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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ganfeng Lithium Co., Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Ganfeng Lithium Co., Ltd.
江西赣锋锂业股份有限公司

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

(Stock Code: 1772)

- (1) PROPOSED ACQUISITION OF 50% EQUITY INTEREST IN NETHERLANDS SPV COMPANY BY GFL INTERNATIONAL WHICH INVOLVES MINING RIGHTS INVESTMENT AND THE PROVISION OF FINANCIAL ASSISTANCE FOR LMSA, A WHOLLY-OWNED SUBSIDIARY OF NETHERLANDS SPV COMPANY**
- (2) PROPOSED CAPITAL INCREASE IN ITS CONTROLLED SUBSIDIARY GANFENG LIENERGY**
- (3) PROPOSED INVESTMENT IN WEALTH MANAGEMENT PRODUCTS WITH SELF-OWNED FUNDS**
- (4) PROPOSED CAPITAL INCREASE IN ITS WHOLLY-OWNED SUBSIDIARY GFL INTERNATIONAL**
- (5) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND**
- (6) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**
-

A letter from the Board is set out on pages 1 to 18 of this circular.

The notice of the EGM is set out on pages 21 to 23 in this circular. The EGM will be held at the conference room of the Company at 4th Floor, R&D Building at the Company's Headquarter, Longteng Road, Economic Development Zone, Xinyu, Jiangxi Province, PRC on Tuesday, August 31, 2021 at 2:00 p.m.

Whether or not you intend to attend the EGM, you are advised to complete and return the enclosed proxy form in respect of the EGM in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours prior to the commencement of such meeting or any adjournments thereof, (i.e., not later than Monday, August 30, 2021 at 2:00 p.m. (Hong Kong time)). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish. Shareholders who intend to attend the EGM should also complete and return the reply slip in accordance with the instructions printed thereon.

July 30, 2021

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“A Share(s)”	ordinary share(s) of the Company, with a nominal value of RMB1.00 each, which are subscribed for in RMB and listed on the SZSE (stock code: 002460)
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Company”	Ganfeng Lithium Co., Ltd. (江西贛鋒鋰業股份有限公司), a joint stock company established in the PRC with limited liability, the A Shares of which and the H Shares of which are listed on the Shenzhen Stock Exchange (stock code: 002460) and on the Main Board of the Stock Exchange (stock code: 01772), respectively
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 2:00 pm, on Tuesday, August 31, 2021 at the conference room of the Company, at 4th Floor, R&D Building at the Company’s Headquarter, Longteng Road, Economic Development Zone, Xinyu, Jiangxi Province, the PRC
“Ganfeng LiEnergy”	Jiangxi Ganfeng LiEnergy Technology Co., Ltd. (江西贛鋒鋰電科技有限公司), a limited liability company established in the PRC on June 13, 2011 and a controlled subsidiary of the Company
GFL International	GFL International Co., Limited, a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time

DEFINITIONS

“PRC”	the People’s Republic of China, and for the purposes of this circular only and except where the context requires otherwise, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Share(s) and/or H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

In case of any inconsistency between the Chinese version and the English version of this circular, the English version shall prevail.

LETTER FROM THE BOARD



Ganfeng Lithium Co., Ltd.
江西赣锋锂业股份有限公司

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

(Stock Code: 1772)

Executive Directors:

Mr. LI Liangbin
Mr. WANG Xiaoshen
Ms. DENG Zhaonan
Mr. SHEN Haibo

Registered Office:

Longteng Road
Economic Development Zone
Xinyu
Jiangxi Province, PRC

Non-executive Directors:

Ms. YANG Juan
Mr. YU Jianguo

Principal Place of Business in Hong Kong:

40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. LIU Jun
Ms. WONG Sze Wing
Mr. XU Guanghua
Ms. XU Yixin

June 7, 2021

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED ACQUISITION OF 50% EQUITY INTEREST IN NETHERLANDS SPV COMPANY BY GFL INTERNATIONAL WHICH INVOLVES MINING RIGHTS INVESTMENT AND THE PROVISION OF FINANCIAL ASSISTANCE FOR LMSA, A WHOLLY-OWNED SUBSIDIARY OF NETHERLANDS SPV COMPANY**
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LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with the relevant information for making informed decisions in respect of the resolutions at the EGM in respect of, among other things, (i) acquisition of 50% equity interest in Netherlands SPV company by GFL International which involves mining rights investment and the provision of financial assistance for LMSA, a wholly-owned subsidiary of Netherlands SPV company; (ii) proposed capital increase in its controlled subsidiary Ganfeng LiEnergy; (iii) proposed investment in wealth management products with self-owned funds; (iv) proposed capital increase in its wholly-owned subsidiary GFL International; and (v) proposed amendments to the Articles of Association.

