

Chifeng Jilong Gold Mining Co., Ltd.
Announcement on the Acquisition of 90% Equity
Interest in China Investment Mining (Laos) Sole Co.,
Ltd. by the Holding Subsidiary of the Company

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 legal liabilities for the authenticity, accuracy and completeness of its contents.

Highlight of the Important Content:

- Shanghai Chijin Xiawu Metal Resources Co., Ltd. (hereinafter referred to as "Chijin Xiawu"), a holding subsidiary of Chifeng Jilong Gold Mining Co., Ltd. (hereinafter referred to as the "Company"), and its wholly-owned subsidiary CHIXIA Laos Holdings Limited (Chinese name: 赤厦老挝控股有限公司, hereinafter referred to as "CHIXIA Laos") signed the Share Transfer Agreement with China Investment (Properties) Limited (hereinafter referred to as "CI Properties") on March 4, 2024, under which CHIXIA Laos intends to acquire 90% of the equity interest of China Investment Mining (Laos) Sole Co., Ltd. (Chinese Name: 中国投资（老挝）矿业独资有限公司, hereinafter referred to as the "Target Company") held by China Investment (Properties) Limited (the "Counterparty") in cash and by way of debt for a total consideration of US\$18,963,000 (the "Transaction").

- This transaction does not constitute a related-party transaction, nor does it constitute a material asset restructuring.
- The transaction has been subject to the corresponding decision-making procedures and does not need to be submitted to the board of directors or the general meeting of shareholders of the Company for deliberation.

- There are no major legal obstacles to the implementation of this transaction.
- There is uncertainty as to whether the transaction will ultimately succeed, and investors are advised to be aware of the risks.

I. Transaction Overview

(1) The basic information of the transaction

In order to implement the Company's development strategy and promote the implementation and development of the company's rare earth resources development business in Laos, based on the preliminary investigation and business consultation, the Company's holding subsidiary Chijin Xiawu and its wholly-owned subsidiary CHIXIA Laos signed the "Share Transfer Agreement" with CI Properties on March 4, 2024, and CHIXIA Laos intends to acquire 90% equity of the target company held by China Investment (Properties) Limited

The target company is a wholly-owned company established by CI Properties in Laos, and the target company holds 86% stake in China Investment Rare Earth Mining Co., Ltd (Chinese name: 中国投资稀土开采有限公司, referred to as "REMC") and China Investment Rare Earth Mining Xiangkuang Co., Ltd (Chinese name: 中国投资稀土川圹有限公司., hereinafter referred to as "REMX"), and the remaining 14% equity is held by DDC Mining Sole Co., Ltd ("DDC"). REMC holds a rare earth ore processing license (experimental) and a mining license (experimental); REMX holds a rare earth exploration licence.

CHIXIA Laos intends to acquire 90% of the equity interest in the target company held by CI Properties in cash and by way of debt, including the payment of US\$6.2765 million for equity transfer and the repayment of US\$12.6865 million of related party borrowings of the target company, for a total consideration of US\$18.963 million. Chijin Xiawu provides an irrevocable joint and several liability guarantee for CHIXIA Laos to fully fulfill its obligations and liabilities under the Share Transfer Agreement of this transaction.

(2) The decision-making procedures of this transaction

In accordance with the relevant laws and regulations such as the Rules for the Listing

of Stocks on the Shanghai Stock Exchange and the Articles of Association of Chifeng Jilong Gold Mining Co., Ltd. and the relevant internal control system of the Company, the Company has fulfilled the corresponding decision-making procedures for this transaction and does not need to submit it to the Board of Directors or the General Meeting of Shareholders of the Company for deliberation.

This transaction does not constitute a related-party transaction, nor does it constitute a major asset restructuring as stipulated in the Administrative Measures for Material Asset Restructuring of Listed Companies.

(3) Approval and other procedures to be performed for the transaction agreement to take effect

The Share Transfer Agreement involved in this transaction shall come into effect on the date of signing by all parties and no other approvals or procedures shall be required.

