Stock Code: 600988 Stock Name: Chifeng Gold Announcement No.: 2022-037

Chifeng Jilong Gold Mining Co., Ltd.

Announcement on Resolutions of the 3rd Meeting of the 7th Board of Supervisors

The Board of Supervisors and all supervisors of the Company warrant that this announcement does not contain any false records, misleading statements or major omissions, and they will bear joint and several liabilities for the authenticity, accuracy and completeness of its contents.

Chifeng Jilong Gold Mining Co., Ltd. (hereinafter referred to as “the Company”) held the 3rd Meeting of the 7th Board of Supervisors on April 29, 2022 by means of communication voting. This meeting should be attended by 3 supervisors, and 3 supervisors actually present. The convening of this meeting complies with the *Company Law* and other relevant laws, administrative regulations, departmental rules, normative documents and the relevant provisions of the *Articles of Association*. After deliberation and voting, the following resolutions have been adopted:

# I. Deliberating and adopting the *Work Report of the Board of Supervisors in 2021*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

This proposal will be submitted to the shareholders’ meeting for deliberation.

# II. Deliberating and adopting the *Final Account Report in 2021*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

This proposal will be submitted to the shareholders’ meeting for deliberation.

# III. Deliberating and adopting the *Financial Budget Report in 2022*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

This proposal will be submitted to the shareholders’ meeting for deliberation.

# IV. Deliberating and adopting the *Profit Distribution Plan in 2021*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

As the Company is in the stage of rapid development, Wulong Mining, Jilong Mining and Hanfeng Mining in China are implementing the project of “building large mines and increasing the scale”, while LXML and Golden Star Resources’ Wassa Mine in foreign countries need a lot of capital investment to increase reserves and expand capacity, and have a high demand for cash. In 2021, it is planned not to pay cash dividends or convert capital reserves into share capital.

The Board of Supervisors thinks that the Profit Distribution Plan in 2021 conforms to the Company’s cash dividend policy and return to shareholder plan, strictly implements the corresponding decision-making procedures, fully considers the actual situation of the Company, and conforms to the long-term interests and future development plan of the Company’s shareholders.

This proposal will be submitted to the shareholders’ meeting for deliberation.

# V. Deliberating and adopting the *Internal Control Evaluation Report in 2021*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

# VI. Deliberating and adopting the *Special Report on the Deposit and Actual Use of Raised Funds in 2021*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

# VII. Deliberating and adopting the *Proposal on Provision for Impairment of Assets in 2021*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

After impairment test and accountant audit, the Company made provision for impairment of various assets in 2021 of 19,359.86 After impairment test and accountants’ audit, the Company made provision for impairment of assets of RMB 193,598,600 in 2021.

The Board of Supervisors thinks that the Company shall make provision for impairment of assets in accordance with the *Accounting Standards for Business Enterprises* and relevant regulations. It conforms to the actual situation of the Company, reflects the soundness and prudence of the Company’s accounting policies, and is conducive to reflecting the Company’s assets more fairly after accrual. The decision-making procedures comply with the provisions of relevant laws, regulations and the *Articles of Association*, without any damage to the legitimate rights and interests of the Company and its shareholders. Therefore, the Board of Supervisors agrees with matters related to the Company’s provision for impairment of assets in 2021.

# VIII. Deliberating and adopting the *Annual Report 2021* and its summary

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

The Board of Supervisors reviewed the Company’s *Annual Report 2021* and gave the following opinions:

1. The preparation and review procedures of the *Annual Report 2021* comply with laws, regulations, Articles of Association and the Company’s internal management system;
2. The content and format of the *Annual Report 2021* comply with the regulations of China Securities Regulatory Commission and Shanghai Stock Exchange. The contents of the report are true, accurate and complete, without any false records, misleading statements or major omissions. The information contained in the report can truly reflect the Company’s operation, management and financial situation during the reporting period;
3. Before giving the above opinions, the Board of Supervisors did not find any violation of confidentiality by the personnel involved in the preparation and review of periodic reports.

This proposal will be submitted to the shareholders’ meeting for deliberation.

# IX. Deliberating and adopting the *Proposal on Cash Management with Part of Idle Self-owned Funds*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

The Board of Supervisors believes that without prejudice to normal turnover of the Company’s daily funds and controllable risks, the Company plans to use part of idle self-owned funds not exceeding RMB 500 million for cash management to invest in products with high safety, good liquidity and low risks. It is conducive to improving the use efficiency of the Company’s capital and increasing the Company’s capital income and will not damage the interests of the Company and all shareholders, especially the minority shareholders.

# X. Deliberating and adopting the *Proposal on Changes in Accounting Estimates of Subsidiaries*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

According to the relevant provisions of *Accounting Standards for Business Enterprises No.28-Accounting Policies, Changes in Accounting Estimates and Corrections*, the Company has adjusted the depreciation period of well construction and auxiliary facilities assets of domestic mining subsidiaries from 20 years to 5-20 years since January 1, 2022.

The Board of Supervisors believes that the change in accounting estimates of subsidiaries complies with the relevant provisions of the Accounting Standards for Business Enterprises, and does not involve retroactive adjustment, which will not affect the financial situation and operating results of previous years; the changed accounting estimate reflects the Company’s financial situation and operating results in a more truly, objectively and fairly manner, conforms to the principles of necessity, rationality and conservatism, and does not harm the interests of the Company and its shareholders. Therefore, the Board of Supervisors agrees to the changes in accounting estimate of subsidiaries.

# XI. Deliberating and adopting the *2022 Q1 Report*

Voting results: 3 affirmative votes (100% of the valid votes), 0 negative votes and 0 abstention votes

The Board of Supervisors reviewed the Company’s *2022 Q1 Report*, and gave the following opinions:

1. The preparation and review procedures of the *2022 Q1 Report* comply with laws, regulations, Articles of Association and the Company’s internal management system;
2. The content and format of the *2022 Q1 Report* comply with the regulations of China Securities Regulatory Commission and Shanghai Stock Exchange. The contents of the report are true, accurate and complete, without any false records, misleading statements or major omissions. The information contained in the report can truly reflect the Company’s operation, management and financial situation during the reporting period;
3. Before giving the above opinions, the Board of Supervisors did not find any violation of confidentiality by the personnel involved in the preparation and review of periodic reports.

It is hereby announced.

Board of Supervisors of Chifeng Jilong Gold Mining Co., Ltd.

April 30, 2022