I. PROPOSED ACQUISITION OF 50% EQUITY INTEREST IN NETHERLANDS SPV COMPANY BY GFL INTERNATIONAL WHICH INVOLVES MINING RIGHTS INVESTMENT AND THE PROVISION OF FINANCIAL ASSISTANCE FOR LMSA, A WHOLLY-OWNED SUBSIDIARY OF NETHERLANDS SPV COMPANY

At the 28th meeting of the fifth session of the board of directors of the Company held on June 11, 2021, the resolution in relation to acquisition of 50% equity interest in Netherlands SPV company by GFL International which involves mining rights investment and the provision of financial assistance for LMSA, a wholly-owned subsidiary of Netherlands SPV company was considered and passed, approving the acquisition of 50% equity interest in Netherlands SPV company (the “**Netherlands SPV Company**”) (the name of which has not yet been determined and is subject to the final name registered with Netherlands Companies Registry) by GFL International, a wholly-owned subsidiary of the Company at a price of US\$130 million with its own funds. Upon the completion of the transaction, GFL International will hold 50% interest in Netherlands SPV Company, and Firefinch Limited (the “**Firefinch**”) will hold 50% interest in Netherlands SPV Company. The management of the Company will be authorized to deal with relevant matters in the transaction at its sole discretion.

Upon the completion of the transaction, GFL International will be granted the consent to, as the case may be, provide financial assistance with an amount of not exceeding US\$40 million to LMSA, a wholly-owned subsidiary of Netherlands SPV Company, to help LMSA to develop and construct the Goulamina spodumene mine project.

Upon the completion of the transaction, the Company will obtain such number of seats in the board of directors of Netherlands SPV Company as representing 50% voting rights in Netherlands SPV Company, and Netherlands SPV Company will control the board of directors of LMSA through mandate voting system.

LETTER FROM THE BOARD

Basic information on the counterparty

Firefinch Limited, incorporated in April 2005, is an Australian listed company, with the Australian Stock Exchange stock code of FFX and the company number of 113931105. Its registered office is located at Unit 18, Spectrum Building, 100–104 Railway Road, Subiaco, 6008. As of the date of this announcement, the issued share capital of Firefinch is 783,142,641 shares, and CITICORP NOMINEES PTY LIMITED owns 4.13% equity interest in Firefinch. Firefinch is principally engaged in the development of minerals such as gold and lithium mines in Mali. Formerly known as Mali Lithium Limited, it changed its name to Firefinch Limited in October 2020.

Firefinch holds 100% equity interest in Timbuktu Resources Sarl (the “TR”) and 100% equity interest in LMSA through Goulamina Holdings, its wholly-owned subsidiary. The procedures for transfer of the mining rights of Goulamina spodumene mine project in Mali held by TR are in progress and such mining rights shall be transferred to LMSA before the effective date of the acquisition agreement.

Below is the financial data of Firefinch for the latest year and the latest period:

Unit: AUD

Indicator	December 31, 2019	December 31, 2020
	(Audited)	(Audited)
Total assets	29,517,364	139,182,137
Net assets	27,166,106	99,393,236

Indicator	2019	2020
	(Audited)	(Audited)
Operating revenue	–	20,338,624
Net profit	(3,504,280)	1,043,816

Note: AUD1 = RMB4.94

As at December 31, 2020, the gearing ratio of Firefinch was 28.59%.

Firefinch is not related to the Company and the Company’s controlling shareholders, de facto controllers, directors, supervisors and senior management in terms of property rights, business, assets, debts and liabilities, personnel, etc.

