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## **CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.**

**中國黃金國際資源有限公司**

*(a company incorporated under the laws of British Columbia, Canada with limited liability)*

(Hong Kong Stock Code: 2099)

(Toronto Stock Code: CGG)

### **FULLY EXEMPT CONNECTED TRANSACTION LOAN AGREEMENT**

The Board is pleased to announce that Inner Mongolia Pacific Mining Co. Ltd. ("IMP"), a cooperative joint venture company controlled by the Company, has entered into a Loan Agreement (the "Loan Agreement") with China National Gold Group Finance Company Ltd. ("China Gold Finance") on or about March 25, 2019 pursuant to which China Gold Finance will provide financial assistance to be used towards daily operation working capital on an as needed basis, pursuant to the terms and conditions set out in the Loan Agreement.

#### **BACKGROUND**

##### **Loan Agreement**

***Date:***

On or about 25 March 2019, IMP and China Gold Finance entered into a Loan Agreement.

***Transaction Nature:***

China Gold Finance will provide financial assistance to be used towards daily operation working capital on an as needed basis; pursuant to the terms and conditions set out in the Loan Agreement.

***Term:***

IMP and China Gold Finance will enter into the Loan Agreement for a term of 36 months.

#### **IMPLICATIONS UNDER THE HONG KONG LISTING RULES**

As at the Latest Practicable Date, China National Gold held approximately 39.3% of the 396,413,753 issued Shares of the Company through CNGGHK, its wholly-owned subsidiary, and thus is the ultimate controlling shareholder of the Company. China National Gold holds a 51%

interest in China Gold Finance and therefore, China Gold Finance is a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules.

***Loan Agreement:***

The Loan Agreement constitutes a connected transaction, being the financial assistance by a connected person of the Company to the Group. As the Directors (including the independent non-executive Directors) consider the Loan to be on normal commercial terms, and as it is not secured by the assets of the Group, it is fully exempt pursuant to Rule 14A.90 of the Hong Kong Listing Rules from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

**MANAGEMENT OF CONFLICTS**

Each of Mr. Xin Song, Mr. Liangyou Jiang, Mr. Yongqing Teng and Ms. Fuzhen Kang are considered to have a conflict of interest in the transactions contemplated under the Loan Agreement due to their direct or indirect positions or affiliations with China National Gold. Each of them abstained from voting on the relevant resolutions at the Board meeting to approve the Loan Agreement. All the remaining Directors have confirmed at such Board meeting that they have no material interest in the transaction contemplated under the Loan Agreement.

**INFORMATION ABOUT THE COMPANY**

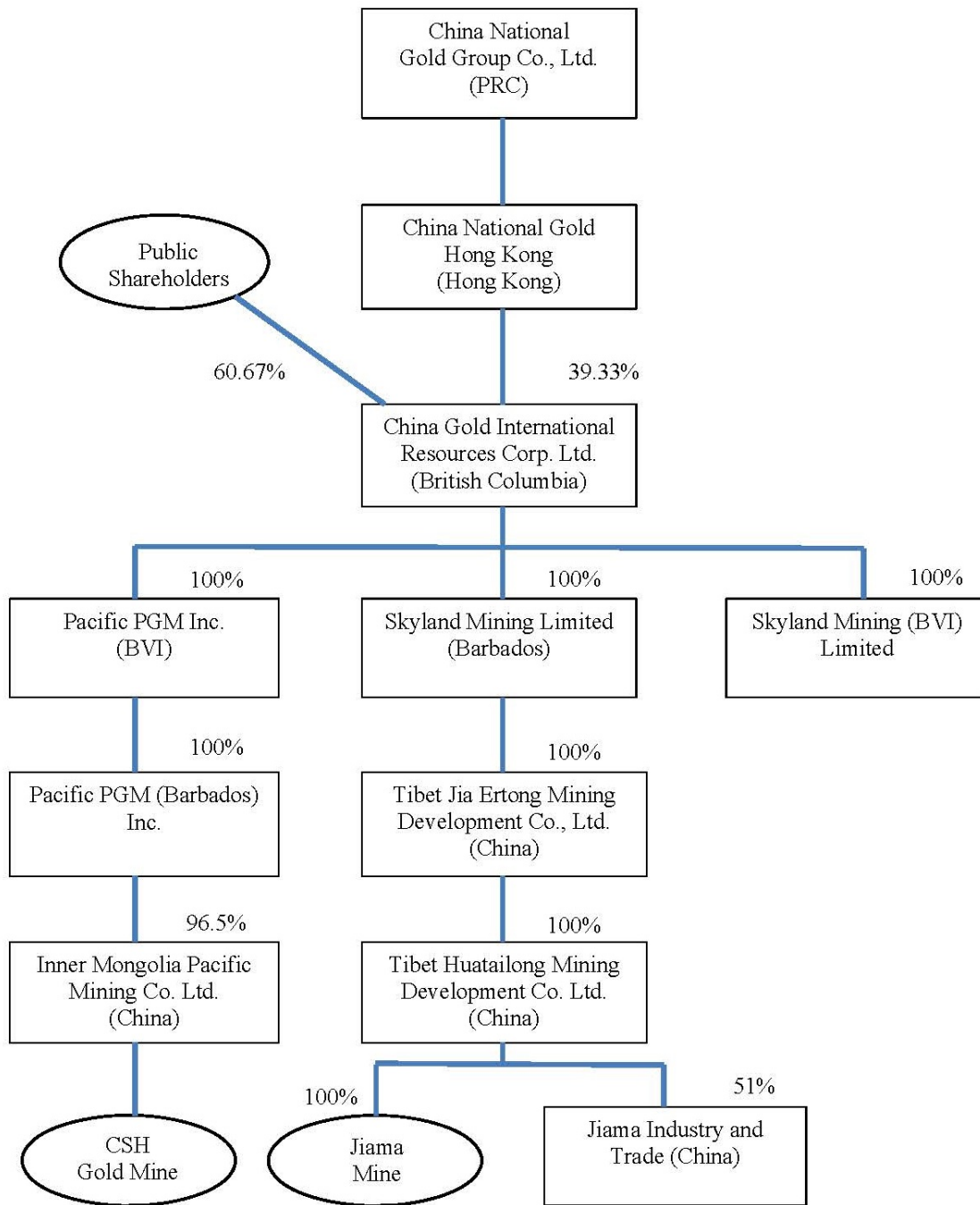
The Company is a gold and base metal mining company based in Vancouver, Canada. Its principal properties are located in Inner Mongolia, China and in the Tibet Autonomous Region, China. The Company commenced gold production at the Inner Mongolia mine in July 2007 and commenced commercial gold production on July 1, 2008. The Company also commenced commercial production of copper, molybdenum, gold, silver, lead and zinc at the Tibet mine in December 2010.

