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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 China Daye Non-Ferrous Metals Mining Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the 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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**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: 661)**

**(1) CONTINUING CONNECTED TRANSACTION – CCIA SERVICES  
FRAMEWORK AGREEMENT  
AND  
(2) NOTICE OF SPECIAL GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee and  
the Independent Shareholders**

**AMASSE CAPITAL**  
**寶 積 資 本**

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A letter from the Board is set out on pages 4 to 11 of this circular. A letter from the Independent Board Committee is set out on page 12 of this circular. A letter from the Independent Financial Adviser is set out on pages 14 to 22 of this circular. A notice convening the SGM to be held at Function Room 4 & 6, 3/F, The Mira Hong Kong, Mira Place, 118-130 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on Tuesday, 30 July 2024 at 10:00 a.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use at the SGM is enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hk661.com](http://www.hk661.com)).

Whether or not you are able to attend the SGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the SGM or any adjournment thereof if they so wish and in such event, the proxy form shall be deemed to be revoked.

15 July 2024

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## DEFINITIONS

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*In this circular, unless otherwise defined or the context otherwise requires, the following terms or expressions shall have the following meanings:*

“Announcement”	the announcement of the Company dated 30 May 2024 in relation to, among others, the entering into of the CCIA Services Framework Agreement and the Proposed Annual Caps
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CCIA”	China Color International Alumina Development Co., Ltd.* (中色國際氧化鋁開發有限公司), a limited liability company incorporated in the PRC
“CCIA Services Framework Agreement”	the services framework agreement dated 30 May 2024 entered into between the Company and CCIA
“China Times”	China Times Development Limited, a company incorporated in the British Virgin Islands with limited liability and the immediate controlling Shareholder
“CNMC”	China Nonferrous Metal Mining (Group) Co., Ltd* (中國有色礦業集團有限公司), a limited liability company incorporated in the PRC and a controlling Shareholder
“CNMC Group”	CNMC and its subsidiaries
“Company”	China Daye Non-Ferrous Metals Mining Limited (Stock Code: 661), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Current Bye-Laws”	the bye-laws of the Company currently in force
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

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## DEFINITIONS

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“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising Ms. Liu Fang, Mr. Wang Qihong, Mr. Liu Jishun, being all the independent non-executive Directors, which is formed to advise the Independent Shareholders on the transactions contemplated under the CCIA Services Framework Agreement and the adoption of the Proposed Annual Caps
“Independent Financial Adviser”	Amasse Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the transactions contemplated under the CCIA Services Framework Agreement and the adoption of the Proposed Annual Caps
“Independent Shareholder(s)”	Shareholder(s) other than China Times, the Parent Company, CNMC and their respective associates
“independent third party”	a person or entity who is not a connected person of the Company
“Latest Practicable Date”	9 July 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Market Price”	means such price(s) that: (i) the contracting party (as the supplier of services) provides such services to independent third parties for the same or similar services; (ii) any independent third parties provide such services to other independent third parties for the same or similar services; or (iii) as determined by industry standards or practice for the same or similar services

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## DEFINITIONS

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“Parent Company”	Daye Nonferrous Metals Group Holdings Company Limited* (大冶有色金屬集團控股有限公司), a limited liability company incorporated in the PRC and a controlling Shareholder
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Annual Caps”	the proposed annual caps for each of the two years ending 31 December 2025 of the CCIA Services Framework Agreement as set out in the Announcement
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“SGM” or “Special General Meeting”	a special general meeting of the Company to be held to consider and if thought fit, approve the CCIA Services Framework Agreement and the adoption of Proposed Annual Caps
“Share(s)”	share(s) of the Company
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

\* *For identification purpose only*

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LETTER FROM THE BOARD

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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: 661)**

*Executive Directors:*

Mr. Xiao Shuxin (*Chairman*)

Mr. Zhang Jinzhong (*Chief Executive Officer*)

Ms. Zhang Aijun

Mr. Chen Xuewen

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Independent Non-Executive Directors:*

Ms. Liu Fang

Mr. Wang Qihong

Mr. Liu Jishun

*Head Office and Principal Place  
of Business:*

Room 1, 11/F

China United Plaza

1008 Tai Nan West Street

Kowloon

Hong Kong

15 July 2024

*To the Shareholders*

Dear Sir or Madam,

**(1) CONTINUING CONNECTED TRANSACTION – CCIA SERVICES  
FRAMEWORK AGREEMENT**

**AND**

**(2) NOTICE OF SPECIAL GENERAL MEETING**

**I. INTRODUCTION**

Reference is made to the Announcement in relation to, among others, the entering into of the CCIA Services Framework Agreement and the Proposed Annual Caps. The purpose of this circular is to provide Shareholders with the notice of SGM and further information in relation to the resolution to be proposed at the SGM regarding the CCIA Services Framework Agreement and the Proposed Annual Caps.

