China Gold International Resources Corp. Ltd.

Management's Discussion and Analysis of Financial Condition and Results of Operations
Three months ended March 31, 2025
(Stated in U.S. dollars, except as otherwise noted)

Suite 1780, Commerce Place, 400 Burrard Street, Box 17, Vancouver, BC, V6C 3A6

Tel: 604-609-0598 E-mail: info@chinagoldintl.com, www.chinagoldintl.com

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis of Financial Condition and Results of Operations for the three months ended March 31, 2025. (Stated in U.S. dollars, except as otherwise noted)

The following Management Discussion and Analysis of financial condition and results of operations ("MD&A") is prepared as of May 15, 2025. It should be read in conjunction with the consolidated financial statements and notes thereto of China Gold International Resources Corp. Ltd. (referred to herein as "China Gold International", the "Company", "we" or "our" as the context may require) for the three months ended March 31, 2025 and the three months ended March 31, 2024, respectively. Unless the context otherwise provides, references in this MD&A to China Gold International or the Company refer to China Gold International and each of its subsidiaries collectively on a consolidated basis.

The following discussion contains certain forward-looking statements relating to the Company's plans, objectives, expectations and intentions, which are based on the Company's current expectations and are subject to risks, uncertainties and changes in circumstances. Readers should carefully consider all of the information set out in this MD&A, including the risks and uncertainties outlined further in the Company's Annual Information Form ("Annual Information Form" or "AIF") dated March 27, 2025 on SEDAR+ at www.sedarplus.ca, www.chinagoldintl.com and www.hkex.com.hk. For further information on risks and other factors that could affect the accuracy of forward-looking statements and the result of operations of the Company, please refer to the sections titled "Forward-Looking Statements" and "Risk Factors" and to discussions elsewhere within this MD&A. China Gold International's business, financial condition or results of operations could be materially and adversely affected by any of these risks.

FORWARD-LOOKING STATEMENTS

Certain statements made herein, other than statements of historical fact relating to the Company, represent forward-looking information. In some cases, this forward-looking information can be identified by words or phrases such as "may", "will", "expect", "anticipate", "contemplates", "aim", "estimate", "intend", "plan", "believe", "potential", "continue", "is/are likely to", "should" or the negative of these terms, or other similar expressions intended to identify forward-looking information. This forward-looking information includes, among other things; China Gold International's production estimates, business strategies and capital expenditure plans; the development and expansion plans and schedules for the CSH Mine and the Jiama Mine; China Gold International's financial condition; the regulatory environment as well as the general industry outlook; general economic trends in China; and statements respecting anticipated business activities, planned expenditures, corporate strategies, participation in projects and financing, and other statements that are not historical facts.

By their nature, forward-looking information involves numerous assumptions, both general and specific, which may cause the actual results, performance or achievements of China Gold International and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward–looking information. Some of the key assumptions include, among others, the absence of any material change in China Gold International's operations or in foreign exchange rates, the prevailing price of gold, copper and other non-ferrous metal products; the absence of lower-than-anticipated mineral recovery or other production problems; effective income and other tax rates and other assumptions underlying China Gold International's financial performance as stated in the Company's technical reports for its CSH Mine and Jiama Mine; China Gold International's ability to obtain regulatory confirmations and approvals on a timely basis; continuing positive labor relations; the absence of any material adverse effects as a result of political instability, terrorism, natural disasters, pandemics such as COVID-19, litigation or arbitration and adverse changes in government regulation; the availability and accessibility of financing to China Gold International; and the performance by counterparties of the terms and conditions of all contracts to which China Gold International and its subsidiaries are a party. The forward-looking information is also based on the assumption that none of the risk factors identified in this MD&A or in the AIF that could cause actual results to differ materially from the forward-looking information actually occurs.

Forward-looking information contained herein as of the date of this MD&A is based on the opinions, estimates and assumptions of management. There are a number of important risks, uncertainties and other factors that could cause actual actions, events or results to differ materially from those described as forward-looking information. China Gold International disclaims any obligation to update any forward-looking information, whether as a result of new information, estimates, opinions or assumptions, future events or results, or otherwise except to the extent required by law. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking information in this MD&A is expressly qualified by this cautionary statement. The reader is cautioned not to place undue reliance on forward-looking information.

THE COMPANY

Overview

China Gold International is a gold and base metal mining company registered in British Columbia Canada. The Company's main business involves the operation, acquisition, development and exploration of gold and base metal properties.

The Company's principal mining operations are the Chang Shan Hao Gold Mine ("CSH Mine" or "CSH"), located in Inner Mongolia, China and the Jiama Copper-Gold Polymetallic Mine ("Jiama Mine" or "Jiama"), located in Tibet, China. China Gold International holds a 96.5% interest in the CSH Mine, while its Chinese joint venture ("CJV") partner holds the remaining 3.5% interest. The Company owns a 100% interest in the Jiama Mine, which hosts a large scale copper-gold polymetallic deposit containing copper, gold, molybdenum, silver, lead and zinc metals.

China Gold International's common shares are listed on the Toronto Stock Exchange ("TSX") and The Stock Exchange of Hong Kong Limited ("HKSE") under the symbol CGG and the stock code 2099, respectively. Additional information about the Company, including the Company's Annual Information Form, is available on SEDAR+ at sedarplus.ca as well as Hong Kong Exchange News at hkexnews.hk.

Performance Highlights

Three months ended March 31, 2025

- Revenue increased by 351% to US$273.1 million from US$60.5 million for the same period in 2024.
- Mine operating earnings of US$117.7 million, increased by US$129.2 million from mine operating loss of US$11.5 million for the same period in 2024.
- Net profit of US$86.0 million increased by US$112.0 million from net loss of US$26.0 million for the same period in 2024.
- Cash flow from operation of US$143.5 million, increased from cash used in operation of US$7.2 million for the same period in 2024.
- Total gold production increased by 116% to 44,797 ounces from 20,714 ounces for the same period in 2024.
- Total copper production was 37.3 million pounds (approximately 16,911 tonnes) an increase from 4.6 million pounds (approximately 2,093 tonnes) for the same period in 2024.

