 90,000 tonnes of ore sits in the ore stock pile;
 - More than 95% of the construction for the Pakrut concentration plant is complete;
 - More than 90% of the construction for the smelting plant has been completed;
 - Most of the equipment for the two plants has been installed and tested;
 - Trial production in Phase 1 at the rate of 2,000 tonnes per day is expected to commence in October 2015.
- Construction of associated mine infrastructure progressing to plan:
 - The external power supply project is complete and power from the National Grid has been supplied to site.

For further information please visit the Company’s website (www.cnfgold.com) or contact:

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Project Summary

The Pakrut gold project, of which CNG has 100 per cent ownership, is situated in Tajikistan approximately 120km northeast of the capital city Dushanbe. Pakrut is located within the Tien Shan gold belt, which

extends from Uzbekistan into Tajikistan, Kyrgyzstan and Western China, and which hosts a number of multi-million ounce gold deposits.

CNG is currently in a construction phase with mining contractors on site developing the underground mine and surface infrastructure.

About Tajikistan

Tajikistan is a secular republic located in Central Asia. The country is a member of the Commonwealth of Independent States and the Shanghai Cooperation Organisation. Tajikistan hosts numerous operating precious metal mines as well as the largest aluminium smelter in Central Asia. CNG's management team has extensive experience in the mining industry in Tajikistan.

CHINA NONFERROUS GOLD LIMITED
Chairman's Statement

Construction and Production

During the half year to June 2015 the Company has made considerable progress and increased the speed of development of the Pakrut Gold Project.

Construction work of the underground mine has continued at a fastpace at Pakrut and is on track to meet the 2,000 tonnes per day capacity. The main decline of 1,830 metres and west ventilation access decline of 500 metres has been completed. The ore extraction ramp has reached 6,914 metres in length. The connection ramp between 2170 and 2350 levels has been completed reaching 1,633 metres. The construction of the East and West Ventilation shafts has commenced. Mining of ore has started and 23,295 tonnes of ore has been extracted from 2292 level. There are more than 90,000 tonnes of ore stockpiled on surface.

More than 95% of the foundations for the Pakrut concentration plant and 90% of the Pakrut smelter plant are complete and the majority of the equipment for the two plants has been installed and tested.

Electricity from the National Grid has been supplied to site.

Trial production for Phase 1 of 2,000 tonnes per day ("tpd") is expected to commence in October 2015.

Financial Results

The amount incurred by the Group on development and construction work during the first six months of 2015 was US\$29,673,000 (first half of 2014: US\$11,354,000). Administration expenditure was US\$1,277,000 (first half of 2014: US\$2,567,000). The overall loss incurred by the Group was US\$1,203,000 (first half of 2014: US\$2,262,000). Total cash equity funding raised from exercising options during the period was US\$190,417 and cash and cash equivalents at the end of the period amounted to US\$13,218,000 (30 June 2014: US\$5,564,000).

Up to present, we have totally used US\$120,000,000 loan from ICBC Macau and US\$41,716,000 from Shareholder Loan for the construction of Pakrut project. The balance of Shareholder Loan facility remains US\$52,410,000. We will seek additional financing for the purpose of upgrading the production capacity to 4000 tpd. once the Phase I production become stable.

Outlook

CNG is well advanced towards bringing the Pakrut project into production. Construction is progressing well and the Company remains confident that Phase 1 trial production will commence in October 2015.

I would like to take this opportunity to thank all of our employees, management and advisors for their continued effort in 2015 and thank our shareholders for their continued support of our Company. I very much look forward to updating our shareholders on the commencement of the production and gold pour.

Wu Xiang
Non-Executive Chairman

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIXMONTHS ENDED 30 JUNE 2015**

CHINA NONFERROUS GOLD LIMITED

	Unaudited Six months ended 30 June 2015 US\$'000	Unaudited Six months ended 30 June 2014 US\$'000
Revenue	-	-
Interest income	1	1
Administrative and other expenses	(1,277)	(2,567)
Foreign exchange gains (losses)	80	328
Finance costs	(7)	(24)
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Loss before Tax	(1,203)	(2,262)
Income tax	-	-
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Loss and total comprehensive expense for the period attributable to owners of the Company	(1, 203)	(2,262)
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Earnings per Share		
-Basic and diluted (US cents)	(0.31)	(0.59)
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