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## LETTER FROM THE BOARD

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### II. CCIA SERVICES FRAMEWORK AGREEMENT

The principal terms of the CCIA Services Framework Agreement are as follows:

Date:	30 May 2024
Parties:	(1) the Company (2) CCIA
Nature of transactions:	The Group will supply certain services to CCIA, including commissioning guidance services, pre-job training services, operation and maintenance services and such other services as agreed by the parties from time to time.
Term:	29 May 2024 to 31 December 2025.
Time and method of payment:	Based on market practice.
Pricing mechanism:	Based on the Market Price or a price determined by the internal documents of the Group developed with reference to the Market Price.

If the prices and charges are determined based on or with reference to prices, exchange rates or tax rates stated in specific government documents, internal documents of the Group, exchanges or industry-related websites, the effective aforementioned documents, prices and rates at the time of the entry into of specific transaction agreements by the parties shall prevail.

As of the Latest Practicable Date, prices for the supply of the relevant services will be determined by the parties on the following basis:

Commissioning guidance services, pre-job training services, operation and maintenance services	With reference to the actual workload and service quality demand of the project owner, the technical service fee standards of other overseas-funded enterprises in the CNMC Group, as well as the actual expenditure cost of the project, and is negotiated and priced by the parties based on the technical level of the participating technical service personnel (which ranges from approximately RMB429,000 to RMB877,000 per person per annum).
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## LETTER FROM THE BOARD

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### Proposed Annual Caps

The Group has not previously engaged in any transaction of provision of services to CCIA prior to the entering into of the CCIA Services Framework Agreement.

The table below sets out the Proposed Annual Caps for the CCIA Services Framework Agreement:

<b>Year ending 31 December 2024 Proposed annual cap (RMB'000)</b>	<b>Year ending 31 December 2025 Proposed annual cap (RMB'000)</b>
<u>56,000</u>	<u>96,000</u>

The above Proposed Annual Caps have been determined with reference to: (i) the historical service fees received by the Group from other purchasers for similar services provided; (ii) the expected volume of services to be provided to CCIA; and (iii) the expected amount of service fees from the provision of commissioning guidance services, pre-job training services, and operation and maintenance services to be received by the Group in the two years ending 2025.

The expected amount of service fees of commissioning guidance services, pre-job training services, and operation and maintenance services are estimated based on the respective projected annual workload, with reference to the pricing basis and the number of technical service personnel dispatched to the project site to provide services and their working time. The projected annual workload is affected by the service quality demand, which determines the number of technical service personnel required for provision of services. The Group expects to provide approximately 190 personnel of different technical levels, including technical responsible officer, chief engineer, deputy chief engineer, chief technician, deputy chief technician, specialist technician, to CCIA for each of the two years ending 31 December 2025 under the CCIA Services Framework Agreement. The fees for the participating technical service personnel ranges from RMB35,700 to RMB73,100 per person per month (approximately RMB429,000 to RMB877,000 per person per annum), depending on the technical level of the technical service personnel.

As the Group expects to provide services to CCIA for approximately six months in 2024 and for 12 months in 2025, the proposed annual cap for the year ending 31 December 2025 is higher than that for the year ending 31 December 2024.

### Reasons for and Benefits of the Transaction

The Directors consider that the entering into of the CCIA Services Framework Agreement will facilitate the Group to fully utilize the capability of its technical know-how and technical team, increase the revenue of the Group and diversify the revenue base of the Group.



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## LETTER FROM THE BOARD

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The Directors (including the independent non-executive Directors) are of the view that the CCIA Services Framework Agreement has been entered into on normal commercial terms, in the ordinary and usual course of business of the Group, and together with the Proposed Annual Caps, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors has any material interest in, or is required to abstain from voting on the resolution passed by the Board to approve the CCIA Services Framework Agreement and the transactions contemplated thereunder.

### **Internal Control Measures**

The Company has established the connected transactions management committee, which is the discussion and decision-making body for the connected transactions management, and is led by the Board which directly and comprehensively manages the relevant matters of the connected transactions.

The Company has implemented stringent measures to monitor the pricing standards for the continuing connected transactions of the Group. The department heads of the relevant business departments are responsible for the initial price determination of the proposed connected transactions of the Group. Such initial price determination will be reported to and approved by the finance department of the Company. Then, these prices will be reported to the legal department of the Company, which is responsible for collating from the various business departments such information regarding the proposed connected transactions of the Group, and ensuring that the terms of any such proposed connected transactions are in compliance with applicable laws, rules and regulations. After all these review processes, the legal representative or authorized representative of the Company will execute such connected transactions on behalf of the Company. The capital operation department, finance department and legal department of the Company are responsible for monitoring each of the connected transactions of the Group to ensure that they are conducted in accordance with its terms, including the relevant pricing mechanism and the periodic reporting of the relevant transaction amounts.

The enterprise development department and the finance department of the Company will monitor the continuing connected transactions and summarize the transaction amounts incurred under each of the connected transaction framework agreements regularly on a monthly basis, and reports will be submitted to the Board for its monthly review. In the event that the actual transaction amount reaches 80% of the relevant annual cap, a re-assessment will be conducted. If it is determined after such re-assessment that the annual cap may be exceeded, the enterprise development department of the Company would initiate the procedures for a board meeting and/or shareholders' meeting (as and when required) to increase the annual cap as soon as practicable.