OUTLOOK

On March 27, 2023, an overflow occurred at the Guolanggou Tailings Dam at Jiama Mine (the "overflow"). The Company quickly contained and repaired the breach to ensure no damage to the environment or neighbouring communities. Subsequent to the overflow, Jiama Mine suspended its operations while the Company conducted a comprehensive safety assessment of and repair work on its tailings dam with the assistance and supervision of government safety authorities.

The overflow occurred at the top 19th subsequent dyke of the Guolangou Tailings Dam. However, other levels of subsequent dykes and the starter dyke were also damaged to varying degrees. The Company has conducted a comprehensive inspection and assessment of all 19 levels of subsequent dykes and the starter dyke of the tailings dam and has made permanent repairs and reinforcements of the dam. On December 15, 2023, certain operations began gradual resumption following the receipt of approval from the Lhasa Municipal Government. As of May 30, 2024, subject to the approvals of the Government of Tibet Autonomous Region and relevant departments of the central government, the Phase II processing plant resumed operations with a daily processing capacity of 34,000 tonnes, which is lower than the design processing capacity. The Phase I processing plant which had been in operation during the production ramp up phase ceased operations. The Company is actively advancing the construction of the Phase III tailings pond, which is expected to be completed and put into operation in the first half of 2027. The total daily processing capacity is anticipated to increase to 44,000 tpd once the Phase III tailings pond is in operation.

The open-pit operations at the CSH gold mine are nearing the end of its mine life. With the CSH pit's increased depth, the stability of the open pit slopes is becoming more and more prominent in determining the operations plan. Ensuring slope stability and avoiding systematic risks at this stage are the Company's top priority to ensure safe and sustainable production.

Inconsideration of the events, the Company reports separate production guidance for the two mines in 2025.

CSH Mine:

- It is expected that the gold production range will be 77,162 ounces to 83,592 ounces (approximately 2.4 tonnes to 2.6 tonnes) in 2025.

Jiama Mine:

- It is expected that the copper production range will be 139 million pounds to 148 million pounds (approximately 63,000 tonnes to 67,000 tonnes) in 2025;
- It is expected that the gold production range will be 69,124 ounces to 73,947 ounces (approximately 2.15 tonnes to 2.3 tonnes) in 2025.

Outline of the Long-Term Development Plan for the Jiama Mine

In 2024, the Company successfully restored stable operation at the Jiama Mine. In addition, the Company continued to focus its efforts on optimizing resource utilization plan, integrating the identified high-grade underground resources, and accelerating the exploration work at high potential zones. The long-term development plan for the Jiama Mine consists of three phases:

- Prior to the completion of the construction of the new tailings storage facility (the "Youlongbu tailings storage facility"), the Jiama Mine Phase II processing plant will maintain and operate at its current processing capacity of 34,000 tons per day to match the Guolanggou's storage capacity (the operation of Phase I processing plant has been suspended since May 2024).
- The Youlongbu tailings storage facility is scheduled to commence operation in 2027, allowing a further increase in the Jiama Mine's production capacity. Over the next two years, as part of the underground resource integration plan, the Company plans to apply to increase the permitted capacity on its mining license for the Jiama Mine, subject to compliance with the relevant safety requirements. Currently, the permitted capacity on the mining license of the Jiama Mine is 14.4 million tonnes per year (approximately 44,000 tonnes per day based on 330 operating days per year). Subject to the government approval of an increased annual mining rate, and following the commissioning of Youlongbu tailings storage facility, the Jiama Mine's ore processing volume will return to the level of 50,000 tonnes per day, in line with the designed processing capacity of the processing plants. In addition, endeavors are underway so that the production levels at the Jiama Mine will restore to those before the Guolanggou tailings overflow through blending of high-grade underground ores.
- The Company is also working to delineate new resources at satellite deposits near the Jiama Mine. The Company has been actively conducting geological exploration work in two areas: the Bayi Ranch and the Zegulang North, both of which have shown significant resource potential. The Company will provide an update on the exploration progress and results in due course. Subject to the final exploration outcomes and feasibility studies on resource development, the Company will formulate a comprehensive expansion plan for the Jiama Mine area. This study has already been initiated at a preliminary stage.

RESULTS OF OPERATIONS

Selected Quarterly Financial Data

	Quarter ended							
	2025	**2024**				**2023**		
(US$ in thousands except per share)	**31-Mar**	31-Dec	30-Sep	30-Jun	31-Mar	31-Dec	30-Sep	30-Jun
Revenue	**273,096**	293,567	254,581	147,955	60,543	71,315	62,325	73,016
Cost of sales	**155,444**	171,413	207,762	118,512	72,039	73,219	76,616	79,166
Mine operating earnings (loss)	**117,653**	122,154	46,819	29,443	(11,496)	(1,904)	(14,291)	(6,150)
General and administrative expenses	**12,232**	17,877	9,944	10,649	9,096	10,071	11,399	7,896
Exploration and evaluation expenditures	**508**	247	49	50	92	393	271	45
Research and development expenses	**3,296**	8,118	4,704	2,113	787	867	1,756	1,442
Income (loss) from operations	**101,617**	95,912	32,122	16,631	(21,471)	(13,235)	(27,717)	(15,533)
Foreign exchange (loss) gain	**(2,654)**	(4,631)	2,670	(443)	(157)	(579)	1,092	(11,679)
Finance costs	**5,002**	5,313	5,692	5,722	5,663	5,651	5,737	6,880
Profit (loss) before income tax	**95,770**	85,540	30,166	3,924	(26,410)	(20,476)	(32,440)	(52,907)
Income tax expense (credit)	**9,791**	17,223	2,293	8,768	(362)	(2,965)	(1,662)	432
Net profit (loss)	**85,979**	68,317	27,873	(4,844)	(26,048)	(17,511)	(30,778)	(53,339)
Basic earnings (loss) per share (cents)	**21.45**	16.97	6.84	(1.36)	(6.63)	(4.51)	(7.99)	(13.55)
Diluted earnings per share (cents)	**N/A**	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Selected Quarterly Production Data and Analysis

