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**Zijin Mining Group Co., Ltd.\***

**紫金礦業集團股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 2899)**

## **Announcement in relation to the Progress of the Porgera Gold Mine in Papua New Guinea**

References are made to the announcements in relation to the special mining lease of the Porgera Gold Mine in Papua New Guinea dated 26 April 2020 and 10 July 2020 of Zijin Mining Group Co., Ltd.\* (the "Company"). Barrick (Niugini) Limited ("BNL") is a 50%/50% joint operation between the Company and Barrick Gold Corporation ("Barrick Gold") in Papua New Guinea ("PNG"). BNL holds 95% interest in the Porgera Gold Mine project in Enga Province, PNG. As the PNG Government declined to renew the Porgera Special Mining Lease (the "Porgera SML") of BNL, the Porgera Gold Mine has been on care and maintenance since April 2020.

On 9 April 2021, BNL and the PNG Government entered into a binding framework agreement for the future ownership and operation of the Porgera Gold Mine. The Porgera Gold Mine is on track to resume operations later this year. Pursuant to the framework agreement, ownership of the Porgera Gold Mine will be held in a new joint venture owned 51% by PNG stakeholders and 49% by BNL. BNL remains the operator of the Porgera Gold Mine.

The framework agreement also provides, among other things, for:

- PNG stakeholders and BNL to share the economic benefits generated over the life of mine on a 53/47% basis. The economic benefits will be calculated based on cash flow distributions, the economic benefits shared by the PNG stakeholders include taxes levied by the government, dividends and other cash distributions from the project company, etc.;
- BNL to finance the capital required to restart the mine;
- an increase in the equity allocated to a broad group of landowners who are the customary owners of the land where Porgera is located; and
- the state to retain the right to acquire the remaining 49% of the mine from BNL at fair market value after 10 years.

BNL and PNG stakeholders are actively advancing the negotiation process in order to work towards the signing of definitive agreements as soon as possible, at which time full mine recommencement work will begin.

The Company is of the view that earlier reopening of the Porgera Gold Mine is in line with all parties'

interests. A partnership among BNL, the PNG Government and other stakeholders is beneficial for the long-term and stable operation of the Porgera Gold Mine.

The Company will fulfill its information disclosure obligation according to the subsequent development.

This announcement is made by the Company on a voluntary basis.

**This announcement is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail over its English version.**

**Investors and shareholders are advised by the board of directors to exercise caution when dealing in the securities of the Company.**

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Lan Fusheng, Zou Laichang, Lin Hongfu, Ms. Lin Hongying and Mister Xie Xionghui as executive directors, Mister Li Jian as non-executive director, and Messrs. Zhu Guang, Mao Jingwen, Li Changqing, He Fulong, Suen Man Tak and Bo Shao Chuan as independent non-executive directors.

By Order of the Board of Directors  
**Zijin Mining Group Co., Ltd.\***  
**Chen Jinghe**  
*Chairman*

9 April 2021, Fujian, the PRC

*\*The Company's English name is for identification purpose only*