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## LETTER FROM THE BOARD

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Further, the CCIA Services Framework Agreement is subject to the reporting requirements and the annual review by the independent non-executive Directors and the auditors of the Company to ensure that the transactions are conducted in accordance with the terms as set out in the CCIA Services Framework Agreement.

The Board is of the view that the above internal control measures can ensure that the continuing connected transactions of the Group under the CCIA Services Framework Agreement are conducted on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### Information on the Parties

#### The Group

The Group is principally engaged in the exploitation of mineral resources, the mining and processing of mineral ores and the trading of metal products.

#### CCIA

CCIA is a limited liability company incorporated in the PRC and principally engaged in development of non-ferrous metal resources, concurrently engaged in engineering contracting, technical services and trading. CCIA is owned by China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd.\* (中國有色金屬建設股份有限公司) as to 55%, which is in turn owned by CNMC as to 33.34%. CNMC is a PRC state-owned enterprise directly administered by the State-owned Assets Supervision and Administration Commission of the State Council.

As of the Latest Practicable Date, Yunnan Wenshan Aluminum Co., Ltd. (雲南文山鋁業有限公司), Aluminum Corporation of China Limited (中國鋁業股份有限公司), East Hope Group Co., Ltd. (東方希望集團有限公司) and Oceanwide Energy Holdings Co., Ltd. (泛海能源控股股份有限公司) were interested in 20%, 10%, 10% and 5% of the issued share capital of CCIA, respectively.

Yunnan Wenshan Aluminum Co., Ltd. is a limited liability company incorporated in the PRC and a wholly owned subsidiary of Yunnan Aluminum Co., Ltd. (雲南鋁業股份有限公司). Yunnan Aluminum Co., Ltd. is a joint stock limited company incorporated in the PRC and is listed on the Shenzhen Stock Exchange (Stock Code: 000807). It is owned by Aluminum Corporation of China Limited as to approximately 29.1%.

Aluminum Corporation of China Limited is a joint stock limited company incorporated in the PRC and is listed on the Shanghai Stock Exchange (Stock Code: 601600) and the Stock Exchange (Stock Code: 2600). It is owned by Aluminum Corporation of China (中國鋁業集團有限公司) as to approximately 29.95%, which is in turn wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council.

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## LETTER FROM THE BOARD

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East Hope Group Co., Ltd. is a limited liability company incorporated in the PRC. It is owned by East Hope Enterprise Management Co., Ltd. (東方希望企業管理有限公司) and East Hope Investment Holdings Co., Ltd. (東方希望投資控股有限公司) as to 80% and 20%, respectively. The ultimate beneficial owner of East Hope Enterprise Management Co., Ltd. and East Hope Investment Holdings Co., Ltd. is Mr. Liu Xiangyu (劉相宇), an independent third party.

Oceanwide Energy Holdings Co., Ltd. is a joint stock limited company incorporated in the PRC. It is owned by China Oceanwide Holdings Group Co., Ltd. (中國泛海控股集團有限公司) and Oceanwide Group Co., Ltd. (泛海集團有限公司) as to 80% and 20%, respectively. China Oceanwide Holdings Group Co., Ltd. is owned by Oceanwide Group Co., Ltd. as to 98%. Oceanwide Group Co., Ltd. is controlled by Mr. Lu Zhiqiang (盧志強), who is an independent third party.

### **Listing Rules Implications**

As of the Latest Practicable Date, China Times directly held 11,962,999,080 Shares, representing approximately 66.85% of the issued share capital of the Company, and is a wholly owned subsidiary of the Parent Company. Accordingly, the Parent Company is a controlling shareholder of the Company indirectly interested in approximately 66.85% of the issued share capital of the Company, and CNMC is the controlling shareholder of the Parent Company holding approximately 57.99% of the equity interests in the Parent Company.

CCIA is a non-wholly owned subsidiary of China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd., which is owned by CNMC as to 33.34%. Accordingly, CCIA is an associate of CNMC and a connected person of the Company. Therefore, the CCIA Services Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Proposed Annual Caps exceeds 5%, the CCIA Services Framework Agreement is subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **Independent Board Committee and Independent Financial Adviser**

The Independent Board Committee (comprising all the independent non-executive Directors) has been formed in accordance with Chapter 14A of the Listing Rules to advise the Independent Shareholders on the fairness and reasonableness of the transactions contemplated under the CCIA Services Framework Agreement and the adoption of the Proposed Annual Caps, after taking into account the recommendations of the Independent Financial Adviser. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

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## LETTER FROM THE BOARD

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### III. SPECIAL GENERAL MEETING

The SGM will be convened and held at Function Room 4 & 6, 3/F, The Mira Hong Kong, Mira Place, 118-130 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on Tuesday, 30 July 2024 at 10:00 a.m. for the Independent Shareholders to consider and, if thought fit, approve the CCIA Services Framework Agreement and the adoption of Proposed Annual Caps. The notice of the SGM is set out on pages SGM-1 to SGM-2 of this circular. China Times, which directly held 11,962,999,080 Shares (representing 66.85% of the issued share capital of the Company) as at the Latest Practicable Date, will abstain from voting on the resolution approving the CCIA Services Framework Agreement and the adoption of Proposed Annual Caps.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, save and except China Times, no other Shareholder has a material interest in the CCIA Services Framework Agreement and the adoption of Proposed Annual Caps, therefore, no other Shareholder will be required to abstain from voting at the SGM.