II. The parties to the transaction

(1) The subject of the Company's transaction

Company name: CHIXIA Laos Holdings Limited

Company Type: Limited Liability Company

Registered address: PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

Registered capital: 50,000 US dollars

Person in charge: Zhao Qiang

Scope of business: Mining and processing

Date of Establishment: October 25, 2022

Major shareholder: Shanghai Chijin Xiawu Metal Resources Co., Ltd., holding 100% equity

(2) The basic information of the counterparty

Company name: China Investment (Properties) Limited

Company type: Private Joint-Stock Limited Liability Company

Registered address: Room 2203, 22nd Floor, LVGEM NEO Building, 123 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong

Shares outstanding: 10,000 shares

Person in charge: Dai Jianliang

Business scope: commercial real estate development and operation, warehousing and logistics, mining development, financial investment and other businesses

Date of Establishment: July 31st, 2015

Major shareholder: Zhuolian Group Co., Ltd., holding 100% equity

Affiliation: CI Property has no affiliation with the Company and its controlling shareholders, actual controllers, directors, supervisors and senior management.

(3) Guarantor

Company name: ShanghaiChijin Xiawu Metal Resources Co., Ltd

Company Type: Limited Liability Company

Registered address: Room 402-22, 4th Floor, No. 11, Lane 1888, Caoyang Road, Putuo District, Shanghai

Registered capital: 40,000,000 RMB

Legal representative: Fu Xusheng

Date of Establishment: October 18, 2022

Major shareholders: The company holds 51% of the shares, and Xiamen Tungsten Co., Ltd. (hereinafter referred to as "Xiamen Tungsten") holds 49% of the shares

Business Scope: General Items: Sales of Rare Earth Functional Materials, Sales of Metal Ores, Sales of Metal Materials, Sales of New Metal Functional Materials, Sales of Non-ferrous Metal Alloys, Sales of High-performance Non-ferrous Metals and Alloy Materials, Sales of Metallurgical Special Equipment, Smelting of Rare Earth Metals, Smelting of Common Non-ferrous Metals, Beneficiation, Non-ferrous Metal Casting, Manufacture of Metal Materials, Import and Export of Goods, Import and Export of Technology. (Except for projects subject to approval in accordance with the law, independently carry out business activities with a business license in accordance with the law)

III. The basic information of the transaction target and the target company

(a) The subject of the transaction

1. Transaction target: 90% equity of China Investment Mining (Laos) Sole Co., Ltd.

2. Description of ownership status: The equity interests of the subject of this transaction are clear in property rights, and there are no restrictions on rights such as freezing and pledge, and there are no major ownership disputes.

(2) Target company

1. Basic information

Company name: China Investment Mining (Laos) Sole Co., Ltd.

Company type: one-person shareholder limited liability company

Registered address: No. 015, Sapan Thong Nei Village, Sisattanak County, Vientiane City, Laos

Registered capital: 15,000,000,000 Laos Kip (about 750,000 US dollars)

Legal representative: Chen Yonghai

Business Scope: Investment Business, Mineral Mining Services, Foreign Trade

Date of Establishment: September 21, 2022

Major shareholder: China Investment (Properties) Limited., holding 100% equity.

Affiliation: The target company has no affiliation with the company and its controlling shareholders, actual controllers, directors, supervisors and senior management.

2. Production of the target company

The target company's "Mengchang Rare Earth Project in Mengchang County, Xiangkuang Province, Laos" is still in the construction stage, and the completion of infrastructure construction is as follows:

(1) The construction of the project headquarters has been completed (2000 square meters) and has now been put into use;(2) The civil engineering work of the plant construction has basically been completed, and the installation of pipelines and mechanical and electrical equipment is still pending, and the construction of the

prefabricated plant office and dormitory has been completed; (3) For the mining preparation work in the starter mining area, part of the land clearing work and tunneling work has been finished , and 7000 meters of tunneling has been completed, (4) The mine has purchased a drill rig capable of drilling 1,000m deep hole, but the drill rig is yet to be put into use; (5) The civil works of the 16MW 115KV stepped down to 22KV high-voltage substation have been basically completed, and the equipment has been partially arrived at the factory and is being installed;(6) The product warehouse has been built, and the calcination plant has not yet been built.

4. Information on the mineral rights involved in this transaction

(1) Project location and transportation

The mineral area of the target company's "Mengakang Rare Earth Mine in Xiangkuang Province, Laos" is located in the vicinity of Longwo Village and Sumeng Village, Mengkang County, Xiangkuang Province, Laos, and is under the jurisdiction of Mengkang County, Xiangkuang Province, with a mineral area of 50 km², of which 8.0 km² is for trial mining and 42 km² for prospecting right. This project can be reached by driving along the 1C highway,, and It is about 100 km to the northeast of Phongshawan City, 45 km to the north of Mengkang County, about 140 km from Sangnu City and about 360 km from Luang Prabang City. The overall transportation to the mine area is very convenient. Some parts of the mine area have been paved with sand and gravel, which can be opened to traffic in both rainy and dry seasons.

