



## **Sino Iron Project Update**

20 January 2015

Each reporting period, the directors of CITIC Limited (“the Company”) review the value of the Sino Iron project using a consistent methodology. A key component for consideration is the current and forecasted price of iron ore. Shareholders will have noticed the significant decline over the past months in the price of iron ore. The directors wish to inform investors that based on current information an estimated impairment of USD1.4 billion to USD1.8 billion (net of tax) is likely to be made in the 2014 accounts. When finalizing CITIC Limited’s 2014 accounts, the directors will pay particular attention to the value of this asset. Impairment is a non cash item, but it will reduce the company’s 2014 profits to be reported.

Sino iron, the largest magnetite iron ore development in Australia, has been shipping high quality iron ore concentrate since the end of 2013 to the company’s special steel plants as well as other steel producers in China.

Construction of production lines three to six is progressing according to plan. Of these remaining four lines, three and four are targeted to begin commissioning in late 2015 followed by lines five and six in 2016. The plan is to have all six production lines operating by the end of 2016.

### **About CITIC Limited**

CITIC Limited is China’s largest conglomerate. Its businesses include financial services, resources and energy, manufacturing, real estate and infrastructure, engineering contracting, and other businesses in China and overseas. With over 120,000 employees in mainland China, Hong Kong and overseas, as well as its leading market positions in sectors well matched to China’s development, deep understanding and strong expertise in the industries in which it operates, CITIC Limited is well-equipped to capture the opportunities arising from China’s continued growth. 78% owned by CITIC Group Corporation in Beijing and listed in Hong Kong (SEHK: 267), CITIC Limited is one of the largest companies on the Hang Seng Index. For more information about CITIC Limited, please visit the company website at [www.citic.com](http://www.citic.com).

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