CSH Mine	**Three months ended March 31,**	
	2025	**2024**
Gold sales (US$ million)	**79.09**	36.17
Realized average price (US$) of gold per ounce	**2,886**	2,123
Gold produced (ounces)	**23,739**	17,276
Gold sold (ounces)	**27,410**	17,035
Total production cost (US$ per ounce)	**1,625**	1,653
Cash production cost(1) (US$ per ounce)	**1,062**	996

(1) Non-IFRS measure. See 'Non-IFRS measures' section of this MD&A

Gold production at the CSH Mine increased by 37% to 23,737 ounces for the three months ended March 31, 2025 compared to 17,276 ounces for the same period in 2024. The total production cost of gold for the three months ended March 31, 2025 decreased by 2% to US$1,625 per ounce compared to US$1,653 for the same period in 2024. The cash production cost of gold for the three months ended March 31, 2025 increased to US$1,062 per ounce from US$996 for the same period in 2024.

Jiama Mine	**Three months ended March 31,**	
	2025	2024
Copper sales (US$ in millions)	**93.50**	15.59
Realized average price [1](US$) of copper per pound after smelting fee discount	**2.54**	3.40
Copper produced (tonnes)	**16,911**	2,093
Copper produced (pounds)	**37,283,261**	4,614,747
Copper sold (tonnes)	**16,727**	2,080
Copper sold (pounds)	**36,877,294**	4,586,216
Gold produced (ounces)	**21,058**	3,438
Gold sold (ounces)	**20,738**	3,415
Silver produced (ounces)	**1,314,408**	135,503
Silver sold (ounces)	**1,293,415**	134,874
Lead produced (tonnes)	**10,776**	-
Lead produced (pounds)	**23,757,093**	-
Lead sold (tonnes)	**10,484**	-
Lead sold (pounds)	**23,112,793**	-
Zinc produced (tonnes)	**5,416**	-
Zinc produced (pounds)	**11,940,173**	-
Zinc sold (tonnes)	**5,363**	-
Zinc sold (pounds)	**11,822,544**	-
Moly produced (tonnes)	**198**	-
Moly produced (pounds)	**437,452**	-
Moly sold (tonnes)	**259**	-
Moly sold (pounds)	**571,539**	-
Total production cost [2] (US$) of copper per pound	**3.41**	11.54
Total production cost [2] (US$) of copper per pound after by-products credits [4]	**0.73**	9.70
Cash production cost [4](US$) per pound of copper	**2.62**	9.01
Cash production cost [3] (US$) of copper per pound after by-products credits [4 5]	**(0.05)**	7.17

1 A discount factor of 11.9% to 25.3% is applied to the copper benchmark price to compensate the refinery costs incurred by the buyers. The discount factor is higher if the grade of copper in copper concentrate is below 18%. The industry standard of copper in copper concentrate is between 18-20%.

2 Production costs include expenditures incurred at the mine sites for the activities related to production including mining, processing, mine site G&A and royalties etc.

3 Non-IFRS measure. See 'Non-IFRS measures' section of this MD&A

4 By-products credit refers to the sales of gold, silver, lead, zinc and moly during the corresponding period.

5 Increased production of by-products combined with reduced G&A and R&D costs, has resulted in by-product credits exceeding total production Costs of copper.

Due to the overflow of the tailings dam on March 27, 2023, production at the Jiama Mine was suspended during most of 2023. On December 15, 2023, certain operations began gradual resumption following the receipt of approval from the Lhasa Municipal Government. The resumption of operations includes the underground void management and the restart of the Phase I processing plant with a daily processing capacity of 6,000 tonnes. As of May 30, 2024, with the approvals of the Government of Tibet Autonomous Region and relevant departments of the central government, the Phase II processing plant resumed operations with a daily processing capacity of 34,000 tonnes. The Phase I processing plant which has been in operation during the production ramp up phase ceased operations.

During the three months ended March 31, 2025, The Jiama Mine produced 16,911 tonnes (approximately 37.3 million pounds) of copper, which increased from of 2,093 tonnes (approximately 4.6 million pounds) during the comparative three month period in 2024.

Review of Quarterly Data

Three months ended March 31, 2025 compared to three months ended March 31, 2024

Revenue of US$273.1 million for the first quarter of 2025, increased by US$212.6 million from US$60.5 million for the same period in 2024.

Revenue from the CSH Mine was US$79.1 million, an increase of US$42.9 million from US$36.2 million for the same period in 2024. Realized average gold price increased by 36% from US$2,123/oz in Q1 2024 to US$2,886/oz in Q1 2025. Gold sold by the CSH Mine was 27,410 ounces (gold produced: 23,739 ounces), compared to 17,035 ounces (gold produced: 17,276 ounces) for the same period in 2024.

Revenue from the Jiama Mine was US$194.0 million, an increase of US$169.6 million, compared to US$24.4 million for the same period in 2024. The Jiama Mine experienced an operational suspension at the end of Q1 2023 due to a tailings dam overflow. Operational capacity at 34,000 tonnes per day was restored with the Phase II processing plant resuming operations effective May 30, 2024. Realized average price of copper decreased by 25% from US$3.40/pound in Q1 2024 to US$2.54/pound in Q1 2025. Total copper sold was 16,727 tonnes (36.9 million pounds) for the three months ended March 31, 2025, an increase of 704% from 2,080 tonnes (4.6 million pounds) for the same period in 2024.