For determining the eligibility to attend and vote at the SGM, the register of members of the Company will be closed from Friday, 26 July 2024 to Tuesday, 30 July 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the SGM, all transfer of Shares documents, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 25 July 2024.

### IV. PROXY ARRANGEMENT

A form of proxy for use at the SGM is despatched to Shareholders together with this circular. Such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hk661.com](http://www.hk661.com)). Whether or not you are able to attend the SGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the SGM or any adjournment thereof if they so wish and in such event, the proxy form shall be deemed to be revoked.

### V. VOTING BY WAY OF POLL

Pursuant to bye-law 66 of the Current Bye-Laws and Rule 13.39(4) of the Listing Rules, any vote of the Shareholders to be taken at a general meeting of the Company shall be taken by poll except where the Chairman, 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 of the poll results will be made by the Company after the SGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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## LETTER FROM THE BOARD

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### VI. RECOMMENDATIONS

The Independent Board Committee, having taken into account and based on the recommendation of the Independent Financial Adviser, considers that the adoption of the Proposed Annual Caps and the transactions contemplated under the CCIA Services Framework Agreement have been entered into on normal commercial terms, in the ordinary and usual course of business of the Group, are fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee has recommended the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the CCIA Services Framework Agreement and the adoption of the Proposed Annual Caps.

### VII. ADDITIONAL INFORMATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 12 to 13 of this circular, containing its recommendation in respect of the transactions contemplated under the CCIA Services Framework Agreement and the adoption of the Proposed Annual Caps; (ii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 14 to 22 of this circular, containing its recommendation in respect of the transactions contemplated under the CCIA Services Framework Agreement and the adoption of the Proposed Annual Caps; and (iii) the additional information set out in the appendix to this circular.

Yours faithfully,

By order of the Board

**China Daye Non-Ferrous Metals Mining Limited**

**Xiao Shuxin**

*Chairman*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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*The following is a full text of the letter from the Independent Board Committee to the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.*



**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: 661)**

15 July 2024

*To the Independent Shareholders*

Dear Sir or Madam,

### **CONTINUING CONNECTED TRANSACTION – CCIA SERVICES FRAMEWORK AGREEMENT**

We refer to the circular dated 15 July 2024 issued by the Company (the “**Circular**”) of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein, unless the context otherwise requires.

We have been authorized by the Board to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether, in its opinion, the adoption of the Proposed Annual Caps and the transactions contemplated under the CCIA Services Framework Agreement are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Amasse Capital Limited, the Independent Financial Adviser, has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to (i) the “Letter from the Board” set out on pages 4 to 11 of the Circular; (ii) the “Letter from the Independent Financial Adviser” set out on pages 14 to 22 of the Circular and (iii) the additional information set out in the appendix to the Circular.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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Having taken into account, among other things, the principal factors and reasons considered by, and the advice of, the Independent Financial Adviser, we concur with the view of the Independent Financial Adviser and consider that the adoption of the Proposed Annual Caps and the transactions contemplated under the CCIA Services Framework Agreement are (i) entered into in the ordinary and usual course of business of the Group; (ii) on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the SGM to approve the CCIA Services Framework Agreement and the adoption of the Proposed Annual Caps.

Yours faithfully,  
for and on behalf of  
the Independent Board Committee  
**Liu Fang      Wang Qihong      Liu Jishun**  
*Independent Non-executive Directors*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Set out below is the full text of the letter received from Amasse Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of incorporation in this circular.*

**AMASSE CAPITAL**  
寶 積 資 本

15 July 2024

*To the Independent Board Committee and the Independent Shareholders*

Dear Sirs,

### **CONTINUING CONNECTED TRANSACTION – CCIA SERVICES FRAMEWORK AGREEMENT**

#### **INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the CCIA Services Framework Agreement and the respective annual caps and transactions contemplated thereunder (the “**Continuing Connected Transaction**”).

Details of the Continuing Connected Transaction are set out in the letter from the Board contained in the circular of the Company dated 15 July 2024 (the “**Circular**”), of which this letter forms a part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

#### **OUR INDEPENDENCE**

As at the Latest Practicable Date, we did not have any relationships or interests with the Company or any other parties that could reasonably be regarded as relevant to our independence. In the last two years, we have acted as the independent financial adviser to the independent board committee and the independent shareholders of the Company regarding (i) non-exempt continuing connected transactions, details of which are set out in the circular of the Company dated 23 December 2022; (ii) revision of annual caps for continuing connected transactions, details of which are set out in the circular of the Company dated 15 June 2023; and (iii) revision of annual caps for continuing connected transactions, details of which are set out in the circular of the Company dated 7 November 2023 (collectively, the “**Previous Appointments**”).

