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中國大冶有色金屬礦業有限公司

China Daye Non-Ferrous Metals Mining Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00661)

**SUPPLEMENTARY ANNOUNCEMENT IN RELATION TO
CONTINUING CONNECTED TRANSACTIONS
HUANGSHI STATE-OWNED ASSETS MANAGEMENT SALES
FRAMEWORK AGREEMENT AND HUANGSHI STATE-OWNED ASSETS
MANAGEMENT PURCHASE FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated 26 February 2024 (the “**Announcement**”) in relation to, continuing connected transactions of the Huangshi State-owned Assets Management Sales Framework Agreement and Huangshi State-owned Assets Management Purchase Framework Agreement. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Board would like to provide a supplement to the analysis of the annual caps.

In 2023, the smelting furnace of the Company had 8 months of maintenance, which was completed in November 2023. Yangxin Hongsheng has reached its production standard. Therefore, the raw material supply demand and product sales volume of the smelting plant and Yangxin Hongsheng will increase in 2024 and 2025. The production plan of the Group for the years ending 31 December 2024 and 31 December 2025 is set out as follows: The planned production for 2024 is 870,000 tons of copper cathodes, of which 470,000 tons will be produced by the smelting furnace, 400,000 tons by Yangxin Hongsheng, 10.4 tons of gold and 897 tons of silver. The planned production for 2025 is 930,000 tons of copper cathodes, of which 480,000 tons will be produced by the smelting furnace, 450,000 tons by Yangxin Hongsheng, 10 tons of gold and 885 tons of silver.

Due to the rapid development of imported raw materials in China, the rapid expansion of the demand for copper and the rapid release of smelting capacity, imported minerals are facing a serious imbalance between supply and demand. In 2024, the global copper concentrate market has turned from the last forecasted surplus of 260,000 metal tons to a shortage. Therefore, the Group needs to increase domestic customers and the procurement volume of domestic raw materials. The cooperation with Huangshi State-owned Assets Management Group is conducive to expanding procurement and sales channels and ensuring the supply of raw materials. By purchasing imported minerals from domestic companies, the procurement cycle can be reduced, procurement efficiency can be improved, and settlement in RMB can be used to avoid exchange rate risks. On the other hand, increasing the sales of copper cathodes to Huangshi State-owned Assets Management Group can broaden the sales channels of the Group. At the same time, local sales can shorten the sales cycle, reduce sales costs, and improve the efficiency of sales fund collection of the Group.

Analysis of determining the annual caps for the Huangshi State-owned Assets Management Sales Framework Agreement

In 2024, based on the current intention of the Company and Huangshi State-owned Assets Management and the expected trading volume of 5,000 tonnes (metal volume) of copper cathodes per month from January to December, it is estimated that the trading volume of copper cathodes will be 60,000 tonnes in aggregate, with a trading amount of approximately RMB4.02 billion.

In 2025, assuming that the sales volume will increase by 10% as compared to that in 2024, that is 5,500 tonnes (metal volume) of copper cathodes per month from January to December, it is estimated that trading volume of copper cathodes will be 66,000 tonnes in aggregate, with a trading amount of approximately RMB4.85 billion.

Analysis of determining the annual caps for the Huangshi State-owned Assets Management Purchase Framework Agreement

In 2024, based on the current intention of the Company and Huangshi State-owned Assets Management, the procurement by the Group from Huangshi State-owned Assets Management Group will be focused on four categories, including anode plates, blister copper, domestic copper concentrate and import copper concentrate.

As for anode plates and blister copper, assuming that the procurement volume of each of them is 1,000 tonnes per month from January to December 2024, totaling 24,000 tonnes (copper volume) for a year, the purchase amount is estimated to be approximately RMB1.66 billion. In 2025, assuming that the procurement volume will increase by 10% as compared to that in 2024, which is 26,400 tonnes (copper volume) in total, the purchase amount is estimated to be approximately RMB2 billion.

As for domestic copper concentrate, the procurement volume of orders placed involving domestic procurement is 8,000 tonnes (metal volume), with an estimated purchase amount of approximately RMB600 million from 26 February 2024 to 4 March 2024. For the full year of 2024, assuming that domestic copper concentrate is shipped in one cargo vessel per month, it will be 19,800 tonnes (copper volume) in total, with the purchase amount of approximately RMB1.49 billion for the whole year, which includes the transaction amount of the orders placed. In 2025, assuming that the procurement volume will increase by 10% as compared to that in 2024 to 21,780 tonnes (copper volume), the purchase amount will be approximately RMB1.76 billion.

As for import copper concentrate, assuming that it is shipped in one or two cargo vessels per month from May to December 2024, totaling 2,500 to 5,000 tonnes (copper volume) per month, it is estimated that there will be 15 ships totaling 37,500 tonnes (copper volume) and an estimated 150,000 tonnes of copper concentrate, with the purchase amount of approximately RMB2.43 billion, including tax. In 2025, the volume may increase to 17 ships totaling 42,500 tonnes (copper volume), with the purchase amount of approximately RMB3.26 billion, including tax.

By order of the Board
China Daye Non-Ferrous Metals Mining Limited
Xiao Shuxin
Chairman

Hong Kong, 7 March 2024

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Xiao Shuxin, Mr. Zhang Guangming, Mr. Chen Zhimiao and Mr. Zhang Jinzhong; and three independent non-executive directors, namely Ms. Liu Fang, Mr. Wang Qihong and Mr. Liu Jishun.