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江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

VOLUNTARY ANNOUNCEMENT
FINANCIAL ASSISTANCE FROM CONTROLLING
SHAREHOLDER

The board (the “**Board**”) of directors (the “**Directors**”) and all members of the Board of the Company warrant the truthfulness, accuracy and completeness of the contents of this announcement and accept responsibility severally and jointly for the false statement, misleading representation or material omission therefrom.

This announcement is made by Jiangxi Copper Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

I. FINANCIAL ASSISTANCE

The Board announces that, on 11 December 2019, the Company entered into a financial assistance agreement (the “**Financial Assistance Agreement**”) with Jiangxi Copper Corporation Limited (“**JCC**”), the controlling shareholder of the Company as at this date of the announcement, pursuant to which JCC agreed to provide financial assistance to the Company in the amount of RMB1,500,000,000 (the “**Financial Assistance**”).

The principal terms of the Financial Assistance Agreement are set forth below:

Date

11 December 2019

Parties

1. The Company as the borrower; and
2. JCC as the lender

Amount of the Financial Assistance

RMB1,500,000,000

Use of the Financial Assistance

The Financial Assistance can only be used by the Company to supplement its working capital or repay bank loans. The Company shall not utilize the Financial Assistance for other purposes without written consent of JCC.

Term

176 days, for the period from 11 December 2019 to 4 June 2020.

Payment standards

(1) Interest rate:

Based on the coupon rate of the latest tranche of the super short term notes of JCC and such rate shall not be higher than the loan prime rate promulgated by the National Interbank Funding Center for loans of the same term. The interest rate of the Financial Assistance Agreement is 2.35%.

The loan prime rate promulgated by the National Interbank Funding Center in November 2019 was 4.15%, which was the benchmark interest rate promulgated by the People's Bank of China for loans of the same term. According to the Announcement of the People's Bank of China No. 15 [2019], the People's Bank of China has authorized the National Interbank Funding Center to promulgate the loan prime rate at 9:30 a.m. on the 20th day of every month (postponed in case of holidays) since 20 August 2019.

(2) Interest term:

From the date on which the Company receives the payment to the repayment due date.

(3) Fees:

The Company is not required to pay other fees except for the interest payment to JCC in the manner according to the latest tranche of the super short term notes by JCC on time.

Others

The Company is not required to provide any mortgage or guarantee for the Financial Assistance and is entitled to make prepayments or apply for an extension of term of the Financial Assistance in accordance with its actual operation and financial conditions.

II. REASONS FOR AND BENEFITS OF THE FINANCIAL ASSISTANCE

The Financial Assistance can facilitate the development of the Company, satisfy its demand for working capital and effectively reduce the financing costs of the Company. As such, the entering into of the Financial Assistance Agreement is beneficial and in the interests of the Company and its shareholders as a whole.

III. ACCUMULATED FINANCIAL ASSISTANCE PROVIDED BY JCC TO THE COMPANY OVER THE LAST 12 MONTHS

Other than the Financial Assistance, the Company has received financial assistance from JCC in an aggregate amount of RMB4,899,500,000 over the last 12 months, details of which are set out below:

	Amount of financial assistance <i>(in RMB'0000)</i>	Interest rate of financial assistance	Drawdown date	Due date
1.	150,000	2.790%	17 June 2019	11 December 2019
2.	50,000	2.880%	25 June 2019	20 March 2020
3.	26,750	2.880%	23 July 2019	14 April 2020
4.	100,000	3.690%	25 July 2019	24 July 2022
5.	76,761	2.720%	6 August 2019	1 February 2020
6.	6,439	2.720%	8 August 2019	1 February 2020
7.	80,000	3.600%	27 September 2019	26 September 2022

IV. INFORMATION OF JCC

JCC, the controlling shareholder of the Company, is a wholly state-owned enterprise (國有獨資公司), which is wholly owned and controlled by the State-owned Assets Supervision and Administration Commission (SASAC) of Jiangxi Province. JCC is located in 15 Yejin Avenue, Guixi City, Jiangxi Province, the PRC with a registered capital of RMB6,729,646,135.47. The legal representative of JCC is Mr. Long Ziping. JCC's principal business covers non-ferrous mines, non-metal mines, smelting and rolling processing of non-ferrous metal products, contracting of overseas non-ferrous industry projects and domestic international tender projects, export of the necessary equipment and materials for the abovementioned overseas projects, and assigning the necessary labour to overseas for the implementation of the abovementioned overseas projects.

As at the end of 2018, the total audited assets of JCC amounted to RMB123,003.83 million; the net assets amounted to RMB53,381.80 million, while the operating revenue amounted to RMB216,032.91 million; the net profit amounted to RMB1,898.33 million.

V. REQUIREMENTS OF THE SHANGHAI STOCK EXCHANGE

According to Shanghai Stock Exchange Implementation Guidelines for Connected Transactions* (《上海證券交易所上市公司關聯交易實施指引》) and the Jiangxi Copper Company Limited Information Disclosure Deferral and Exemption Management System* (《江西銅業股份有限公司信息披露暫緩與豁免管理制度》), which was considered and approved on the eighth meeting of the eighth session of the Board (“Lin [2019] No. 010”) convened on 14 March 2019, where a connected person provides financial assistance to the Company, the interest provided is not higher than the loan prime rate promulgated by the People's Bank of China for loans of the same term, and the Company does not provide any corresponding mortgage or guarantee, such financial assistance shall be exempted from the approval and disclosure requirements for connected transactions. As the Financial Assistance and the previous financial assistance from JCC comply with the above requirements, they are exempted from the said approval and disclosure requirements for connected transactions in the People's Republic of China (the “**PRC**”).

The entering into of the Financial Assistance Agreement does not constitute significant asset restructuring under the Administrative Measures on Significant Asset Restructuring of Listed Companies (《上市公司重大資產重組管理辦法》) of the PRC.

VI. LISTING RULES IMPLICATIONS

As at the date hereof, JCC is the controlling shareholder of the Company, which holds 41.79% of the issued share capital of the Company as at 30 September 2019, and thus a connected person of the Company. Accordingly, the entering into of the Financial Assistance Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the Financial Assistance is not secured by any assets of the Group and is conducted on normal commercial terms or better, the Financial Assistance is fully exempted from shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

By Order of the Board
JIANGXI COPPER COMPANY LIMITED
Long Ziping
Chairman

Nanchang, Jiangxi, the People's Republic of China, 11 December 2019

As at the date of this announcement, the executive Directors are Mr. Long Ziping, Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Dong Jiahui and Mr. Yu Tong; and the independent non-executive Directors are Mr. Tu Shutian, Mr. Liu Erfei, Mr. Liu Xike and Mr. Zhu Xingwen.

* *For identification purpose only*