With regard to our independence from the Company, it is noted that (i) apart from normal professional fees paid or payable to us in connection with the Previous Appointments as well as the current appointment as the Independent Financial Adviser, no arrangements exist whereby we had received or will receive any fees or benefits from the Company or any other



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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parties that could reasonably be regarded as relevant to our independence; and (ii) we have maintained our independence from the Company during the Previous Appointments. Accordingly, we consider that the Previous Appointments would not affect our independence, and that we are independent from the Company pursuant to the Listing Rules.

### **BASIS OF OUR OPINION**

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors and the management of the Company (collectively, the “**Management**”). We have reviewed information on the Company, including but not limited to (i) the announcement of the Company dated 30 May 2024; (ii) the CCIA Services Framework Agreement; and (iii) other information contained in the Circular. We have assumed that all information and representations that have been provided by the Management, for which the Directors are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the representation and confirmation of the Management that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the CCIA Services Framework Agreement. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with the Listing Rules.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, and to the best of their knowledge and belief, that the information contained in the 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 in the Circular or the Circular as a whole misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Management, nor have we conducted any independent in-depth investigation into the business and affairs of any members of the Group, the counter party(ies) to the CCIA Services Framework Agreement or their respective subsidiaries or associates. We also have not considered the taxation implication on the Group or the Shareholders as a result of the CCIA Services Framework Agreement. We have not carried out any feasibility study on the past, and forthcoming investment decision,

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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opportunity or project undertaken or to be undertaken by the Group. Our opinion has been formed on the assumption that any analysis, estimation, anticipation, condition and assumption provided by the Group are feasible and sustainable. Our opinion shall not be construed as to give any indication to the validity, sustainability and feasibility of any past, existing and forthcoming investment decision, opportunity or project undertaken or to be undertaken by the Group.

Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company. We expressly disclaim any liability and/or any loss arising from or in reliance upon the whole or any part of the contents of this letter.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

### **PRINCIPAL FACTORS TAKEN INTO CONSIDERATION**

In formulating our opinion, we have taken into consideration the following principal factors and reasons.

#### **1. Background Information on the Group and CCIA**

##### ***The Group***

The Group is principally engaged in the exploitation of mineral resources, the mining and processing of mineral ores and the trading of metal products.

##### ***CCIA***

CCIA is a limited liability company incorporated in the PRC and principally engaged in development of non-ferrous metal resources, concurrently engaged in engineering contracting, technical services and trading. CCIA is owned by China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd.\* (中國有色金屬建設股份有限公司) as to 55%, which is in turn owned by CNMC as to 33.34%. CNMC is a PRC state-owned enterprise directly administered by the State-owned Assets Supervision and Administration Commission of the State Council.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As of the Latest Practicable Date, Yunnan Wenshan Aluminum Co., Ltd. (雲南文山鋁業有限公司), Aluminum Corporation of China Limited (中國鋁業股份有限公司), East Hope Group Co., Ltd. (東方希望集團有限公司) and Oceanwide Energy Holdings Co., Ltd. (泛海能源控股股份有限公司) were interested in 20%, 10%, 10% and 5% of the issued share capital of CCIA, respectively.

Yunnan Wenshan Aluminum Co., Ltd. is a limited liability company incorporated in the PRC and a wholly owned subsidiary of Yunnan Aluminum Co., Ltd. (雲南鋁業股份有限公司). Yunnan Aluminum Co., Ltd. is a joint stock limited company incorporated in the PRC and is listed on the Shenzhen Stock Exchange (Stock Code: 000807). It is owned by Aluminum Corporation of China Limited as to approximately 29.1%.

Aluminum Corporation of China Limited is a joint stock limited company incorporated in the PRC and is listed on the Shanghai Stock Exchange (Stock Code: 601600) and the Stock Exchange (Stock Code: 2600). It is owned by Aluminum Corporation of China (中國鋁業集團有限公司) as to approximately 29.95%, which is in turn wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council.

East Hope Group Co., Ltd. is a limited liability company incorporated in the PRC. It is owned by East Hope Enterprise Management Co., Ltd. (東方希望企業管理有限公司) and East Hope Investment Holdings Co., Ltd. (東方希望投資控股有限公司) as to 80% and 20%, respectively. The ultimate beneficial owner of East Hope Enterprise Management Co., Ltd. and East Hope Investment Holdings Co., Ltd. is Mr. Liu Xiangyu (劉相宇), an independent third party.

Oceanwide Energy Holdings Co., Ltd. is a joint stock limited company incorporated in the PRC. It is owned by China Oceanwide Holdings Group Co., Ltd. (中國泛海控股集團有限公司) and Oceanwide Group Co., Ltd. (泛海集團有限公司) as to 80% and 20%, respectively. China Oceanwide Holdings Group Co., Ltd. is owned by Oceanwide Group Co., Ltd. as to 98%. Oceanwide Group Co., Ltd. is controlled by Mr. Lu Zhiqiang (盧志強), who is an independent third party.

### **2. Major Terms of the CCIA Services Framework Agreement**

Date:	30 May 2024
Parties	(1) the Company; and (2) CCIA.
Nature of transactions:	The Group will supply certain services to CCIA, including commissioning guidance services, pre-job training services, operation and maintenance services and such other services as agreed by the parties from time to time.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Term:	29 May 2024 to 31 December 2025.
Time and method of payment:	Based on market practice.
Pricing mechanism:	Based on the Market Price or a price determined by the internal documents of the Group developed with reference to the Market Price.