**INFORMATION ABOUT CHINA NATIONAL GOLD**

China National Gold is the only enterprise directly supervised by the State Council of the PRC that focuses on the exploration, mining, processing, smelting, refining and sales of gold. It also operates other nonferrous mineral assets related businesses. The predecessor of China National Gold was China National Gold Corporation, which was established in 1979 and headquartered in Beijing. China National Gold is the only enterprise in the gold industry in China that explores, produces and processes gold with a grade of Au99999.

China National Gold is the controlling shareholder of the Company, holding 39.3% of the issued and outstanding Shares of the Company. Therefore, China National Gold is a connected person of the Company for the purpose of Chapter 14A of the Hong Kong Listing Rules.

The following chart illustrates the relationship between the Company and China National Gold.



**INFORMATION ABOUT CHINA GOLD FINANCE**

China Gold Finance obtained approval for establishment from the CBRC on August 18, 2014. China Gold Finance obtained the Financial License granted by CBRC’s Beijing office on May 12, 2015. The principal operations of China Gold Finance include: providing financial and financing advisory, assisting its members in collecting and making transaction payments; handling

entrusted loan and entrusted investments among its members; handling bill acceptance and discounting affairs for its members; conducting internal financial transfers between members the corresponding settlement, clearing design; absorbing deposits from its members; providing loans and finance lease to its members; and engaging in inter-bank borrowings.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following means:

“Board”	The board of Directors
“China Gold Finance”	China National Gold Group Finance Company Ltd.
“China National Gold”	China National Gold Group Co., Ltd. (formerly known as China National Gold Group Corporation), the ultimate controlling shareholder of the Company currently holding approximately 39.3% of the issued share capital of the Company through China National Gold Hong Kong Limited, its wholly-owned subsidiary
“CNGGHK”	China National Gold Group Hong Kong Limited
“Company”	China Gold International Resources Corp. Ltd., a limited liability company incorporated under the laws of British Columbia, Canada with its Shares listed on both the Hong Kong Stock Exchange and the Toronto Stock Exchange;
“connected person(s)”	Has the same meaning ascribed thereto under the Hong Kong Listing Rules
“CBRC”	China Banking Regulatory Commission
“Directors”, each a “Director”	The directors of the Company
“Group”	The Company and its subsidiaries (as defined under the Hong Kong Listing Rules);
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Inner Mongolia”	Inner Mongolia Autonomous Region of the PRC
“Loan”	unsecured loan in the aggregate amount of RMB

	350,000,000 from China Gold Finance to the Company
“Loan Agreement”	Loan agreement between IMP and China Gold Finance entered into on or about March 25, 2019 pursuant to which China Gold Finance agreed to provide financial assistance to be used towards daily operation working capital of IMP
“PRC”	The People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong, Macau Special Administrative Region of the PRC, and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	Holder(s) of Share(s) of the Company
“Share(s)”	Share(s) of the Company
“Toronto Stock Exchange”	The Toronto Stock Exchange of Toronto, Ontario, Canada
“%”	percent

By Order of the Board  
**China Gold International Resources Corp. Ltd.**  
Xin Song  
*Chairman*

Hong Kong, 30 March 2019

As at the date of this announcement, the Board of Directors of the Company comprises of Mr. Xin Song and Mr. Liangyou Jiang as Executive Directors, Mr. Yongqing Teng, Ms. Fuzhen Kang and Mr. Xiangdong Jiang, as Non-Executive Directors, and Mr. Ian He, Mr. Yunfei Chen, Mr. John King Burns and Mr. Gregory Hall as Independent Non-Executive Directors.