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China Nonferrous Mining Corporation Limited
中國有色礦業有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 01258)

PROPOSED CHANGE OF AUDITOR

This announcement is made by China Nonferrous Mining Corporation Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.51(4) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

PROPOSED CHANGE OF AUDITOR

China Nonferrous Metal Mining (Group) Co., Ltd (“**CNMC**”) is the controlling shareholder of the Company (as defined under the Listing Rules) holding 69.54% of the total issued shares of the Company. CNMC has completed the open tender for the appointment of auditor of CNMC and the auditor of its certain subsidiaries in accordance with the requirements of the Measures for Administration of Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies (No. 4 [2023] of the Ministry of Finance) issued by the Ministry of Finance of the People’s Republic of China, the State-owned Assets Supervision and Administration Commission of the State Council and the China Securities Regulatory Commission. KPMG (“**KPMG**”) was the successful bidder of certain subsidiaries of CNMC.

The Audit Committee of the Company has performed its evaluation procedures and assessment in relation to the appointment of the new auditor of the Company by conducting an independent and objective evaluation on candidates based on (i) the audit recommendations; (ii) the relevant extensive experience, industry knowledge and technical qualifications in providing audit work to companies listed on the Stock Exchange; (iii) independence and objectivity in the Group; (iv) reputation in the market; (v) resources and competence; (vi) the Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors issued by the Accounting and Financial Reporting Council (“**AFRC**”); and (vii) the Guidance Note on Change of Auditors issued by the AFRC and considered that KPMG is eligible and suitable to act as the auditor of the Company.

Based on the above, the Audit Committee has assessed and considered that KPMG is eligible and suitable to act as the auditor of the Company for the year ending 31 December 2023 without incurring additional audit cost to the Company. Pursuant to the recommendation from the Audit Committee, the Board (the “**Board**”) of the Company has resolved to propose the appointment of KPMG as the new auditor of the Company. The Board and the Audit Committee are of the view that the change of auditor is in the interests of the Company and its shareholders as a whole.

In light of the above, Ernst & Young (“**EY**”) will cease to be the auditor of the Group upon the appointment of KPMG as the new auditor of the Group. EY has confirmed that there is no matter in relation to its resignation that need to be brought to the attention of holders of the securities or creditors of the Company. The Board has confirmed that there is no disagreement or unresolved matters between the Company and EY, and there are no other matters in relation to the proposed change of auditor that need to be brought to the attention of the shareholders.

The Board hereby announces that, with the recommendation from the Audit Committee of the Company, it proposes the appointment of KPMG as the new auditor of the Company to hold office until the conclusion of the upcoming annual general meeting of the Company, which is subject to the approval of the shareholders at an extraordinary general meeting (the “**EGM**”).

The Audit Committee is of the view that the change of auditor will not affect the audit quality as well as objectivity and fairness, which will be conducive to the coordination and consistency of the audit work of the Company with the audit arrangements of its controlling shareholder, and enhance the synergy and efficiency of the audit work. The Board would like to take this opportunity to express its gratitude and appreciation to EY for their professional and quality services rendered to the Company.

GENERAL

A circular containing, among other things, details of the appointment of the auditor for the year ending 31 December 2023 and a notice to convene the EGM will be dispatched to the shareholders in due course in accordance with the Listing Rules.

By Order of the Board
China Nonferrous Mining Corporation Limited
He YANG
Chairman

Beijing, 28 November 2023

As at the date of this announcement, the Board of Directors comprises Mr. He YANG as an executive Director; Mr. Yaoyu TAN as a non-executive Director; and Mr. Dingfan QIU, Mr. Jingwei LIU and Mr. Huanfei GUAN as independent non-executive Directors.