Cost of sales of US$155.4 million for the quarter ended March 31, 2025, an increase of US$83.4 million from US$72.0 million for the same period in 2024. The cost of sales increased due to the resumption of operations at the Jiama Mine, leading to higher production costs as the Phase I and Phase II processing plants were reactivated.

Mine operating earnings of US$117.7 million for the three months ended March 31, 2025, an increase of US$129.2 million from a loss of US$11.5 million for the same period in 2024.

General and administrative expenses increased by US$3.1 million, from US$9.1 million for the quarter ended March 31, 2024 to US$12.2 million for the quarter ended March 31, 2025, was driven by higher operational support costs associated with the resumption of production at the Jiama Mine.

Research and development expenses of US$3.3 million for the three months ended March 31, 2025, increased from US$0.8 million for the comparative 2024 period. The increase was primarily driven by the Company’s research and development efforts focused on improving recovery rates and optimizing processing and mining processes.

Income from operations of US$101.6 million for the first quarter of 2025, increased by US$123.1 million, compared to a loss of US$21.5 million for the same period in 2024.

Foreign exchange loss of US$2.7 million for the three months ended March 31, 2025, increased from US$0.2 million for the same period in 2024. The loss was attributed to changes in the RMB/USD exchange rates and the revaluation of monetary items held in Chinese RMB.

Interest and other income of US$1.8 million for the three months ended March 31, 2025, increased from US$1.2 million for the same period in 2024, primarily due to higher interest income earned during the current quarter compared to the corresponding period last year.

Finance costs of US$5.0 million for the three months ended March 31, 2025, decreased by US$0.7 million compared to US$5.7 million for the same period in 2024. The decrease was primarily driven by lower interest payments as a result of effective debt management strategies, despite maintain a similar level of outstanding borrowings.

Income tax expense of US$9.8 million for the three months ended March 31, 2025, increased by US$10.2 million from a tax credit of US$0.4 million for the comparative period in 2024. During the current quarter, the Company had US$2.6 million of deferred tax credit compared to US$1.9 million for the same period in 2024.

Net income of US$86.0 million for the three months ended March 31, 2025, increased by US$112.0 million from a loss of US$26.0 million for the three months ended March 31, 2024.

NON-IFRS MEASURES

The cash cost of production, cash cost after by-product credits and cash cost per ounce and per pound are measures that are not in accordance with IFRS.

The Company has included these metrics to supplement its consolidated financial statements, which are presented in accordance with IFRS. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance, operating results or financial condition prepared in accordance with IFRS. The Company has included cash production cost per ounce and per pound data because it understands that certain investors use this information to determine the Company's ability to generate earnings and cash flow. The measures are not necessarily indicative of operating results, cash flow from operations, or financial condition as determined under IFRS.

The following tables provide a reconciliation of cost of sales to the cash costs of production in total dollars and in dollars per gold ounce for the CSH Mine or per copper pound for the Jiama Mine:

Cash production cost for gold is calculated as total cost of sales adjusted by depreciation and depletion and amortization of intangible assets. Cash production cost of gold per ounce is calculated as total cash production cost divided by total gold sold (ounces).

CSH Mine (Gold)

	Three months ended March 31,			
	2025		2024	
	US$	**US$ Per ounce**	US$	US$ Per ounce
Total Cost of sales	**44,538,801**	**1,625**	28,157,089	1,653
Adjustment – Depreciation & depletion	**(15,175,134)**	**(554)**	(11,060,653)	(649)
Adjustment – Amortization of intangible assets	**(257,187)**	**(9)**	(142,809)	(8)
Total cash production cost	**29,106,480**	**1,062**	16,953,627	996
Total Gold sold ounces		**27,410**		17,035
Cash production cost of gold US$ per ounce calculated as total cash production cost divided by total gold sold ounces				

Cash Production cost for copper is calculated as production costs (total cost of sales adjusted by General and administrative expenses and Research and development expenses) adjusted by depreciation and depletion and amortization of intangible assets. Cash production cost of copper pound is calculated as total cash production cost divided by total copper sold (pounds).

Jiama Mine (Copper with by-products credits)

	Three months ended March 31,			
	2025		2024	
	US$	**US$ Per Pound**	US$	US$ Per Pound
Total Cost of sales	**110,904,944**	**3.01**	43,881,428	9.57
General and administrative expenses	**11,280,445**	**0.31**	8,277,610	1.80
Research and development expenses	**3,295,599**	**0.09**	786,941	0.17
Total production cost	**125,480,988**	**3.41**	52,945,979	11.54
Adjustment – Depreciation & depletion	**(22,601,153)**	**(0.61)**	(10,561,652)	(2.30)
Adjustment – Amortization of intangible assets	**(6,748,909)**	**(0.18)**	(1,032,562)	(0.23)
Total cash production costs	**96,130,926**	**2.62**	41,351,765	9.01
By-products credits	**(98,580,770)**	**(2.67)**	(8,435,946)	(1.84)
Total cash production costs after by-products credits	**(2,449,844)**	**(0.05)**	32,915,819	7.17
Total Copper sold pounds		**36,877,294**		4,586,216
Cash production cost of copper US$ per pound calculated as total cash production cost divided by total copper sold pounds				

MINERAL PROPERTIES

The CSH Mine

The CSH Mine is located in Inner Mongolia Autonomous Region of China (Inner Mongolia). The property hosts two low-grade, near surface gold deposits, along with other mineralized prospects. The main deposit is called the Northeast Zone (the "Northeast Zone"), while the second, smaller deposit is called the Southwest Zone (the "Southwest Zone").