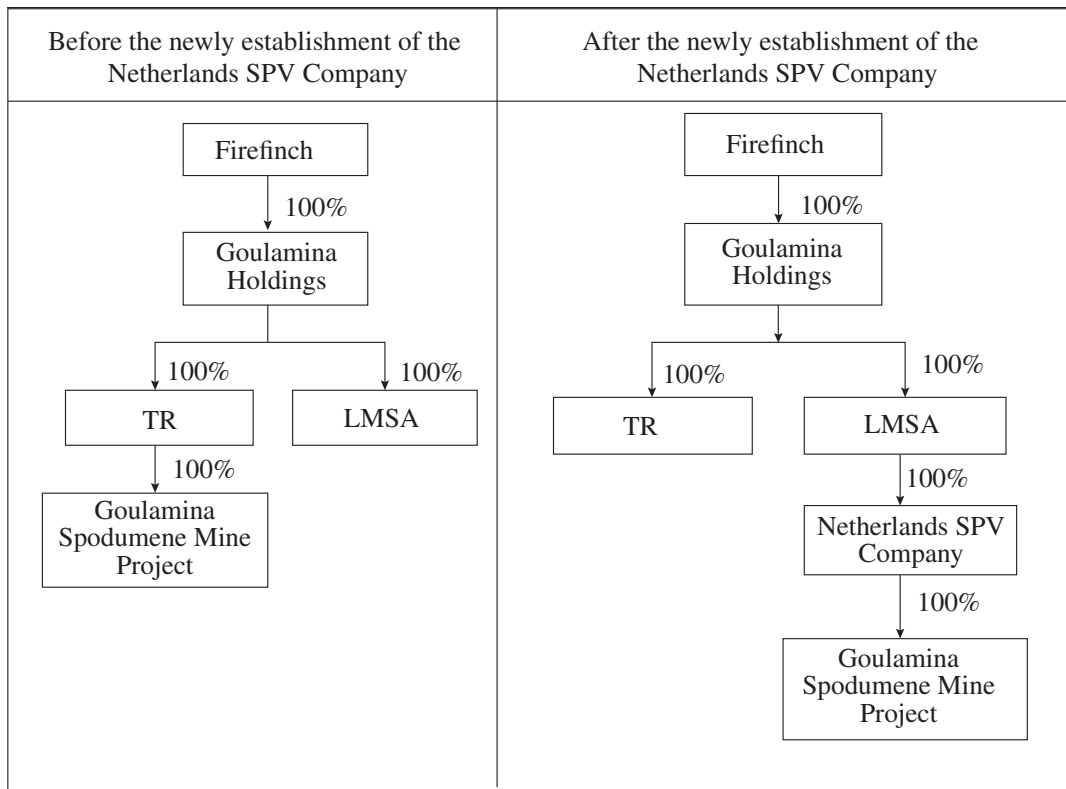
LETTER FROM THE BOARD

Basic information on the subject matter of the transaction and the target of Financial Assistance

(i) Basic information on the subject matter of the transaction

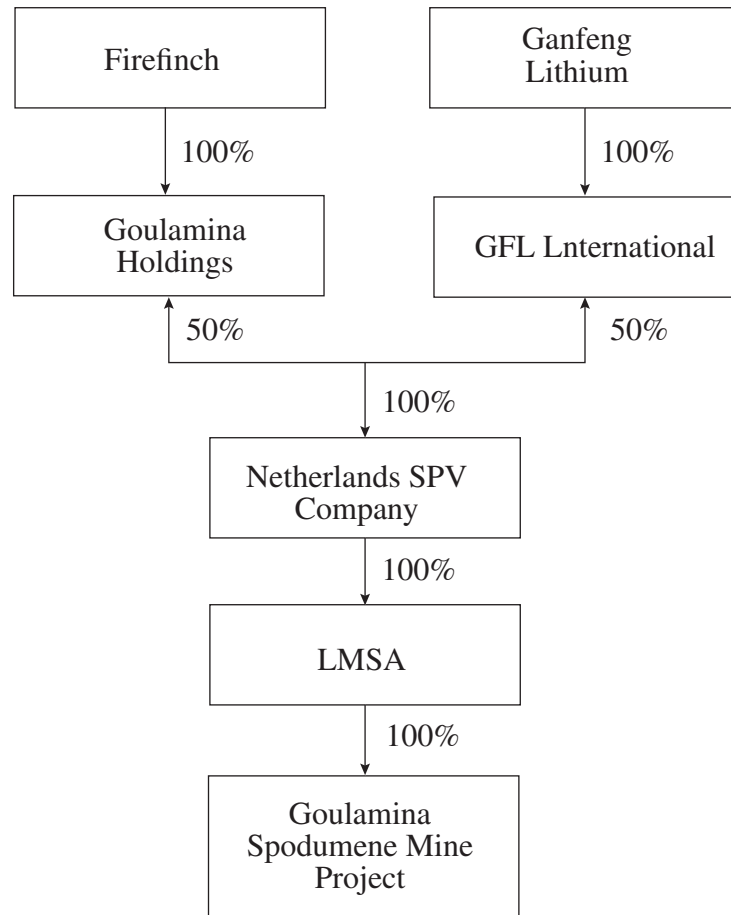
Netherlands SPV Company is a proposed newly established wholly-owned subsidiary in Netherlands of Goulamina Holdings, a wholly-owned subsidiary of Firefinch. Its main business will be mineral resources investment and trading, and it has not yet been established. Prior to the implementation of the transaction, Firefinch intends to transfer 100% equity interest in LMSA held by Goulamina Holdings to Netherlands SPV Company, which will indirectly own the interest in Goulamina spodumene mine project in Mali through the 100% equity interest held by it in LMSA.

The shareholding structure of the aforementioned related companies before and after the establishment of the Netherlands SPV Company is as follows:



LETTER FROM THE BOARD

Upon the completion of the transaction, the shareholding structure of Netherlands SPV Company is as follows:



(ii) Basic information on the target of financial assistance

LMSA is a company incorporated in March 2020 under the laws of Mali with the company number of MA.BKO.2020.B.3252. Its registered office is located at Bamako, Hamdallaye, ACI 2000, rue 243, Porte 39. Currently, Firefinch indirectly holds 100% equity interest of LMSA through its wholly-owned subsidiary, Goulamina Holdings, and the mining rights of Goulamina Spodumene Mine Project will be transferred to LMSA prior to the implementation of the transaction.

LETTER FROM THE BOARD

Below is the financial data of LMSA for the latest year and the latest period:

Unit: CFA francs

Indicator	December 31, 2020 (Unaudited)	March 31, 2021 (Unaudited)
Total assets	9,936,207	9,936,207
Net assets	9,936,207	9,936,207

Indicator	2020 (Unaudited)	January to March 2021 (Unaudited)
Operating revenue	0	0
Net profit	0	0

Note: 1 CFA franc = RMB0.0119

As at March 31, 2021, the ownership of the mining rights of Goulamina spodumene mine project and the related assets of the mine have not been transferred to LMSA, and LMSA is not in actual operation. Therefore, it has not generated sales revenue and net profit, and the gearing ratio of LMSA was 0.