(2) Basic information of the mineral rights

1. REMC, the holding subsidiary of the target company, holds a rare earth ore processing license (pilot) and a mining license (experimental) issued by the Department of Minerals of the Ministry of Energy and Mines of Laos, with a mining area of 8 km² and valid from December 28, 2022 to December 27, 2025.

2. REMX, the holding subsidiary of the target company, holds a rare earth prospecting license issued by the Department of Minerals of the Ministry of Energy and Mines of Laos, with a prospecting area of 42 km², which is valid from December 28, 2022 to December 27, 2024.

(3) Resources

According to the "Geological Detailed Investigation and Peripheral Geological Survey Report of Mengkang Rare Earth Mine in Mengkang County, Xiangkuang Province, Laos", the resources and reserves of Mengkang Rare Earth Mine (including the pilot mining license and prospecting license) in Mengkang County, Xiangkuang Province, Laos are as follows:

The ore body is hosted in the weathered crust, and the genetic type of the deposit belongs to the weathered crust ion adsorption rare earth deposit, and the exploration type of the deposit is type II (medium). The available resources of the mine area are 101,462,900 tonnes of ore and 25,483.06 tonnes of rare earth oxides, with an average grade of 0.025%. Among them, 55,199,600 tonnes of ore and 15,297.89 tonnes of rare earth oxides with an average grade of 0.028% were within the scope of the pilot mining license, and 46,263,300 tonnes of ore and 10,185.17 tons of rare earth oxides with an average grade of 0.022% were within the scope of the prospecting license.

(4) Development plan

According to the Feasibility Study Report on the Mengkang Rare Earth Project in Mengkang County, Xiangkuang Province, Laos, the ore of the deposit is weathered crust ionic rare earth ore, and this project is feasible from the perspectives of hydrogeology, geotechnical and environmental geology and other mining technical conditions, with a designed production capacity of 3,675 tonnes of mixed rare earth oxides per annum, and is designed to use in-situ leaching (ammonium sulfate-ammonium carbonate) technology. The whole production process does not involve stripping, mining, transport and other processes, and the amount of waste soil and waste rocks is small, and all water is recycled. The designed final product is mixed rare earth oxide, TREO \geq 92%.

After the completion of this transaction, the Company will further improve the mine construction plan and advance the mine construction and production work as soon as possible. According to the preliminary estimation, the mine can complete the infrastructure installation and put into operation within 40 days after the handover (within 3 days after the signing of this agreement), the specific progress is subject to the equity transfer and subsequent project approval and construction status .

5. The pricing of the transaction target and the source of funds

The transaction is a market-oriented acquisition, and the consideration for this

transaction is determined upon agreement after fair and amicable negotiated between all parties under the general commercial principal and on the basis of the Company's full due diligence on the target company's assets in terms of business, technology, finance, law and other aspects, combining with the prudent assessment of the value of the transaction target by Company's professional team and a third-party appraisal agency.

The transaction was made by CHIXIA Laos, a wholly-owned subsidiary of Chijin Xiawu (a holding subsidiary of the Company) established in the Cayman Islands. On December 27, 2023, the 24th meeting of the 8th board of directors of the Company deliberated on and approved the "Proposal on Capital Increase to Shanghai Chijin Xiawu Metal Resources Co., Ltd., a holding subsidiary", and the Company and Xiamen Tungsten jointly increased the registered capital of Chijin Xiawu from RMB 60 million to 400 million Yuan by way of monetary contribution, and the Company's capital contribution amount was RMB 173.4 million Yuan, and the capital increase by Xiamen Tungsten was 166.6 million yuan. At present, the above-mentioned capital increase has been funded. The transaction consideration to be paid for this transaction and the subsequent mine construction are mainly funded by the registered capital of Chixia Laos or loans provided by its parent company.

6. The main content of the transaction agreement

(1) The parties to the contract

Party A (Assignee): CHIXIA Laos Holdings Limited

Party B (Transferor): China Investment (Properties) Limited

Party C (target company): China Investment Mining (Laos) Sole Co., Ltd

Party D (guarantor): Shanghai Chijin Xiawu Metal Resources Co., Ltd.