The CSH Mine is owned and operated by Inner Mongolia Pacific Mining Co. Limited, a Chinese Joint Venture in which the Company holds a 96.5% interest and Ningxia Nuclear Industry Geological Exploration Institution holds the remaining 3.5%.

The CSH Mine is an open-pit mining operations with a designed mining and processing capacity of 60,000 tpd. In July 2019, CSH updated its mine plan based on a result of latest ultimate limit optimization, in which the production rate was reduced to 40,000 tpd with a life of mine ("LoM") of seven years as of 2019. The run-of-mine ore is heap leached with cyanide solution to extract gold and electro-winned to produce a gold dore which is sold to refiners. In June 2020, the operation of southwest pit ended.

The open-pit operations at the CSH gold mine are nearing the end of its mine life. With the increase in the pit's depth, the height and exposed area of the pit wall have increased, and the stability of the open pit slopes is becoming more and more prominent in determining the operations plan. Ensuring slope stability and avoiding systematic risks at this stage is the Company's top priority to ensure safe and sustainable production.

The Company continues to evaluate the potential for underground operations.

Production Update

CSH Mine	**Three months ended March 31,**	
	2025	2024
Ore mined and placed on pad (tonnes)	**2,709,459**	2,205,267
Average ore grade (g/t)	**0.53**	0.59
Recoverable gold (ounces)	**27,935**	25,170
Ending gold in process (ounces)	**148,295**	151,923
Waste rock mined (tonnes)	**2,303,189**	2,798,656

For the three months ended March 31, 2025, the total amount of ore placed on the leach pad was 2.7 million tonnes, with total contained gold of 27,935 ounces (869 kilograms). The overall accumulative project-to-date gold recovery rate remained consistent at approximately 56.47% at the end of March 31, 2025 from 56.46% at the end of December 31, 2024. Of which, gold recovery from the phase I and phase II heap leach pads were 59.77% and 54.36% at March 31, 2025, respectively.

Exploration

In 2023, a diamond drilling exploration program in the mining permit area was completed with the total meterage of 1,290.78 and 3 holes. The preparation of the mineral reserve update report is ongoing in 2024. Additionally, a diamond drilling exploration program in the exploration permit area has been completed with the total meterage of 4,172.14 and 4 holes. The sample assay reports have been received.

CSH Gold Mine conducted a drilling program from May 16th to December 15th of 2024. Three diamond drilling holes DDH9400-5, DDH9200-4 and DDH9200-3 with total 3308.11 meterage have been drilled, which is 92.4% of planned 3589m. The third hole DDH9200-3 has drilled 1115.01 m and takes up 80.79% of planned 1380m. Due to severe winter weather, at the mine site, the drilling program was suspended from December 15, 2024 to March 12, 2025. The drilling program resumed on March 13, 2025.

Mineral Resource Update

CSH Mine Mineral Resources by category, at December 31, 2024 under NI 43-101 are listed below:

Location	Mineral Resource Category	Tonnage (x1000 t)	Au (g/t)	Metal	
				Au (t)	Au (Moz)
Remaining within the open pit limit at a cut-off grade of 0.28 g/t Au	Measured	12,538	0.63	7.89	0.25
	Indicated	12,002	0.69	8.25	0.27
	M+I	24,540	0.66	16.13	0.52
	Inferred	2,576	0.41	1.04	0.03
Underground at a cut-off grade of 0.30 g/t Au	Measured	88,200	0.67	58.66	1.89
	Indicated	89,850	0.58	52.07	1.67
	M+I	178,050	0.62	110.72	3.56
	Inferred	62,090	0.49	30.68	0.99

Note:

Mineral Resources are reported in relation to a conceptual open-pit mining and underground block caving mining. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Raw assays have been capped. Mineral Resources include Mineral Reserves.

Mineral Resources are reported at a cut-off grade of 0.28 g/t Au for open-pit mining, based on the following parameters; the heap leaching & metallurgical recovery of 60% and gold bullion market price of USD 1,980 per ounce. Additional Mineral Resources are reported at a cut-off grade of 0.30 g/t Au for underground block caving mining, based on the following parameters: the heap leaching & metallurgical recovery of 60% and gold bullion market price of USD 1,980 per ounce. USD 1.0000=RMB 6.3457 dated in April 2022, and one troy ounce is equal to 31.1035 grams.

Resource Estimate by CGME Consulting Limited on August 19, 2022 and updated by Tony Guo, P.Geo., a qualified person as defined by NI 43-101.

Mineral Reserves Update

CSH Mine Mineral Reserves by category at December 31, 2024 under NI 43-101 are summarized below:

Type	T (x 1,000)	Diluted Au g/t	Metal	
			Au t	Au Moz
Proven	11,989	0.61	7.34	0.24
Probable	11,477	0.67	7.69	0.25
Total	23,466	0.64	15.02	0.48

Note:

Mineral Reserves are reported based on the optimized ultimate open pit limit. All figures are rounded to reflect the relative accuracy of the estimate. Mineral Reserves are included in Mineral Resources.

Mineral Reserves are reported at a cut-off grade of 0.28 g/t Au for open-pit mining, based on the following parameters: the heap leaching & metallurgical recovery of 60% and gold bullion market price of USD 1,568 per ounce. USD 1.0000=RMB 6.3457 dated in April 2022, and one troy ounce is equal to 31.1035 grams

Reserve Estimate by CGME Consulting Limited on August 19, 2022 and updated by Tony Guo, P.Geo., a qualified person as defined by NI 43-101.

The Jiama Mine

Jiama is a large copper-gold polymetallic deposit containing copper, gold, silver, molybdenum, lead and zinc, located in the Gandise metallogenic belt in Tibet Autonomous Region of China.