LMSA is not related to the Company and the Company's controlling shareholders, de facto controllers, directors, supervisors and senior management in terms of property rights, business, assets, debts and liabilities, personnel, etc.

Information on the mining right involved

1. Goulamina owns the spodumene mine project in southern Mali, which currently holds one mining license:

Mining right license number	Torakoro Exploitation Permit PE19/25
Mining right owner	TR
Geographic location	Southern Mali in Africa
Mining minerals	Spodumene mine
Mining area	100 square kilometers
Date of acquisition	August 23, 2019
Expiry date	30 Years

LETTER FROM THE BOARD

2. The method, date and examination and approval department for the ownership change of the mining right in recent three years:

According to relevant regulations of the Mining Law in Mali, the mining right was approved by Mali government on August 23, 2019 to be held by TR, a wholly-owned subsidiary of Firefinch. There has been no change in the ownership of the mining right up till now.

3. The main product of the spodumene mine and its usage and product selling methods:

The main product of the mine is spodumene, which is mainly used as the raw material of basic lithium salt products (industrial-grade/battery-grade lithium carbonate, industrial-grade/battery-grade lithium chloride and industrial grade/battery-grade lithium hydroxide). The mine completes the sale of its products through directly or indirectly supplying raw material to basic lithium salt products producers.

4. Mineral resources reserves:

According to the report on the lithium mine resources published by Firefinch, the information on the explored mineral resources of Goulamina spodumene mine project is as follows:

Category	Mineral resource <i>(Million Tons)</i>	Lithium-oxide <i>(Tons)</i>	Average grade <i>(%)</i>
Measured resources	8.4	133,000	1.57
Indicated resources	56.2	832,000	1.48
Inferred resources	<u>43.9</u>	<u>606,000</u>	<u>1.38</u>
Total	<u><u>108.5</u></u>	<u><u>1,570,000</u></u>	<u><u>1.45</u></u>

5. The payment of various fees for the mining right involved in the transaction:

TR has paid and settled the fees such as the usage fee of the mining right and resource taxes in accordance with the relevant laws and regulations.

LETTER FROM THE BOARD

6. Procedures to be performed for the transfer of the mining right ownership to be transferred:

The mining right is currently registered under the name of TR, a wholly-owned subsidiary of Firefinch, and TR has commenced the transfer of the mining right to LMSA. The completion of the transfer of the ownership of the mining right is a pre-requisite for the completion of the transaction.

Major terms of the agreement

The Company and GFL International, a wholly-owned subsidiary of the Company, intend to enter into the binding term sheet agreement with Firefinch and its wholly-owned subsidiary (the “**Agreement**”), the major term of which are as follows:

1. GFL International will acquire 50% equity interest in Netherlands SPV Company held by Firefinch at a price of US\$130 million, and Netherlands SPV Company will obtain 100% equity interest in LMSA. The transaction price will be paid in two instalments. The first instalment, being US\$39 million, will be paid by GFL International upon the fulfilment of the condition precedent for the Agreement, and GFL International will obtain 15% equity interest in Netherlands SPV Company. Firefinch will assist GFL International to deal with the delivery of the equity interest; and the remaining balance will be paid within 10 trading days after the board of directors of LMSA considers and decides on the development and construction of Goulamina Spodumene Mine Project (the “**Final Decision**”).
2. GFL International will assist LMSA to obtain debt funds with an amount of not less than US\$64 million from third-party banks or other financial institutions, which will be granted at a reasonable commercial interest rate agreed on by the parties, to assist LMSA to develop and construct Goulamina spodumene mine project; GFL International may also choose to provide not more than US\$40 million of financial assistance directly to LMSA. The main contents of the financial assistance are as follows:
 - (i) Purpose of the financial assistance: to assist LMSA to develop and construct Goulamina spodumene mine project
 - (ii) Amount of the financial assistance: GFL International can provide not more than US\$40 million of financial assistance in total to LMSA based on actual situation

LETTER FROM THE BOARD

- (iii) Source of the funds: self-owned funds
 - (iv) Annual interest rate: not more than SOFR + 6%
 - (v) Term: 5 years from the first provision of financial assistance
 - (vi) Provision of financial assistance to LMSA by other shareholders: other shareholders have not provided LMSA with financial assistance on same conditions in proportion to their respective capital contribution
 - (vii) Repayment guarantee and counter-guarantee measures: LMSA will repay the borrowings out of its operating income, while Netherlands SPV Company, as the guarantor of the financial assistance, will use the equity interest held by it in LMSA and the mining rights held by LMSA to provide the guarantee.
3. Upon the completion of the transaction, the Company will obtain such number of seats in the board of directors of Netherlands SPV Company as representing 50% voting rights in Netherlands SPV Company, and Netherlands SPV Company will control the board of directors of LMSA through mandate voting system.
4. Upon the completion of the investment, the Company will obtain the offtake right of 50% of the annual production capacity of the first phase of the Goulamina project being approximately 455,000 tons of spodumene concentrate. If the Company directly provides financial assistance or assists LMSA to obtain debt funds from third-party banks or other financial institutions, it may obtain the offtake right of the remaining 50% production capacity of the first phase of the project.

