

## **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: RMB 200 million
- 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.

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Recently, Chifeng Jilong Mining Co., Ltd. (“Jilong Mining”), a wholly-owned subsidiary of the Company, signed the *Gold Lease Contract* with Chifeng Plaza Branch of Industrial and Commercial Bank of China Limited (“Chifeng Plaza Branch of ICBC”). According to this contract, Jilong Mining handled gold lease financing in Chifeng Plaza Branch of ICBC, with 245 kg of gold leased this time. The Company re-signed the *Guaranty of Maximum Amount Contract* with Chifeng Plaza Branch of ICBC to further provide joint and several liability guarantee for this financing and future financing activities of Jilong Mining in Chifeng Plaza Branch of ICBC. The maximum principal of the guaranteed principal creditor’s rights is RMB 200 million.

## **II. Accumulated amount of external guarantee**

As of the announcement date, the total amount of external guarantees provided by the Company is RMB 1,969,179,800 (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 42.62% 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.

December 15, 2022