The Jiama Mine has both underground mining and open-pit mining operations. Phase I of the Jiama Mine commenced operation in the latter half of 2010 and reached its design capacity of 6,000 tpd in early 2011. Phase II of the Jiama Mine commenced mining operations in 2018 with 44,000 tpd design capacity. The combined mining and processing design capacity at the Jiama Mine is 50,000 tpd.

Production Update

Jiama Mine	Three months ended March 31,	
	2025	2024
Ore processed (tonnes)	**2,855,323**	330,512
Average copper ore grade (%)	**0.72**	0.90
Copper recovery rate (%)	**83**	71
Average gold grade (g/t)	**0.31**	0.49
Gold recovery rate (%)	**74**	66
Average silver grade (g/t)	**21.33**	21.85
Silver recovery rate (%)	**67**	58
Average lead grade (%)	**1.05**	-
Lead recovery rate (%)	**76**	-
Average zinc grade (%)	**0.53**	-
Zinc recovery rate (%)	**71**	-
Average Moly grade (%)	**0.04**	-
Moly recovery rate (%)	**33.5**	-

The Jiama Mine has gradually resumed production starting from the Phase I processing plant on December 15, 2023. As of May 30, 2024, with the approvals of the Government of Tibet Autonomous Region and relevant departments of the central government, the Phase II processing plant resumed operations with a daily processing capacity of 34,000 tonnes. The Phase I processing plant which has been in operation during the production ramp up phase ceased operations.

Exploration

In 2025, Tibet Huatailong Mining Development Co., Ltd. planned to continue implementing geological exploration programs in the surrounding area of Jiama mining permit and the Bayi pastureland area. The planned work includes surface diamond drilling of 34,510 meters with 38 holes (including possible extra 3,700 meters), geological survey of 5 square kilometers, profile survey of 20 kilometers, and soil survey of 5.9 square kilometers. The estimated total budget is RMB 75,596,700. At the end of the first quarter, preparation work has been started for the continuing drilling program in the surrounding area of the Jiama mining permit. The new exploration projects in 2025 both in surrounding area of the Jiama mining permit and Bayi pastureland area are orderly carrying out the bidding and land use application procedures.

Mineral Resources Estimate

Jiama Mine resources by category as of December 31, 2024 under NI 43-101:

Jiama Project - Cu, Mo, Pb, Zn ,Au, and Ag Mineral Resources under NI 43-101
Reported at a 0.3% Cu Equivalent Cut off grade*, as of December 31, 2024

Class	Quantity Mt	Cu %	Mo %	Pb %	Zn %	Au g/t	Ag g/t	Cu Metal (kt)	Mo Metal (kt)	Pb Metal (kt)	Zn Metal (kt)	Au Moz	Ag Moz
Measured	91.12	0.38	0.04	0.04	0.02	0.07	5.04	346.86	33.42	33.30	16.70	0.21	14.76
Indicated	1304.05	0.40	0.03	0.05	0.03	0.10	5.48	5164.30	448.51	609.51	377.78	4.15	229.63
M+I	1395.17	0.40	0.03	0.05	0.03	0.10	5.45	5511.16	481.93	642.81	394.48	4.36	244.39
Inferred	406.10	0.31	0.03	0.08	0.04	0.10	5.13	1258.91	121.83	324.88	175.00	1.31	66.98

Note: Figures reported are rounded which may result in small tabulation errors.
The prices of Cu, Mo, Pb, Zn, Au and Ag are US$2.9/lbs; US$15.5/lbs; US$2.9/lbs; US$0.95/lbs; US$1,300/oz and $20/oz respectively.
The Copper Equivalent basis for the reporting of resources has been compiled on the following basis:
CuEq Grade: = (Ag Grade * Ag Price + Au Grade * Au Price + Cu Grade * Cu Price + Pb Grade * Pb Price + Zn Grade * Zn Price + Mo Grade * Mo Price) / Copper Price
The Mineral Resources include the Mineral Reserves
Original Resource Estimate by Runge Pincock Minarco on 12th November of 2012 and updated by Tony Guo, P.Geo, a Qualified Person as defined by NI 43-101.

Mineral Reserves Estimate

Jiama Mine reserves by category as of December 31, 2024 under NI 43-101:

Jiama Project Statement of NI 43-101 Mineral Reserve Estimate as of December 31, 2024

Class	Quantity Mt	Cu %	Mo %	Pb %	Zn %	Au g/t	Ag g/t	Cu Metal (kt)	Mo Metal (kt)	Pb Metal (kt)	Zn Metal (kt)	Au Moz	Ag Moz
Proven	17.14	0.60	0.05	0.02	0.02	0.19	7.66	102.54	8.63	3.91	2.64	0.11	4.22
Probable	330.62	0.60	0.03	0.13	0.07	0.16	10.38	1972.02	113.69	417.82	230.75	1.69	110.36
P+P	347.76	0.60	0.04	0.12	0.07	0.16	10.25	2074.56	122.32	421.73	233.38	1.79	114.58

Notes:

1. All Mineral Reserves have been estimated in accordance with the JORC code and have been reconciled to CIM standards as prescribed by the NI 43-101.
2. Mineral Reserves were estimated using the following mining and economic factors:

   Open Pits:

   a) 5% dilution factor and 95% recovery were applied to the mining method;

   b) an overall slope angles of 43 degrees;

   c) a copper price of US$2.9/lbs;

   d) an overall processing recovery of 88 - 90% for copper

   Underground:

   a) 10% dilution added to all Sub-Level Open Stoping;

   b) Stope recovery is 87% for Sub-Level Open Stoping;

   c) An overall processing recovery of 88 – 90% for copper.
3. The cut-off grade for Mineral Reserves has been estimated at copper equivalent grades of 0.3% Cu (NSR) for the open pits and 0.45% Cu (NSR) for the underground mine.
4. Mineral Reserves have been estimated by Runge Pincock Minarco on 12th November of 2012 and updated by Mining One Pty Ltd. In 2014 and by Tony Guo, P.Geo, a Qualified Person as defined by NI 43-101 in 2024.