LETTER FROM THE BOARD

The pricing basis and principles of the transaction

The total amount of the acquisition of 50% equity interest in Netherlands SPV Company by GFL International is US\$130 million and such transaction price has been determined after arm's length negotiation with the seller based on adequate technical, financial and legal due diligence conducted on Goulamina spodumene mine project by the Company and its professional advisors. The Company has adopted a variety of calculation methods to confirm the consideration of the transaction, with reference to the situation of several comparable listed companies in the mining industry and the valuation analysis of comparable equity interest acquisition transactions in mining exploration projects, and analyzed the project valuation through a financial model. According to the feasibility study report on Goulamina spodumene mine project prepared by Lycopodium in November 2020, the net pre-tax present value of the project is US\$1,234 million, and the internal rate of return is 55.8%. The Company believes that the transaction price is within a reasonable range, taking into account the market condition, the competition tendency and other factors.

Compliance and effective conditions for the transaction

1. The transaction was considered and approved at the 28th meeting of the fifth session of the board of directors held by the Company on June 11, 2021, with 10 affirmative votes, 0 dissenting vote and 0 abstention vote, and the management of the Company was authorized to exercise the full power to handle all matters relating to the transaction. According to the provisions of Guidelines on the Standardized Operation of Companies Listed on the Shenzhen Stock Exchange (《深圳證券交易所上市公司規範運作指引》) and the Articles of Association, the transaction does not constitute a related party transaction, nor does it constitute a major assets restructuring as defined under the Administrative Measures for Major Asset Restructuring of Listed Companies (《上市公司重大資產重組管理辦法》), and is subject to being submitted to the general meeting of the Company for consideration.
2. Netherlands SPV Company is subject to the obtaining of the complete rights as agreed in the Agreement, including the mining license of Goulamina lithium ores.
3. The transaction shall take effect after the approval by the competent authorities of each party, and is subject to the filling or approval of foreign investment by the relevant competent departments of the PRC.

LETTER FROM THE BOARD

Purpose, impact on the company and existing risks of the transaction

1. Purpose of the transaction

The transaction will directly provide the lithium resources required for the development of the Company, which guarantees the stable development of the Company in the long run and is conducive to improving the core competitiveness of the Company.

2. Impact on the Company of the transaction

The transaction will lead to a certain of net outflow for the cash flow of the Company, which will not have a significant impact on the normal working capital of the Company. The transaction will have a positive impact on the financial position and operating results of the Company in the future.

3. Existing risks in the transaction

- (i) The transaction is subject to approval by various competent authorities, and subject to verification and approval by and filing with relevant competent authorities of the PRC, which involves the risk of failing to obtain approval.
- (ii) The changes in policies on mineral products qualification admittance, environmental protection examination and approval, production safety, taxation and other matters will affect the future production and operation and profitability of LMSA.
- (iii) Notwithstanding some professional institution has conducted evaluation on the resource reserve of Goulamina spodumene mine project, there are risks, with respect to the resource quantity data, that the total resources and the reserves may differ from the actual total resources, reserves, and actual exploitable reserves.
- (iv) Due to series of fixed asset investment and technology investment required for mineral mining, as well as the natural conditions in the environment where the Goulamina spodumene mine project is situated, there may be a risk that the expected scale of mining may not be achieved.

LETTER FROM THE BOARD

- (v) Due to the impact of international politics, economic environment and industrial policies, the fluctuation in the price of lithium products will affect the economic benefit from Goulamina spodumene mine project.
- (vi) If the production of the Goulamina spodumene mine project does not progress as expected, there may be a risk that the loan will not be repaid in a timely manner.
- (vii) In accordance with relevant mining laws in Mali, Malian government shall obtain 10% equity interest in domestic mining companies in Mali free of charge and be entitled to further acquire not more than 10% equity interest in such mining companies in the form of cash or otherwise. Therefore, the ultimate shareholding by Netherlands SPV Company in LMSA will depend on the exercise of the acquisition right by Malian government.

The Directors are of the view that the terms of the Agreement are fair and reasonable, and the transaction contemplated thereunder is on normal commercial terms and in the interests of the Company and the Shareholders as a whole after taking into account the factors as stated above. The resolution is subject to the consideration and approval of the EGM by way of an ordinary resolution.

LETTER FROM THE BOARD

II. PROPOSED CAPITAL INCREASE IN ITS CONTROLLED SUBSIDIARY GANFENG LIENERGY

In order to meet the needs of the Company's development, give full play to the capital strength of the controlled subsidiary, and realize the goal of making the company bigger and stronger, it's agreed that the Company increases its capital to its controlled subsidiary Ganfeng LiEnergy with its own funds of RMB2 billion, of which RMB800 million shall be recognized in the registered capital.

