Stock Code: 600988 Stock Name: Chifeng Gold Announcement No.: 2022-048

Chifeng Jilong Gold Mining Co., Ltd.

Announcement on the Progress of Providing Guarantee for Subsidiaries

The Board of Directors and all directors 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.

# Important Tips:

* Amount of this guarantee: USD 118,167,085
* There is no counter-guarantee in this guarantee
* The Company has no overdue external guarantee

# I. Overview of guarantee

Chifeng Jilong Gold Mining Co., Ltd. (hereinafter referred to as “the Company” or “Chifeng Gold”) considered and adopted the *Proposal on Total Amount of Financing in 2022* and the *Proposal on Total Amount of External Guarantee in 2022* at the 43rd Meeting of the 7th Board of Directors held on December 17, 2021 and the 1st Extraordinary General Meeting in 2022 held on January 4, 2022, respectively. It is agreed that the total financing amount (referring to the financing balance) of the Company and its subsidiaries within the scope of merger in 2022 shall not exceed RMB 4.5 billion, including working capital loans, project loans, trade financing, and M&A loans, etc., excluding equity refinancing such as private placement of shares and corporate bonds, and issuing debt financing instruments such as short-term financing bonds and medium-term notes in the inter-bank market. In order to ensure the smooth and efficient implementation of financing, investment and project cooperation between the Company and its subsidiaries within the scope of merger in 2022, it is proposed that the Company provide guarantees for subsidiaries or subsidiaries provide mutual guarantees between them, and the total amount of the above guarantees shall not exceed RMB 5 billion.

Recently, Golden Star (Wassa) Limited, an overseas holding subsidiary of the Company (hereinafter referred to as “Golden Star (Wassa)”) signed a *Loan Agreement* with The Standard Bank of South Africa Limited (acting through its Corporate & Investment Banking Division) and Stanbic Bank Ghana Ltd and other parties. According to this agreement, Golden Star (Wassa), as a borrower, applies for revolving credit financing from the syndicate organized by The Standard Bank of South Africa Limited (acting through its Corporate & Investment Banking Division) and Stanbic Bank Ghana Ltd as the arranger. The credit line is RMB 90,000,000, the credit period is three years, and the estimated interest and other expenses are about RMB 13,275,456. Golden Star (Wassa) signed the *Environmental Protection Deposit Credit Agreement* with Stanbic Bank Ghana Ltd. According to this agreement, Golden Star (Wassa), as a borrower, applied to Stanbic Bank Ghana Ltd for environmental protection deposit support credit with a maximum aggregate limit of RMB 14,441,629. Golden Star (Wassa) signed the *International Derivative Framework Agreement* (ISDA) and related agreements with The Standard Bank of South Africa Limited and other relevant entities to conduct hedging transactions, with an estimated transaction exposure of USD 450,000. In order to guarantee the performance of the above debts by Golden Star (Wassa), the Company, as the guarantor, signed the *Guarantee Agreement* with The Standard Bank of South Africa Limited (acting through its Corporate & Investment Banking Division) as the security agent to provide guarantee for this overseas financing and hedging transaction of Golden Star (Wassa), in the form of joint and several liability guarantee.

# II. Accumulated amount of external guarantee

As of the announcement date, the total amount of external guarantees provided by the Company is RMB 186,794.29 (including this new guarantee, and the guarantee amount of foreign currency financing is converted according to the central parity of RMB exchange rate announced by the People’s Bank of China on the announcement date), accounting for 40.43% of the latest audited net assets of the Company, all of which belong to guarantees for subsidiaries. In addition to this, the Company has no other guarantees and no overdue guarantees.

It is hereby announced.

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

 May 6, 2022