

Chifeng Jilong Gold Mining Co., Ltd.

Announcement on the Action Plan to Improve Quality and Efficiency and Place Focus on Returns

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.

In order to practice the "investor-oriented" development concept, safeguard the interests of all shareholders of Chifeng Jilong Gold Mining Co., Ltd. (hereinafter referred to as "the Company"), and promote the sustainable, stable and healthy development of the Company, based on the confidence in the Company's future development prospects and the recognition of the Company's value, the Company actively takes measures to promote the action plan to "improve quality and efficiency and place focus on returns", giving back to the trust of investors and establishing a good market image of the Company. The specific measures that the Company has implemented and will implement are as follows:

1. Focus on the main business, develop incremental business, and continue to improve business performance

The Company's main business is gold, non-ferrous metal mining and processing business. All mining subsidiaries of the Company are integrated industry players in prospecting, mining and mineral processing activities. The Company adheres to the "gold-focused" development strategy, unswervingly develop the main business of gold mining, and achieves continuous increased in gold resources and gold production year after year through production expansion and acquisition of new projects.

In 2023, the Company faced up to the difficulties and problems encountered in development, took the initiative to respond to changes, adapt to changes and firm the direction of development, and steadily increased production, reduced costs, and improved cash flow around the development theme of "breakthrough, restructuring, and entrepreneurship", as well as the annual business plan and long-term development plan, and significantly improving its operating performance. According to the preliminary calculation of the financial department, it is estimated that the Company has achieved a net profit attributable to the owners of the parent company of 760,000,000 yuan to 830,000,000 yuan in 2023, an increase of 68.47% to 83.99% year on year, and it is expected that the net profit attributable to the owners of the parent company after deducting non-recurring gains and losses will be 810,000,000 yuan to 880,000,000 yuan in 2023, an increase of 101.95% to 119.40% year on year.

In terms of incremental business, the Company's gold resources and production continued to increase. Jilong Mining's "additional 180,000 tonnes of gold ore mining and processing capacity expansion project" and Hanfeng Mining's "1,000m shaft project" will be completed and put into operation one after another, and the ore processing capacity of Wulong Mining will approach 3,000 tons per day. While stabilizing production in the main mining area, Golden Star Wassa in Ghana has started mining production in two new underground mining areas after developing the 242 and B-Shoot South Extension areas. Lanexang Minerals Limited Company in Laos will further improve the recovery rate of mineral processing, reduce costs through the application of the concentrate regrinding technology and replacement carbon by resin in the CIL process, and continue to increase gold and copper resources through new exploration projects

In addition to the main business of gold mining, the Company has cooperated with Xiamen Tungsten Co., Ltd. to promote the development of rare earth resources in Laos, and the two parties have increased the registered capital of the joint venture to RMB 400 million. With the gradual implementation of rare earth projects, it is expected to bring new performance growth points for the Company.

In the next step, the Company will continue to adhere to the business tenet of "being a dedicated and professional gold mining Company", strive to improve the quality and efficiency of the development of the main business, improve the cost control and core competitiveness, and further expand the new incremental business, and promote the Company's high-quality and leapfrog development.

2. Symbiosis and Co-growth, using employee stock ownership as a long-term incentive mechanism

The company advocates the integration of "owners, managers and workers". In 2021 and 2022, it implemented share repurchases through call auction in the secondary market, and used all the repurchased shares to implement the employee stock ownership plan, and the employee stock ownership price is consistent with the Company's repurchase price.

At the 18th meeting of the 8th board of directors held on June 27, 2023, the Company deliberated on and approved the "Plan on Repurchasing Shares through Call Auction Trading (Phase III)", and it was agreed in the meeting that the Company will use its own funds to repurchase part of the Company's issued and listed RMB ordinary shares through call auction trading, and the total amount of funds to be used for this repurchase is RMB 200 million to 300 million Yuan. Up to now, the Company has repurchased a total of 15,182,600 shares, paying an amount of about 220 million yuan. According to the share repurchase plan, the repurchased shares will still be used for employee stock ownership plan or share incentive plan.

Employee stock ownership plan or share incentive plan has become a long-term incentive mechanism of the Company. The reform of the equity structure based on the concept of "symbiosis and co-growth" enables the team to be closely linked and grow together with the Company and are conducive to retaining and attracting talents.

3. Directors and senior executives actively increase their holdings of Company shares, showing their confidence in the development of the Company

Based on their firm determination and confidence in the Company's future high-

quality development and the recognition of the Company's investment value, some directors, senior managers and other core management personnel of the Company increased their holdings of Company shares through call auction trading on February 6, 2024. A total of 7 directors and senior managers increased their holdings by a total of 924,100 shares with an aggregated value of nearly 11 million Yuan.

4. Placing focus on reasonable return on investment for investors

In recent years, the Company has been in a period of increasing production scale and expanding production capacity, and has successively implemented a series of mine expansion, technical transformation and resources acquisition projects, resulting in a large demand for working capital. The Company will formulate a profit distribution plan in accordance with the provisions of the Articles of Association. A concrete cash dividend distribution plan will be developed to bring to the shareholders sustainable and stable investment returns after taking into consideration Company's operating status and business development goals, Company's retained undistributed profits and its own funds, and the demand to ensure the steady growth of production and operation.

5. Improve the quality of information disclosure and strengthen communication with investors

The Company will further improve the quality of information disclosure, fulfill information disclosure obligations in a timely manner and in accordance with the law, ensure true, accurate and complete disclosure of information, and provide shareholders with an accurate basis for investment decisions. At the same time, the Company will carry out investor communication through diversified methods and channels such as general meetings of shareholders, performance briefings, SSE E interactions, telephone conferences, on-site research and roadshows, Company websites, WeChat official accounts and video accounts, etc., to convey the Company's investment value, effectively ensure that investors have a full understanding of the company's information, and smooth communication channels, so as to promote the

establishment of long-term, stable, and reliable communication channels between the company and investors.

The Company will continue to evaluate the progress of the implementation of the specific measures of the action plan to "improve quality and efficiency and place the focus on returns" and fulfill the obligation of information disclosure, and strive to fulfill the responsibilities and obligations of listed companies through good performance, standardized corporate governance and positive investor returns, so as to repay the trust of investors, maintain the Company's market image, and jointly promote the smooth operation of the capital market.

This is hereby announced.

Board of Directors
Chifeng Jilong Gold Mining Co., Ltd.
2nd March 2024