Before the completion of the capital increase, the Company hold 54.62% equity interest in Ganfeng LiEnergy. Upon the completion of the capital increase, the Company will hold 60.87% equity interest in Ganfeng LiEnergy (the final shareholding of Industrial and Commercial Registration shall prevail).

The capital injection is to expand the capital strength of the controlled subsidiary and ensure the capital demand of project investment of the controlled subsidiary. The capital injection will not change the equity control by the Company in controlled subsidiary and shall have positive effect to future financial conditions and operation results of the Company.

The resolution is subject to the consideration and approval of the EGM by way of an ordinary resolution.

LETTER FROM THE BOARD

III. PROPOSED INVESTMENT IN WEALTH MANAGEMENT PRODUCTS WITH SELF-OWNED FUNDS

The Board has considered and approved The Resolution in Relation to Investment in Wealth Management Products with Self-owned Funds (《關於使用自有資金投資理財產品的議案》) at the 31th meeting of the fifth session of the Board on July 30, 2021, pursuant to which the Company and its subsidiaries covered within the scope of the consolidated statements of the Company were approved to invest in wealth management products with high security, strong liquidity and low risk level with self-owned funds of not more than RMB2 billion in order to improve the utilisation efficiency of self-owned funds provided that the normal operation, production and construction of the Company would not be affected. Such funds can be utilised on a rolling basis during the validity period of the resolution.

According to relevant provisions of the Articles of Association, the matter is still subject to consideration at the general meeting of the Company. Particulars are set out as follows:

A. Overview of the investment

1. *Purpose of the investment*

To improve the utilisation efficiency of self-owned funds of the Company and increase the Company's gain on investment provided that the normal operation, production and construction of the Company would not be affected.

2. *Investment amount*

The amount of funds to be used shall not exceed RMB2 billion. Within such limit, the funds can be used on a rolling basis, and the balance of self-owned funds to be invested shall not exceed RMB2 billion at any time. The actual amount to be used for purchase of wealth management products shall be subject to adjustments based on the actual status of the Company's self-owned funds.

3. *Investment categories*

The categories to be invested in shall be wealth management products with high security, strong liquidity and low risk level, including but not limited to financial products issued by financial institutions such as bank financial products, bond pledge repurchase, national debt, financial bonds, high-quality corporate bonds and income certificates of securities companies, excluding stock and its derivatives investment.

LETTER FROM THE BOARD

4. *Investment term*

The investment shall be effective for twelve months commencing from the date of approval at the EGM.

5. *Sources of funds*

The investment shall be financed by the self-owned funds of the Company.

6. *Implementation method*

The chairman of the Board or his authorized person shall be authorised, within the amount limit, to exercise the decision-making rights and execute relevant contractual documents in relation to the investment, including but not limited to selecting suitable issuers of wealth management products, specifying the wealth management amount and duration time, choosing the categories of wealth management products, executing contracts and agreements, etc.

B. *Impact on the daily operation of the Company*

1. The purchase of short-term wealth management products by the Company with self-owned funds are made on the premise that the necessary funds for the production and operation of the Company are guaranteed and the self-owned funds are secured. Therefore, neither the turnover of daily working capital nor the normal development of the principal business of the Company will be affected.
2. Appropriate investment in short-term wealth management products enables the Company to reap certain investment benefits and further enhance its overall performance, thereby generating greater returns on investment for the Shareholders of the Company.

The resolution is subject to the consideration and approval of the EGM by way of an ordinary resolution.

LETTER FROM THE BOARD

IV. PROPOSED CAPITAL INCREASE IN ITS WHOLLY-OWNED SUBSIDIARY GFL INTERNATIONAL

In order to meet the needs of the Company's development, give full play to GFL International's advantages and realize the goal of making the company bigger and stronger, it's agreed that the Company increases its capital to its wholly-owned subsidiary GFL International with its own funds of US \$800 million.

Upon the completion of the capital injection, the registered capital of GFL International will increase from US \$880,693,200 and RMB50 million to US \$1,680,693,200 and RMB50 million, 100% equity interest of which the Company holds.

The capital injection is to expand the scale of GFL International and to confirm the capital needs for foreign investment of GFL International. The capital injection will not change the equity proportion held by the Company in GFL International and shall have positive effect to future financial conditions and operation results of the Company.

The resolution is subject to the consideration and approval of the EGM by way of an ordinary resolution.

V. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated July 30, 2021 in relation to the proposed amendments to the Articles of Association.

As a result of the conversion of "Ganfeng Convertible Bonds 2" into 33,505,754 A Shares and the issuance of 48,044,400 H Shares by the Company on June 21, 2021, the total issued share capital of the Company was increased from 1,355,928,726 Shares to 1,437,478,880 Shares, and its registered capital was increased from RMB1,355,928,726 to RMB1,437,478,880.

In light of the changes in the business scope, the issued share capital and the registered capital of the Company, the resolution in relation to the proposed amendments to the Articles of Association was considered and approved at the 31th meeting of the fifth session of the Board.