(2) The price and payment method of equity transfer

1. Party A acquired 90% of the equity of the target company held by Party B in cash and by way of debt, including the payment of US\$6.2765 million for equity transfer and the repayment of US\$12.6865 million for related party borrowings of the target company, with a total consideration of US\$18.963 million.

2. Within 5 working days after the agreement comes into effect, Party A shall

pay Party B the down payment of the transaction, and the amount of the down payment shall be 30% of the total consideration of the transaction. Within 60 calendar days after the agreement comes into effect, and the target equity has been transferred to Party A's name, Party A shall pay the remaining price of the total consideration of the transaction.

(3) Handling of legal formalities for equity transfer

1. Within 30 working days from the date of signing the agreement, Party B shall be responsible for handling the approval of the Lao Government (if any) and the change of registration for industry and commerce to complete the equity transfer, and Party A shall give full cooperation.

2. Within 30 working days after the full payment of the total consideration for the transaction, Party A shall complete the change of the legal representative of the target company and its subsidiaries, as well as the establishment of the board of directors of the target company, and Party B shall give full cooperation.

(4) Other major agreed matters

If DDC transfers all the shares of REMC and REMX to Party A or other related third parties, Party A shall acquire 10% of the equity interest in the target company held by Party B at fair value.

(5) Principal liability for breach of contract

1. If one party fails to perform according to the agreement, the breaching party shall pay liquidated damages to the non-breaching party at the rate of 0.05% of the unpaid amount or equity transfer price for each overdue day, and if the overdue time exceeds 30 days, the non-breaching party has the right to unilaterally terminate this agreement or require the breaching party to continue to perform this agreement, and the breaching party shall not be exempted from the liability to pay liquidated damages.

2. If either party proposes to terminate this Agreement without justifiable reasons, or if this Agreement is terminated due to the breach of contract by one party, the breaching party shall pay liquidated damages at the rate of 20% of the total consideration of the transaction, and if the liquidated damages are insufficient to

compensate for the losses of the other party, it shall also compensate the other party for direct losses.

3. Each party indemnifies, defends, and holds harmless the other party from and against any and all losses suffered by the other party arising out of or resulting from the breach or non-compliance of the representations and warranties made.

(6) This Agreement shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region.

(7) Conditions for the agreement to take effect

This Agreement shall come into force on the date of signature and official seal of the legal representatives or authorized agents of each party.

(8) Guarantees

As the guarantor of Party A, Party D shall provide an irrevocable joint and several liability guarantee for Party A's full performance of its obligations and responsibilities under this Agreement. The guarantee period shall be three years from the date of expiration of the performance period of the rights and obligations under this Agreement.

7. The purpose of the transaction and its impact on the Company

This transaction is in line with the needs of the Company's strategic planning and business development. In cooperation with Xiamen Tungsten, the company established a joint venture company, Chijin Xiawu, in 2022, with the Company holding 51% of the shares and Xiamen Tungsten holding 49% of the shares, aiming to make full use of the respective advantages of both parties to build a platform for the cooperative development of rare earth resources, enhance the comprehensive competitiveness of the Company's rare earth resources development, and promote the development and utilization of rare earth resources. This transaction is conducive to the complementary advantages and strong alliance of Chijin Xiawu and CI Properties to promote the green and efficient development of rare earth resources in Laos. In this transaction, Mengkang Rare Earth Project is a typical medium heavy rare earth mine with high economic value. At the same time, the Mengkang Rare Earth Project in Mengkang County, Xiangkhuang Province, Laos, as a key project of CHIXIA Laos in Laos, not only provides a guarantee for obtaining considerable rare earth resources

and economic value, but also provides a platform and opportunity for further resource development and integration in Laos.

8. Risk Warning

The operation and assets of the target company's rare earth development projects are governed by the laws and regulations of Laos, and there are certain differences in the business environment between domestic and foreign companies. The adjustments of relevant policies and regulations in Laos may bring uncertainties to the operation and management of overseas companies.

The target company's main products are rare earth oxides. Rare earth prices fluctuate greatly due to multiple factors, and if the price of rare earth products falls sharply in the future, it will bring greater uncertainty to the profitability of the project.

The completion of this transaction and the subsequent operation of the project are subject to certain uncertainties. Investors are advised to be aware of the risks

This is hereby announced.

Board of Directors
Chifeng Jilong Gold Mining Co., Ltd.
5th March 2024