



Sino Iron Project Update

8 March 2016

Shareholders will have noticed that there has been a significant decline in the price of iron ore during the past 12 months, due to weak demand.

For each reporting period, the directors of CITIC Limited ("the Company") review the value of the Sino Iron project. A key consideration for each periodic review is the existing and forecasted price of iron ore. Based on current information, the directors wish to inform investors that an estimated impairment of USD1.5 billion to USD1.7 billion (net of tax) is likely to be made in the Company's financial statements for 2015 in relation to the value of the Sino Iron project. Impairment is a non cash item, but it will reduce CITIC Limited's 2015 profits to be reported in March 2016. The directors will pay particular attention to the value of the Sino Iron project when finalizing the Company's financial statements for 2015.

The Sino Iron project, which is the largest magnetite iron ore development in Australia, has been shipping concentrate to steel mills in China since late 2013.

Processing lines three and four began producing in the last quarter 2015. Construction of the final two lines is expected to be completed on schedule with lines five and six targeted to begin commissioning in the first half of this year. This will mark the end of the main construction task, with our focus now turning to optimizing production and ensuring the smooth performance of the fully integrated mining, processing and export operation.

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.

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