

Chifeng Jilong Gold Mining Co., Ltd.

Announcement on the Progress of Rare Earth Resource Exploration of the Holding Subsidiary

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:

- According to the mapping data analysis of Sepon Mining Area of Lane Xang Minerals Limited (hereinafter referred to as “LXML”), rare earth ore bodies exist in granite weathering crust, and the granite distribution area in the south of Sepon Mining Area is about 50 km².

- The staged general survey was carried out within 10 km² in the western zone of the southern part of the mining area. Two ore bodies were found in the general survey, and the genetic type of the deposit belongs to weathering crust ion-adsorbed REE deposit.

- It is estimated that the two ore bodies can obtain 32,047.52 tons of intrinsic economic resources (332 +333) of all-phase rare earth oxides (TREO), with an estimated area of 9.1 km², an average vertical thickness of 4.83 m and an average grade of 0.045%. The distribution of ionic rare earth oxides shows that their distribution type is medium and heavy rare earths.

- The further exploration, development and production of rare earth resources in this mining area in the future are still uncertain, so please pay attention to the investment risks.

LXML, a holding subsidiary of Chifeng Jilong Gold Mining Co., Ltd.

(hereinafter referred to as “the Company”), has the exclusive right to explore and exploit mineral resources within a total area of 1,247 km², including Sepon Mining Area. At the beginning of 2021, when LXML carried out gold-copper exploration in the southern mining area, ionic rare earth ore anomaly was found in the granite distribution area. By studying the geological data and field geological investigation in this area, it was found that the granite weathering crust in this area is rich in ionic adsorption rare earth, and the prospecting potential is considerable. From December 2021 to July 2022, LXML carried out the survey of rare earth mines in this area, and has made progress in stages and compiled the *Survey Report on Rare Earth Mines in the Southern Mining Area of Sepon Mine in Savannakhet, Laos*. The progress of rare earth mine survey in the southern mining area of Sepon Mine of LXML is hereby announced as follows:

I. Progress of exploration

The field geological work of LXML Exploration Team started in December 2021 and ended in July 2022. The general survey work was carried out within 10km² of the southern west area under the prospecting right. Main physical workload completed: 607 sampling holes were drilled, with a total footage of 4,441 m; 4,443 basic analysis samples, 8 rare earth ionic total amount and distribution samples and 10 small weight samples were collected; 1/10,000 preliminary geological survey within 10km², and 1/10,000 hydrological, engineering geology and environmental geology survey within 10km² were completed. All the survey work meets the requirements of the *Code for Geological Exploration of Rare Earth Minerals*.

In the western zone of southern area, two ore bodies are found by general survey, which exist in granite weathering crust, and the genetic type of the deposit belongs to weathering crust ion-adsorbed REE deposit. The exploration type of the deposit is Type I (simple type), and the controlled intrinsic economic resources (332) are explored according to the engineering network degree of 100m × 100m. It is estimated that the two ore bodies can obtain 32,047.52 tons of intrinsic economic resources (332 +333) of all-phase rare earth oxides (TREO), with an estimated area of 9.1 km², an average vertical thickness of 4.83 m and an average grade of 0.045%. Among them, there are 8,075.02 tons of Type 332 all-phase rare earth oxides (TREO), accounting for 25.2% of the total resources; 23,972.5 tons of Type 333 all-phase rare earth oxides (TREO), accounting for 74.8% of the total resources. The distribution of ionic rare earth oxides shows that their distribution type is medium and heavy rare earths. By analogy evaluation of ore processing and extraction technical performance,

the hydrogeological conditions of the mining area are simple, the engineering geological conditions are simple, and the geological environment quality is good.

The mining area has good internal and external conditions for development. In-situ leaching process is adopted to extract rare earth. The exploration in this mining area is characterized by simple production process, low cost, high output, and high utilization rate of mineral resources.

At present, the control range of drilling engineering in the western zone of the southern part of the mining area is about 10 km², and the actual granite exposed area exceeds 50 km², so it has great potential for prospecting and increasing reserves in the mining area. In addition, about 330 km² granite is exposed in the blank area around the mining area. Therefore, the weathering crust rare earth prospecting in this area has broad prospects.

II. Follow-up plan

According to the analysis of mapping data of the mining area, the granite distribution area in the south of the mining area is about 50 km², and the drilling control range only accounts for one fifth of it at present, so it still has good potential for prospecting and increasing reserves. In the next step, the existing ore bodies will be further intensively drilled and explored, and the peripheral prospecting will be further strengthened. The reconnaissance and prospecting will be conducted on the granite distributed on the south side of the prospecting right at the same time, aiming at thoroughly investigating the regional prospecting potential and finding more high-grade rare earth exploration targets. At the same time, leaching test will be carried out to select the first mining area and carry out feasibility demonstration.

III. Risk warning

The further exploration, development and production of rare earth resources in this mining area in the future are still uncertain, so please pay attention to the investment risks.

The Company will make announcements according to the follow-up progress in strict accordance with the *Stock Listing Rules of Shanghai Stock Exchange, Articles of Association* and other laws, regulations, normative documents and company rules and regulations.

It is hereby announced.

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

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