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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)

OVERSEAS REGULATORY ANNOUNCEMENT

(1) UPDATE ON THE DEPOSIT SERVICES ARRANGEMENT WITH CHINA NATIONAL GOLD GROUP FINANCE CO., LTD.

(2) UPDATE ON CONTINUING CONNECTED TRANSACTIONS AND MAJOR TRANSACTION

Reference is made to: (i) the announcement of China Gold International Resources Corp. Ltd. (the "**Company**"), together with its subsidiaries (the "**Group**"), dated December 29, 2023 in relation to, among other things, the legal proceedings (the "**Legal Proceedings**") between Tibet Huatailong Mining Development Co. Ltd. ("**Huatailong**"), a subsidiary of the Company, and one of its suppliers (the "**Supplier**"); and (ii) the Company's announcement dated May 8, 2024 in relation to, among other things, the 2024 Financial Services Agreement between China National Gold Group Finance Co., Ltd. ("**China Gold Finance**") and the Company (collectively, the "**Announcements**").

Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

UPDATE ON THE LEGAL PROCEEDINGS AND FROZEN DEPOSITS

The Company wishes to update its shareholders and other investors of the latest developments regarding the Legal Proceedings. Following Huatailong's appeal in December 2023 against the Tibet Intermediate Court's first instance adjudication for Huatailong to pay the Supplier RMB178 million in losses (the "**First Instance Adjudication**"), on April 10, 2024, the Tibet High Court revoked the First Instance Adjudication and ordered for a retrial of the case by the Tibet Intermediate Court. As at the date of this announcement, the Legal Proceedings are still ongoing

and the outcome remains uncertain. Pending conclusion of the Legal Proceedings, the Tibet Intermediate Court has granted the Supplier's application to extend the Court Order to preserve the Frozen Deposits for another year from May 22, 2024 (the "**Court Extension**"). As advised by the PRC legal advisers to the Company, Huatailong is permitted to derive interest income from the Frozen Deposits during the validity period of the Court Extension.

UPDATE ON THE 2024 FINANCIAL SERVICES AGREEMENT

Due to the Court Extension and change of circumstances as a result of the Court Extension, on June 6, 2024, the Company and China Gold Finance entered into an agreement to vary the terms of the 2024 Financial Services Agreement (the "**Supplemental Agreement**"). Pursuant to the Supplemental Agreement, the parties agreed to: (i) waive the condition for the withdrawal of the Frozen Deposits under the 2024 Financial Services Agreement; and (ii) to require all deposits to be made pursuant to the terms of the 2024 Financial Services Agreement to be placed in an account which is segregated from the account that keeps the Frozen Deposits. Accordingly, the 2024 Financial Services Agreement shall take effect upon the fulfilment of the compliance with the requirement of Independent Shareholders' approval under MI 61-101 and the Hong Kong Listing Rules. Save as aforesaid, all other terms and conditions of the 2024 Financial Services Agreement shall remain unchanged and shall continue to be in full force and effect.

For the avoidance of doubt, the 2024-2026 Deposit Caps shall exclude the Frozen Deposits (including any interest derived therefrom). Such deposits would not constitute a "transaction" for the purposes of Chapters 14 and 14A of the Hong Kong Listing Rules. The Company will continue to derive interest income from the Frozen Deposits to the extent permitted under PRC law during the validity period of the Court Extension and will withdraw the Frozen Deposits in full upon expiry or cessation of the Court Order (including the Court Extension and any further extension thereof). The Company will provide an update as and when there is any material development concerning the Frozen Deposits and/or the Legal Proceedings.

INTERNAL CONTROL MEASURES

The Company has adopted the following internal control measures in relation to the 2024 Financial Services Agreement (as supplemented and amended by the Supplemental Agreement) and the transactions contemplated thereunder, and in particular, to ensure the segregation of funds between the Frozen Deposits and other deposits to be placed under the 2024 Financial Services Agreement:

- (i) the Group will open (where necessary) and maintain separate bank accounts with China Gold Finance and will implement strict authorization controls over such bank accounts to prevent unauthorized access to or misuse of funds;

- (ii) bank account statements will be provided to the Directors (including the INEDs) on a monthly basis to show that the Frozen Deposits are kept in an account separate from the deposits pursuant to the 2024 Financial Services Agreement;
- (iii) the Group will obtain quotations from the PBC and the Major PRC Commercial Banks for the relevant financial services before it conducts business with China Gold Finance. These quotations together with the quotation of China Gold Finance will be submitted to the financial controller of the Company for review and to decide whether or not to accept the financial services of China Gold Finance;
- (iv) the Company has established a continuing connected transaction working group, which comprises members from divisions of accounting and regulatory compliance, led by CFO to review and obtain approval from INEDs in respect of all the continuing connected transactions and monitor on a monthly and quarterly basis the reconciliation to the daily balances for the Deposit Service. The working group will also monitor the daily balance for the Deposit Service to ensure that such amount is within the deposit cap approved by the Independent Shareholders and monitor the Group's bank accounts with China Gold Finance to ensure that deposits placed under the 2024 Financial Services Agreement are clearly segregated from the Frozen Deposits. Each deposit will be reviewed by the responsible person to make sure it does not exceed the deposit cap approved by the Independent Shareholders and is placed under the correct bank account before the deposit is made. China Gold Finance is also asked to provide the daily balance under the deposit account to the Company for tracking;
- (v) arranging regular trainings for our employees, including those responsible for finance and internal audit functions, to strengthen their knowledge of the Hong Kong Listing Rules and improve their awareness of the importance of segregation of funds and compliance with the relevant Hong Kong Listing Rules;
- (vi) enhancing more robust supervision over the transaction amounts incurred under the continuing connected transactions of the Group. For example, when the daily deposit balance reaches 95% or more of the 2024-2026 Deposit Caps at any time, the matter shall promptly be reported to the CFO, who will instruct the continuing connected transaction working group of the Company to make a withdrawal and/or refrain from placing further deposits with China Gold Finance for a period of time;
- (vii) the Group's internal audit function will monitor the effectiveness and adequacy of the relevant internal control system (including whether the segregation of funds is being maintained effectively), and make recommendations and reports to the audit committee of the Company on a regular basis; and
- (viii) the transactions contemplated under the 2024 Financial Services Agreement will be subject to the annual review requirements pursuant to Rules 14A.55 to 14A.59 of the Hong Kong Listing Rules, and, until the Frozen Deposits are withdrawn in full, the

Directors (including the INEDs) shall confirm in each interim and annual report of the Company that the Frozen Deposits are clearly segregated from the deposits placed under the 2024 Financial Services Agreement.

Save for the updates disclosed above, the information in the Announcements remain unchanged. The Company will make further announcement(s) if there is any material development in respect of the abovementioned matters or otherwise in accordance with the requirements under the Hong Kong Listing Rules and other applicable laws as and when appropriate.

By order of the Board
China Gold International Resources Corp. Ltd.
Mr. Junhu Tong
Chairman and Chief Executive Office

Hong Kong, June 7, 2024

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Junhu Tong, Mr. Yuanhui Fu, Mr. Weibin Zhang, Ms. Na Tian as Executive Directors, Mr. Wanming Wang as Non-Executive Director, and Mr. Y.B. Ian He, Mr. Wei Shao, Ms. Ruixia (Rane) Han and Mr. Bielin Shi as Independent Non-Executive Directors.