The details of the amendments are set out in Appendix I of this circular. The Articles of Association and its amendments were written in Chinese, without formal English version. As such, any English translation shall be for reference only. In case of any discrepancies, the Chinese version shall prevail.

The resolution in relation to the proposed amendments to the Articles of Association is subject to the approval by way of a special resolution at the EGM.

LETTER FROM THE BOARD

VI. EGM

The notice of the EGM is set out on pages 21 to 23 of this circular.

The proposed resolutions regarding (i) proposed Acquisition of 50% Equity Interest in Netherlands SPV Company by GFL International which Involves Mining Rights Investment and the Provision of Financial Assistance for LMSA, a Wholly-owned Subsidiary of Netherlands SPV Company; (ii) proposed capital increase in its controlled subsidiary Ganfeng LiEnergy; (iii) proposed investment in wealth management products with self-owned funds; and (iv) proposed capital increase in its wholly-owned subsidiary GFL International are subject to the approval by way of ordinary resolution of Shareholders at the EGM pursuant to the Articles of Association.

The proposed resolutions regarding (v) proposed amendments to the Articles of Association is subject to the approval by way of special resolution of Shareholders at the EGM pursuant to the Articles of Association, which must be passed by two-thirds or more than two-thirds of the total number of shares with valid voting rights held by Shareholders attending the meeting.

Pursuant to the Listing Rules and the Articles of Association, any vote of the Shareholders at a general meeting shall be taken by poll except where the chairman of such meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be made by the Company after the EGM in the manner prescribed under the Listing Rules.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders will be required to abstain from voting on the resolution set out in this circular.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby he/she has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his/her Shares to a third party, either generally or on a case-by-case basis. Accordingly, to the best knowledge, information and belief of the Directors, there exists no discrepancy between any Shareholder's beneficial shareholding interest in the Company and the number of Shares in respect of which such Shareholder will control or will be entitled to exercise control over the voting right at the EGM.

LETTER FROM THE BOARD

Whether or not you are able to attend the EGM in person, you are requested to complete the proxy forms in accordance with the instructions printed thereon and return the same to the share registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the proxy forms shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so desire.

VII. RECOMMENDATION

The Board considers that the proposed resolution set out above is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that Shareholders eligible to vote at the EGM to attend and vote in favour of the resolution.

VIII. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully
For and on behalf of the Board
GANFENG LITHIUM CO., LTD.
LI Liangbin
Chairman

July 30, 2021

AMENDMENTS TO THE ARTICLES OF ASSOCIATION COMPARISON TABLE

No	Original version	Revised version
1	Article 11	Article 11
	<p>.....</p> <p>The Company's business scope: operation of hazardous chemicals; import and export of goods; manufacturing of basic chemical raw materials (excluding manufacturing of licensed chemical such as hazardous chemicals); sales of chemical products (excluding licensed chemical products); smelting of common non-ferrous metals; manufacturing of non-ferrous metals alloy; sales of non-ferrous metals alloy; manufacturing of batteries; research and development of resource recycling technology; promotion service of new material technology; engineering and technology research and experimental development; engagement in investment activities with self-owned funds.</p> <p>.....</p>	<p>.....</p> <p>The Company's business scope: production of hazardous chemicals; operation of hazardous chemicals; import and export of goods; manufacturing of basic chemical raw materials (excluding manufacturing of licensed chemical such as hazardous chemicals); sales of chemical products (excluding licensed chemical products); smelting of common non-ferrous metals; manufacturing of non-ferrous metals alloy; sales of non-ferrous metals alloy; manufacturing of batteries; research and development of resource recycling technology; promotion service of new material technology; engineering and technology research and experimental development; engagement in investment activities with self-owned funds.</p> <p>.....</p>
2	Article 18	Article 18
	<p>.....</p> <p>Subject to the approval of the examination and approval authority authorized by the State Council, the total number of ordinary shares that Company may issue shall be 1,355,928,726 shares. The shareholding structure of the Company is as follows: 1,355,928,726 ordinary shares, including 1,115,705,926 domestic listed domestic shares (A-shares), accounting for 82.28% of the total number of shares of the Company; 240,222,800 overseas listed foreign shares (H-shares), accounting for 17.72% of the total number of shares of the Company</p>	<p>.....</p> <p>Subject to the approval of the examination and approval authority authorized by the State Council, the total number of ordinary shares that Company may issue shall be 1,437,478,880 shares. The shareholding structure of the Company is as follows: 1,437,478,880 ordinary shares, including 1,149,211,680 domestic listed domestic shares (A-shares), accounting for 79.95% of the total number of shares of the Company; 288,267,200 overseas listed foreign shares (H-shares), accounting for 20.05% of the total number of shares of the Company.</p>

APPENDIX I AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No	Original version	Revised version
3	Article 22	Article 22
	The registered capital of the Company shall be RMB1,355,928,726.	The registered capital of the Company shall be RMB1,437,478,880.