If the prices and charges are determined based on or with reference to prices, exchange rates or tax rates stated in specific government documents, internal documents of the Group, exchanges or industry-related websites, the effective aforementioned documents, prices and rates at the time of the entry into of specific transaction agreements by the parties shall prevail.

### *Pricing policy*

As of the Latest Practicable Date, prices for the supply of the relevant services will be determined by the parties on the following basis:

Commissioning guidance services, pre-job training services, operation and maintenance services:	With reference to the actual workload and service quality demand of the project owner, the technical service fee standards of other overseas-funded enterprises in the CNMC Group, as well as the actual expenditure cost of the project, and is negotiated and priced by the parties based on the technical level of the participating technical service personnel (which ranges from RMB429,000 to RMB877,000 per person per annum).
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### *Reasons for and benefits of entering into the CCIA Services Framework Agreement*

We have discussed with the Management and understand that entering into the CCIA Services Framework Agreement will facilitate the Group to fully utilize the capability of its technical know-how and technical team, increase the revenue of the Group and diversify the revenue base of the Group.

The Group has been principally engaged in operating copper production plants for over decades and its teams have extensive experience in different areas relating to the non-ferrous metals industry. We understand from the Management that CCIA is currently involved in the development of a new copper smelting production plant in Indonesia for a local project owner, and CCIA is primarily responsible for engineering, procurement and construction for the project. The project is expected to complete in around three years' time. It is intended by CCIA

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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to employ approximately 900 personnel to support the project, out of which approximately 190 personnel are expected to be sourced from the Group. It is believed that the Group's experienced teams will be able to utilize their technical expertise to assist CCIA in operating the new copper smelting production plant for the project.

As at 31 December 2023, the Group had a total of 5,568 employees. We note that the expected 190 personnel to be provided by the Group to CCIA during the two years ending 31 December 2025 amounted to approximately 3.4% of the total number of the Group's employees. We understood from the Management that the provision of such manpower by the Group to CCIA will not have any adverse impact on its daily operations, and we also consider that such manpower does not form a majority portion of the total number of employees of the Group.

We have obtained from the Company and reviewed the Group's relevant internal control manual. We note that when considering the terms of the relevant products/services, the Company shall primarily refer to the government-prescribed price. If such government-prescribed price is not available, the Group shall refer to the Market Price and/or quotes from other independent third parties.

We have also reviewed the CCIA Services Framework Agreement and note that the basis of determining the prices for the services is clearly stated thereunder, which is primarily made with reference to the Market Price. We consider that the Company has complied with its internal control procedures as described above.

In view of the aforementioned factors, we are of the view that the pricing mechanism of the services under the CCIA Services Framework Agreement is fair and reasonable.

Further, we have interviewed with the Management and understand that the directors and senior management of the Company will monitor closely and review regularly the continuing connected transactions of the Company. The Company will adopt a series of risk management arrangements, and endeavour to maintain, in relation to the continuing connected transactions, the independence of the Company; the fairness of the price of the transactions; the fairness of the terms of the transactions; and the right of the Company to conduct transactions with independent third parties other than CCIA. The relevant arrangements include: (i) the continuing connected transactions contemplated under the CCIA Services Framework Agreement are conducted on a non-exclusive basis; (ii) upon the signing of the CCIA Services Framework Agreement and its approval by the Independent Shareholders, the relevant business department of the Company will be responsible for the implementation of the CCIA Services Framework Agreement; and (iii) before the signing of each individual agreement, the finance department of the Company will evaluate the terms, including the fairness of the price, of the agreement as well as monitor the Company's existing continuing connected transactions, and review whether the Company's transactions are fair and reasonable in accordance with the terms of the CCIA Services Framework Agreement and internal control manual. As such, we are of the view that the Group has a sound risk management system to safeguard the interest of the Company.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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In conclusion, we are of the view that entering into the CCIA Services Framework Agreement is in the interests of the Company and the Shareholders as a whole.

### *Proposed annual caps under the CCIA Services Framework Agreement*

The table below sets out the Proposed Annual Caps for the CCIA Services Framework Agreement:

<b>Year ending 31 December 2024</b>	<b>Year ending 31 December 2025</b>
<b>Proposed annual cap</b>	<b>Proposed annual cap</b>
<i>(RMB'000)</i>	<i>(RMB'000)</i>
56,000	96,000

We understand that the above Proposed Annual Caps have been determined with reference to (i) the historical service fees received by the Group from other purchasers for similar services provided; (ii) the expected volume of services to be provided to CCIA; and (iii) the expected amount of service fees from the provision of commissioning guidance services, pre-job training services, and operation and maintenance services to be received by the Group in the two years ending 2025.

In order to assess the fairness and reasonableness of the Proposed Annual Caps, we have obtained from the Management and reviewed the relevant calculations of the Proposed Annual Caps.