LIQUIDITY AND CAPITAL RESOURCES

The Company operates in a capital intensive industry. The Company’s liquidity requirements arise principally from the need for financing its mining and mineral processing operations, exploration activities and acquisition of exploration and mining rights. The Company’s principal sources of funds have been proceeds from borrowings from commercial banks, corporate bonds financing, equity financings, and cash generated from operations. The Company’s liquidity primarily depends on its ability to generate cash flow from its operations and to obtain external financing to meet its debt obligations as they become due, as well as the Company’s future operating and capital expenditure requirements.

At March 31, 2025, the Company had an accumulated surplus of US$518.7 million, working capital of US$427.1 million and borrowings of US$743.1 million. The Company’s cash balance at March 31, 2025 was US$488.4 million, among which cash and cash equivalents was US$240.5 million, Restricted cash was US$66.8 million, term deposits was US$181.1 million.

Management believes that its forecast operating cash flows are sufficient to cover the next twelve months of the Company’s operations including its planned capital expenditures and current debt repayments. The Company’s borrowings are comprised of US$148.8 million of short term debt facilities with interest rates ranging from 1.85% to 5.35% per annum arranged through various banks. In addition, on November 3, 2015, the Company entered into a Loan Facility agreement with a syndicate of banks, led by Bank of China. The lenders agreed to lend an aggregate principal amount of RMB 3.98 billion, approximately US$613 million with the interest rate of 2.83% per annum. The People's Bank of China Lhasa Center Branch’s interest rate serves as a local benchmark for the interest on the drawdowns. The bank’s interest rate is then discounted by 7 basis points (or 0.07%) to calculate the interest on the drawdowns. The loan interest rate was adjusted from benchmark interest rate minus 7 basis points to 5 year loan prime rate (“LPR”) less 2% (LPR-2%) in second quarter of 2020. The interest rate of 1.95% shall be applied for the current year. The proceeds from the Loan Facility are to be used for the development of the Jiama Mine. The loan is secured by the mining rights for the Jiama Mine. As of March 31, 2025 the Company has drawn down RMB3.79 billion, approximately US$534.2 million under the Loan Facility. On April 29, 2020, the Company entered into a Loan Facility agreement with a syndicate of banks. The lenders agreed to lend an aggregate principal amount of RMB1.4 billion, approximately US$197.8 million with the interest rate of 1.95% per annum currently, maturing on April 28, 2034.

The Company obtained a loan in the aggregate principal amount of RMB300 million, approximately US$41.5 million, with Lhasa Chengguan District Sub branch of Agricultural Bank of China Co. Ltd bearing interest at 2.05% on May 31, 2023. The Company obtained a loan in the aggregate principal amount of RMB400 million, approximately US$55.4 million, with China Gold Finance bearing interest at the 2.05% on May 31, 2023. The Company obtained a loan in the aggregate principal amount of RMB400 million, approximately US$55.4 million, with Tibet Autonomous Region Branch of China Construction Bank bearing interest at the 2.05% on June 13, 2023. The Company obtained a loan in the aggregate principal amount of RMB192 million, approximately US$26.6 million, with Industrial Bank Corporation Lhasa Branch bearing interest at the 1.95% on June 25, 2023. The Company obtained a loan in the aggregate principal amount of RMB100 million, approximately US$13.8 million, with Mozhugonka County Sub-branch of Agricultural Bank of China bearing interest at the 1.95% on June 26, 2023. The Company repaid its 2.8% unsecured bonds which matured on June 23, 2023. The Company obtained a loan in the aggregate principal amount of RMB100 million, approximately US$14.1 million, with China Construction Bank bearing interest at the 1.85% on November 9, 2023. The Company obtained a loan in the aggregate principal amount of RMB380 million, approximately US$53.7 million, with China Gold Finance bearing interest at the 2.45% on November 30, 2023. The Company obtained a loan in the aggregate principal amount of RMB300 million, approximately US$42.1 million with Lhasa Chengguan District Sub branch of Agricultural Bank of China Co. Ltd bearing interest at 1.85% on January 17, 2024. The Company obtained loan in the aggregate principal amount of RMB200 million, approximately US$28.1 million with Lhasa Chengguan District Sub branch of Agricultural Bank of China Co. Ltd. bearing interest at 1.85% on May 13, 2024, with a three year term. The Company obtained loan in the aggregate principal amount of US$44 million with China Construction Bank bearing floating interest with term SOFR on May 13, 2024. The Company obtained a loan in the aggregate principal amount of US$20 million with China Construction Bank bearing floating interest with term SOFR on June 7, 2024. The Company obtained a loan in the aggregate principal amount of US$15 million with DBS Bank Ltd. bearing floating interest with term SOFR on June 12, 2024.

The Company believes that the availability of debt financing in China at favorable rates will continue for the foreseeable future. The Company continues to review and assess its assets for impairment as part of its financial reporting processes. To date, the assessment carried out by the Company support the carrying values of the Company's assets and no impairment has been required. However, the management of the Company continues to evaluate key assumptions on estimates and management judgements in order to determine the recoverable amount of the CSH Mine and the Jiama Mine.

Cash flows

The following table sets out selected cash flow data from the Company's consolidated cash flow statements for the three months ended March 31, 2025 and March 31, 2024.