NOTICE OF THE EGM



Ganfeng Lithium Co., Ltd. 江西赣锋锂业股份有限公司

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

(Stock Code: 1772)

NOTICE OF THE EGM

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of Ganfeng Lithium Co., Ltd. (the “**Company**”) will be held at the conference room of the Company at 4th Floor, R&D Building at the Company’s Headquarter, Longteng Road, Economic Development Zone, Xinyu, Jiangxi Province, the People’s Republic of China on Tuesday, August 31, 2021 at 2:00 p.m for the following purposes. Unless otherwise stated, the terms used herein and in the following resolution shall have the same meanings as defined in the circular of the Company dated July 30, 2021 (the “**Circular**”), for which the notice convening the EGM shall constitute a part. The following resolution shall be considered and approved, if thought fit, at the EGM:

ORDINARY RESOLUTIONS

1. To consider and approve the proposed Acquisition of 50% Equity Interest in Netherlands SPV Company by GFL International which Involves Mining Rights Investment and the Provision of Financial Assistance for LMSA, a Wholly-owned Subsidiary of Netherlands SPV Company;
2. To consider and approve the proposed capital increase in its controlled subsidiary Ganfeng LiEnergy;
3. To consider and approve the proposed investment in wealth management products with self-owned funds; and
4. To consider and approve the proposed capital increase in its wholly-owned subsidiary GFL International.

NOTICE OF THE EGM

SPECIAL RESOLUTION

1. To consider and approve the proposed amendments to the Articles of Association.

By order of the Board
GANFENG LITHIUM CO., LTD.
LI Liangbin
Chairman

July 30, 2021

As at the date of this notice, the Board of the Company comprises Mr. LI Liangbin, Mr. WANG Xiaoshen Ms. DENG Zhaonan and Mr. SHEN Haibo as executive directors of the Company; Ms. YANG Juan and Mr. YU Jianguo as non-executive directors of the Company; and Mr. LIU Jun, Ms. WONG Sze Wing, Mr. XU Guanghua and Ms. XU Yixin as independent non-executive directors of the Company.

Notes:

- (A) In order to determine the list of shareholders of the Company who will be entitled to attend and vote at the EGM, the registers of members of the Company will be closed from Thursday, August 26, 2021 to Tuesday, August 31, 2021, both days inclusive, during which no transfer of H shares in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollar and listed on the Hong Kong Stock Exchange (the “**H Shares**”), will be effected. Holders of H Shares whose names appear on the registers of members of the Company at 4:30 p.m. on Wednesday, August 25, 2021 shall be entitled to attend and vote at the EGM. In order for the holders of H Shares to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, August 25, 2021 for registration.
- (B) Holders of H Shares intending to attend the EGM (or any adjournment thereof) should complete and return the reply slip for attending the EGM (or any adjournment thereof) personally, by facsimile or by post.

Holders of H Shares should complete and return the reply slip to the Company’s H Share Registrar by facsimile at (852) 2865 0990 or by post to (or by depositing it at) 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong such that the reply slip shall be received by the Company’s H Share Registrar 10 days before the EGM (i.e. on or before Saturday, August 21, 2021).
- (C) Each holder of H Shares may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM (or any adjournment thereof) on his behalf. A proxy need not be a shareholder of the Company.

NOTICE OF THE EGM

- (D) Holders of H Shares must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant shareholder of the Company or by a person duly authorized by the relevant shareholder of the Company in writing (a “**power of attorney**”). If the form of proxy is signed by the person authorized by the relevant shareholder of the Company as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate shareholder of the Company appoints a person other than its legal representative to attend the EGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate shareholder of the Company or duly signed by the chairman of the board of directors or any other person duly authorized by that corporate shareholder of the Company as required by the articles of association of the Company.
- (E) To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note (D) above must be delivered to the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong), not less than 24 hours before the time appointed for the EGM (i.e. not later than 2:00 p.m on Monday, August 30, 2021, Hong Kong time) (or any adjournment thereof).
- (F) Shareholders may contact the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited by telephone at (852) 2862 8555 or by email to hkinfo@computershare.com.hk in connection with the EGM.
- (G) A shareholder of the Company or his proxy should produce proof of identity when attending the EGM (or any adjournment thereof). If a corporate shareholder’s legal representative or any other person duly authorised by such corporate shareholder attends the EGM (or any adjournment thereof), such legal representative or other person shall produce his proof of identity, proof of designation as legal representative and/or the valid authorization document (as the case may be).
- (H) The EGM (or any adjournment thereof) is expected to last for one day. Shareholders who attend the EGM (or any adjournment thereof) shall bear their own travelling and accommodation expenses.
- (I) As at the date of this notice, the Board of the Company comprises Mr. LI Liangbin, Mr. WANG Xiaoshen, Ms. DENG Zhaonan and Mr. SHEN Haibo as executive directors of the Company; Ms. YANG Juan and Mr. YU Jianguo as non-executive directors of the Company; and Mr. LIU Jun, Ms. WONG Sze Wing, Mr. XU Guanghua and Ms. XU Yixin as independent non-executive directors of the Company.