The manpower team to be provided by the Group will comprise approximately 190 personnel of different technical levels, such as technical responsible officer, chief engineer, deputy chief engineer, chief technician, deputy chief technician, specialist technician, etc., with monthly service fees ranging from approximately RMB35,700 to RMB73,100 per person (equivalent to approximately RMB429,000 to RMB877,000 per person per annum). We have obtained from the Company and reviewed samples of existing contract for the relevant services, and we note that the service fees to be charged by the Group under the CCIA Services Framework Agreement are in line with the said samples of existing contract.

The Proposed Annual Caps in FY2024 and FY2025 are RMB56 million and RMB96 million, respectively. We have interviewed with the Management and understand that the Proposed Annual Caps were determined with reference to, among others:

- (i) the Proposed Annual Cap in FY2024 is primarily made with reference to (a) approximately 190 personnel are expected to be provided by the Group to CCIA starting from around June 2024; and (b) the relevant service fees to be derived from the approximately 190 personnel to be provided by the Group, with monthly service fees ranging from approximately RMB35,700 to RMB73,100 per person;

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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- (ii) the increase in the Proposed Annual Cap in FY2025 as compared with FY2024 is mainly due to the service fees to be derived from the approximately 190 personnel to be provided by the Group for the whole year 2025 as compared to approximately six months in 2024; and
- (iii) the Company has received invitation letters from CCIA which have set out the target manpower requirements under the CCIA Services Framework Agreement. We have obtained from the Management and reviewed the invitation letters, and understood that the parties have reached consensus on the target manpower requirements as stated therein. There will be no consequence or penalty on the Company for not reaching or providing the target manpower requirements.

Taking into account the above factors as a whole, we are of the view that the Proposed Annual Caps are fair and reasonable.

### **3. Internal Control Measures**

The Company has established the connected transactions management committee, which is the discussion and decision-making body for the connected transactions management, and is led by the Board which directly and comprehensively manages the relevant matters of the connected transactions.

The Company has implemented stringent measures to monitor the pricing standards for the continuing connected transactions of the Group. The department heads of the relevant business departments are responsible for the initial price determination of the proposed connected transactions of the Group. Such initial price determination will be reported to and approved by the finance department of the Company. Then, these prices will be reported to the legal department of the Company, which is responsible for collating from the various business departments such information regarding the proposed connected transactions of the Group, and ensuring that the terms of any such proposed connected transactions are in compliance with applicable laws, rules and regulations. After all these review processes, the legal representative or authorised representative of the Company will execute such connected transactions on behalf of the Company.

The capital operation department, finance department and legal department of the Company are responsible for monitoring each of the connected transactions of the Group to ensure that they are conducted in accordance with its terms, including the relevant pricing mechanism and the periodic reporting of the relevant transaction amounts.

The enterprise development department and the finance department of the Company will monitor the continuing connected transactions and summarise the transaction amounts incurred under each of the connected transaction framework agreements regularly on a monthly basis, and reports will be submitted to the Board for its monthly review. In the event the actual transaction amount reaches 80% of the relevant annual cap, a re-assessment will be conducted.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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If it is determined after such re-assessment that the annual cap may be exceeded, the enterprise development department of the Company would initiate the procedures for a board meeting and/or shareholders' meeting (as and when required) to increase the annual cap as soon as practicable.

Further, the transactions under the CCIA Services Framework Agreement are subject to the reporting requirements and the independent non-executive Directors will review the transactions annually to assess whether such transactions are conducted in accordance with the terms (including the pricing mechanism) as set out in the CCIA Services Framework Agreement.

We concur with the view of the Directors that the internal control system of the Group is adequate to ensure that the transactions will be on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### RECOMMENDATION

Having considered the principal factors and reasons above, we are of the view that the CCIA Services Framework Agreement (including the Proposed Annual Caps) are (i) entered into in the ordinary and usual course of business of the Group; (ii) on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned; and (iii) in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend the Independent Shareholders to vote in favour of the resolution(s) in relation to the Continuing Connected Transaction and the Proposed Annual Caps to be proposed at the SGM.

Yours faithfully,  
For and on behalf of  
**Amasse Capital Limited**  
**Keith Chan**  
*Director*

*Mr. Keith Chan is a licensed person registered with the Securities and Future Commission of Hong Kong and regards as a responsible officer of Amasse Capital Limited to carry out type 6 (advising on corporate finance) regulated activity under the SFO and has over 8 years of experience in corporate finance industry.*

*In the case of inconsistency, the English text of this letter shall prevail over the Chinese text.*



**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 Company. 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.

**MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading positions of the Company since 31 December 2023, being the date to which the latest published audited financial statement of the Company have been made up.

**DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY**

As at the Latest Practicable Date, the interests and short positions of each of the Directors and chief executives of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be recorded in the register maintained by the Company under Section 352 of the SFO, or required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) and the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules, were as follows:

<b>Name of Director</b>	<b>Capacity</b>	<b>Nature of Interest</b>	<b>Number of Shares</b> <i>(Note 1)</i>	<b>Percentage of issued Shares</b> <i>(%) (Note 3)</i>
Wang Qihong	Beneficial owner	Personal	594,000 (L)	0.00
	Interest of spouse	Personal	1,000,000 (L) <i>(Note 2)</i>	0.01

*Notes:*

1. The letter "L" denotes a long position in the Shares.
2. Mr. Wang Qihong is deemed to be interested in 1,000,000 shares through the interests of his spouse, Ms. Geng Shuang, pursuant to Part XV of the SFO.
3. The shareholding percentage was calculated based on 17,895,579,706 Shares as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares or the underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules.