**CHINA NONFERROUS GOLD
LIMITED**

	Unaudite d 30 June 2015 US\$'000	Unaudited 30 June 2014 US\$'000	Audited 31 December 2014 US\$'000
Non-current Assets			
Intangible assets	-	44,366	-
Mine under construction	157,005	-	132,530
Prepayments for property, plant and equipment	2,689	10,768	-
Property, plant and equipment	11,340	48,211	14,259
Total Non-Current Assets	<u>171,034</u>	<u>103,345</u>	<u>146,789</u>
Current Assets			
Inventories	34,776	5,033	24,732
Trade and other receivables	173	6,630	1,049
Bank balances and cash	13,218	5,564	18,272
Total Current Assets	<u>48,167</u>	<u>17,227</u>	<u>44,053</u>
Non-Current Liabilities			
Payables for property, plant and equipment	-	(1,522)	-
Provision for other liabilities and charges	(593)	(568)	(593)
Trade and other payables	-	-	(7,390)
Borrowings	(134,877)	(11,646)	(88,042)
Total Non-Current Liabilities	<u>(135,470)</u>	<u>(13,736)</u>	<u>(96,025)</u>
Current Liabilities			
Trade and Other payables	(5,628)	(22,787)	(23,045)
Borrowings	(20,687)	(29,854)	(30,916)
Total Current Liabilities	<u>(26,315)</u>	<u>(52,641)</u>	<u>(53,961)</u>
Net Current Assets/(Liabilities)	21,852	(35,414)	(9,908)
Net Assets	57,416	54,195	40,856
Total Assets Less Current Liabilities	<u>192,886</u>	<u>67,931</u>	<u>136,881</u>
Capital And Reserves			
Capital	38	38	38
Share premium	65,901	65,684	65,711
Other reserves	10,175	19,110	10,175
Retained earnings	(18,698)	(30,637)	(35,068)
Total Equity	57,416	54,195	40,856
Total Equity and Non-Current Liabilities	<u>192,886</u>	<u>67,931</u>	<u>136,881</u>

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

CHINA NONFERROUS GOLD LIMITED

	Unaudited Six months ended 30 June 2015 US\$'000	Unaudited Six months ended 30 June 2014 US\$'000
Cash Flows from Operating Activities		
Loss before tax	(1,203)	(2,262)
Adjustments for:		
Interest income	-	(1)
Depreciation	5	19
Share based payments	-	81
Finance costs	7	24
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Operating cash flows before movements in working capital	(1,191)	(2,139)
Advance to suppliers	(1,973)	-
Decrease in trade and other receivables	160	660
Decrease in other payables	(8,574)	(274)
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Cash used in operations	(11,577)	(1,753)
Income tax paid	-	-
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Net Cash used in Operating Activities	(11,577)	(1,753)
Cash flows from Investing Activities		
Payments for intangible assets	-	(3,552)
Payments for property, plant and equipment	(2,153)	(7,802)
Payments for construction in progress and mining rights	(17,476)	-
Increase in Inventory	(10,044)	-
Interest received	-	1
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Net cash used in Investing Activities	(29,673)	(11,353)
Cash flows from Financing Activities		
Proceeds from issue of shares	190	68
Proceeds from borrowings	46,235	10,000
Repayment of borrowings	(10,229)	-
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Net Cash from Financing Activities	36,197	10,068
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Net Decrease in Cash and Cash Equivalents	(5,054)	(3,038)
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Cash and cash equivalents at beginning of the period	18,272	8,602
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Cash and cash equivalents at end of the period	13,218	5,564
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

CHINA NONFERROUS GOLD LIMITED	Share capital US\$'000	Share premium US\$'000	Other reserve US\$'000	Retained earnings US\$'000	Total equity US\$'000
Balance at 1 January 2014	38	65,616	19,110	(28,456)	56,308
Loss and total comprehensive expense for the period	-	-	-	(2,262)	(2,262)
Issue of shares in respect of warrants and exercise of share options	-	68	-	-	68
Share-based payments in respect of share options granted	-	-	-	81	81
Balance at 30 June 2014	38	65,684	19,110	(30,637)	54,195
Balance at 1 January 2015	38	65,711	10,175	(17,495)	58,429
Loss and total comprehensive expense for the period	-	-	-	(1,203)	(1,203)
Issue of shares in respect of exercise of share options	-	190	-	-	190
Balance at 30 June 2015	38	65,901	10,175	(18,698)	57,416

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

1. Accounting Policies

These unaudited condensed interim financial statements were approved for issue by the China Nonferrous Gold Limited Board of Directors on 28 September 2015.

These condensed interim financial statements have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS). The financial information has been prepared under the historical cost convention.

These condensed interim financial statements do not constitute statutory accounts.

As permitted, the Group has chosen not to adopt IAS 34 'Interim Financial Statements' in preparing these condensed interim financial statements.

The Group has applied consistent accounting policies in preparing the condensed interim financial statements for the six months ended 30 June 2015 and the comparative information for the six months ended 30 June 2014.

China Nonferrous Gold Limited was incorporated in the Cayman Islands on 24 April 2013 in order to effect a group reorganisation by means of a scheme of arrangement ("the Scheme"). Under the Scheme dated 30 July 2013, the shareholders of the existing ordinary shares in Kryso Resources Limited (formerly Kryso Resources Plc) had their shares cancelled in consideration for which they received ordinary shares in China Nonferrous Gold Limited on a one-for-one basis. The ordinary shares of Kryso Resources Limited were de-listed and the issued shares of China Nonferrous Gold Limited admitted to trading on AIM.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2014 Annual Report and Financial Statements, a copy of which is available on the Group's website: www.cnfgold.com.

Critical accounting estimates and judgements

The preparation of consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in the Group's 2014 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

The functional currency of the Group is US dollars and accordingly the amounts in the interim results are denominated in that currency.

Basis of Consolidation

The consolidated Financial Statements incorporate the Financial Statements of the Company and all Group undertakings. These are adjusted, where appropriate, to conform to Group accounting policies. Subsidiaries are all entities over which the Group has control which is where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. All significant intercompany transactions and balances between group undertakings are eliminated on consolidation.

Subsidiaries are consolidated from the date on which control is transferred to the Group, and continue to be consolidated until the date when such control ceases.

Mines under construction

Expenditure is transferred from “Exploration and evaluation” assets to mining rights within “Mines under construction” once the work completed to date supports the future development of the property and such development receives the requisite approvals. All subsequent expenditure on technically and commercially feasible sites is capitalised within mining rights.

All expenditure on the construction, installation or completion of infrastructure facilities is capitalised as construction in progress within “Mines under construction”. Once production starts, all assets included in “Mines under construction” will be transferred into “Property, Plant and Equipment” or “Producing mines”. It is at this point that depreciation / amortisation commences over its useful economic life.

Mines under construction are stated at cost. The initial cost comprises transferred exploration and evaluation assets, construction costs, infrastructure facilities, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and, for qualifying assets, borrowing costs. Costs are capitalised and categorised between mining rights and construction in progress respectively according to whether they are intangible or tangible in nature.

Property, plant and equipment

Property, plant and equipment (other than construction in progress as described below) is stated at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation of property, plant and equipment (other than construction in progress) is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives using the following rates per annum:

Plant and machinery	20%
Motor vehicles	20%
Office furniture and equipment	20%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Impairment losses on tangible and intangible assets

Exploration and evaluation assets and mines under construction are assessed for impairment annually or where there is an indication that an asset or cash generating unit (“CGU”) may be impaired. If an indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s or CGU’s recoverable amount. The recoverable amount is the higher of an asset’s or CGU’s fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered impaired and is written down to its recoverable amount. The Group bases its impairment calculation on detailed budgets and forecasts based on the life-of-mine plans.

The assessment is carried out by allocating exploration and evaluation and mines under construction assets to CGUs which are based on specific projects and geographical areas. Where exploration for and evaluation of mineral resources in CGUs does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities at the unit, the associated expenditure will be written off to profit or loss. Exploration and evaluation assets are impaired when the Group’s right to explore in an area has expired.

2. Earnings per Share

Loss attributable to equity holders of the Company (US\$'000)	1,203	2,262
Weighted average number of ordinary shares in issue	382,392,292	381,407,570

The loss per share is calculated by dividing the loss for the period after tax attributable to equity holders by the weighted average number of ordinary shares in issue during the period. There is no difference between the diluted loss per share and the loss per share shown.