As at the Latest Practicable Date, each of Mr. Xiao Shuxin, Mr. Zhang Jinzhong, Ms. Zhang Aijun and Mr. Chen Xuewen was an employee of the Parent Company. Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors, none of the Directors was a director or an employee of a company which had an interest or short position in the Company's shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO.

#### **DIRECTORS' INTERESTS IN ASSETS OF THE GROUP**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to, or which were proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2023, being the date to which the latest published audited accounts of the Group were made up.

#### **DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENT**

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors was materially interested in any contracts or arrangements subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

#### **DIRECTORS' INTERESTS IN COMPETING BUSINESS**

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with business of the Group, or had or might have any other conflicts of interest with the Group pursuant to Rule 8.10 of the Listing Rules.

**EXPERT AND CONSENT**

The following is the qualification of the expert who has given opinions contained in and referred to in this circular:

<b>Name</b>	<b>Qualification</b>
Amasse Capital Limited	a licensed corporation permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the Independent Financial Adviser did not have any shareholding in the Company or any of its subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the Independent Financial Adviser had given and had not withdrawn its written consent to the issue of this circular, with the inclusion herein of its letter of advice dated 15 July 2024 in connection with their advice to the Independent Board Committee and the Independent Shareholders, and references to its name and/or its advice in the form and context in which they appeared.

As at the Latest Practicable Date, the Independent Financial Adviser did not have any direct or indirect interests in any assets which had been acquired, disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

The letter and recommendations from the Independent Financial Adviser are set out on pages 14 to 22 of this circular and are given for incorporation in this circular.

**DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into a service contract with any member of the Group which will not expire or is not determinable within one year without payment of compensation (other than statutory compensation).

**GENERAL**

The Company's share registrar in Hong Kong is Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

The English text of this circular and the accompanying form of proxy shall prevail over the Chinese text in the case of any inconsistency.

**DOCUMENTS ON DISPLAY**

Copies of the following documents are on display and are published on the website of the Stock Exchange ([www.hkexnews.com](http://www.hkexnews.com)) and the website of the Company ([www.hk661.com](http://www.hk661.com)) for a period of 14 days from the date of this circular:

- (a) the CCIA Services Framework Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out on pages 12 to 13 of this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out on pages 14 to 22 of this circular; and
- (d) the written consent of the Independent Financial Adviser referred to in the paragraph headed “Expert and Consent” in this appendix.

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## NOTICE OF SPECIAL GENERAL MEETING

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*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.*



**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: 661)**

**NOTICE IS HEREBY GIVEN** that the special general meeting (the “SGM”) of China Daye Non-Ferrous Metals Mining Limited (the “Company”) will be held at Function Room 4 & 6, 3/F, The Mira Hong Kong, Mira Place, 118-130 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on Tuesday, 30 July 2024 at 10:00 a.m. (or at any adjournment thereof), the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 15 July 2024:

### **ORDINARY RESOLUTION**

1. “**THAT:**

- (i) the CCIA Services Framework Agreement dated 30 May 2024 entered into between the Company and CCIA be and is hereby approved, confirmed and ratified; and
- (ii) the proposed annual caps for the CCIA Services Framework Agreement in the amounts of RMB56,000,000 and RMB96,000,000 for the years ending 31 December 2024 and 2025, respectively, and the transactions contemplated thereunder be and are hereby approved; and
- (iii) any one Director be and is hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to take all steps necessary and expedient to implement and/or give effect to the CCIA Services Framework Agreement.”

By order of the Board

**China Daye Non-Ferrous Metals Mining Limited**

**Xiao Shuxin**

*Chairman*

Hong Kong, 15 July 2024

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

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## NOTICE OF SPECIAL GENERAL MEETING

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*Notes:*

1. For more information relating to the abovementioned resolution, please refer to announcement of the Company dated 30 May 2024 and the circular of the Company dated 15 July 2024.
2. The resolution at the SGM will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
3. For determining the eligibility to attend and vote at the SGM, the register of members of the Company will be closed from Friday, 26 July 2024 to Tuesday, 30 July 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the said meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration, no later than 4:30 p.m. on Thursday, 25 July 2024.
4. Any member of the Company entitled to attend and vote at the SGM is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more ordinary shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
5. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the SGM and, in such event, the form of proxy shall be deemed to be revoked.
6. If typhoon signal no. 8 or above remains hoisted or a black rainstorm warning signal or "extreme conditions caused by a super typhoon" announced by the government of Hong Kong is in force at 9:00 a.m. on the date of the SGM, the SGM will be postponed. An announcement will be posted on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hk661.com](http://www.hk661.com)) regarding details of the rescheduled meeting. The SGM will be held as scheduled when typhoon signal no. 3 or below or an amber or a red rainstorm warning signal is in fore. Shareholders should make their own decisions as to whether they would attend the SGM under bad weather conditions bearing in mind their own situation.