	Three months ended March 31,	
	2025	2024
	US$'000	US$'000
Net cash from operating activities	**143,530**	7,201
Net cash used in investing activities	**(86,693)**	(41,360)
Net cash (used in) from in financing activities	**(335)**	39,726
Net increase in cash and cash equivalents	**56,502**	5,567
Effect of foreign exchange rate changes on cash and cash equivalents	**211**	(134)
Cash and cash equivalents, beginning of period	**183,779**	97,237
Cash and cash equivalents, end of period	**240,492**	102,670

Operating cash flow

For the three months ended March 31, 2025, net cash inflow from operating activities was US$143.5 million which is primarily attributable (i) profit before income tax of 95.8 million (ii) depreciation of property, plant and equipment of US$33.1 million and (iii) decrease in inventories of US$10.9 million, partially offset by (i) decrease in contract liabilities of US$7.7 million and (ii) foreign exchange differences of US$3.8 million.

Investing cash flow

For the three months ended March 31, 2025, the net cash outflow from investing activities was US$86.7 million which is primarily attributable to (i) placement of term deposits of US$111.5 million and (ii) payment for acquisition of property, plant and equipment of US$24.7 million offset by release of term deposit of US$48.8 million.

Financing cash flow

For the three months ended March 31, 2025, the net cash outflow mainly from financing activities was US$335,000 which is primarily attributable to dividends paid to a non-controlling shareholder of a subsidiary of US$308,000.

Expenditures Incurred

For the three months ended March 31, 2025, the Company incurred mining costs of US$16.3 million, mineral processing costs of US$30.2 million and transportation costs of US$0.8 million.

Gearing ratio

Gearing ratio is defined as the ratio of consolidated total debt to consolidated total equity. As at March 31, 2025, the Company's total debt was US$743.1 million and the total equity was US$1,877.7 million. The Company's gearing ratio was therefore 0.40 as at March 31, 2025 compared to 0.42 as at December 31, 2024.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES. ASSOCIATES AND JOINT VENTURES, AND FUTURE PLAN FOR MATERIAL INVESTMENTS OF CAPITAL ASSETS

Other than as disclosed elsewhere in this MD&A or in the condensed consolidated financial statements for the three months ended March 31, 2025, there were no significant investments held by the Company, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the three months ended March 31, 2025. Other than as disclosed in this MD&A, there was no plan authorized by the Board for other material investments or additions of capital assets at the date of this MD&A.

CHARGE ON ASSETS

Other than as disclosed elsewhere in this MD&A and condensed consolidated financial statements, none of the Company's assets were pledged as at March 31, 2025.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates for the monetary assets and liabilities denominated in the currencies other than the functional currencies to which they relate. The Company has not hedged its exposure to currency fluctuation. However, the Management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. Refer to Note 33, Financial Instruments, in the annual consolidated financial statements for the year ended December 31, 2024.

COMMITMENTS

Commitments include principal payments on the Company's bank loans and syndicated loan facility, corporate bonds, and capital commitments in respect of the future acquisition of property, plant and equipment and construction for both the CSH Mine and the Jiama Mine.

The Company's capital commitments relate primarily to the payments for purchase of equipment and machinery for both mines and payments to third-party contractors for the provision of mining and exploration engineering work and mine construction work for both mines. The Company has entered into contracts that prescribe such capital commitments; however, liabilities relating to them have not yet been incurred. Refer to Note 34, Commitments, in the annual consolidated financial statements for the year ended December 31, 2024.

The following table outlines payments for commitments for the periods indicated:

	Total **US$'000**	**Within One year** **US$'000**	**Within Two to five years** **US$'000**	**Over five years** **US$'000**
Principal repayment of bank loans	**715,254**	148,795	468,434	98,025
Entrusted loan payable	**27,862**	-	27,862	-

In addition to the table set forth above, the Company has entered into service agreements with third-party contractors for the provision of mining and exploration engineering work and mine construction work for the CSH Mine. The fees for such work performed and to be performed each year varies depending on the amount of work performed. The Company has similar agreements with third party contractors for the Jiama Mine.

RELATED PARTY TRANSACTIONS

China National Gold Group Co., Ltd. (formerly known as China National Gold Group Corporation) ("CNG") owned 40.01 percent of the outstanding common shares of the Company as at December 31, 2024 and March 31, 2025.

The Company had major related party transactions with the following companies related by way of shareholders or shareholder in common:

The Company's subsidiary, Inner Mongolia Pacific is a party to a non-exclusive contract for the purchase and sale of doré with CNG (the "Dore Sales Contract") pursuant to which Inner Mongolia Pacific sells gold doré bars to CNG. The pricing is based on the monthly average price of gold ingot as quoted on the Shanghai Gold Exchange and the daily average price of silver as quoted on the Shanghai Huatong Platinum & Silver Exchange prevailing at the time of each relevant purchase order during the contract period. The Dore Sales Contract has been in effect since October 24, 2008 and was renewed for a new term that commenced on January 1, 2018 and expired on December 31, 2020, which renewal was approved by the Company's shareholders on June 28, 2017. On June 16, 2020, the third Supplemental Contract for Purchase and Sale of Dore was approved by the Company's Shareholders, commencing on January 1, 2021 and expiring on December 31, 2023. On June 29, 2023, the fourth supplemental Contract for Purchase and Sale of Dore was approved by the Company's Shareholders, commencing on January 1, 2024 and expiring on December 31, 2026.

Revenue from sales of gold doré bars to CNG was US$79.1 million for the three months ended March 31, 2025 which increased from US$36.2 million for the three months ended March 31, 2024.

The Company is also a party to a Product and Service Framework Agreement with CNG, pursuant to which CNG provides construction, procurement and equipment financing services to the Company and also purchases the copper concentrates produced at the Jiama Mine. The quantity of copper concentrates, pricing terms and payment terms may be established from time to time by the parties with reference to the pricing principles for connected transactions set out under the Product and Service Framework Agreement. On June 28, 2017, the Supplemental Product and Service Framework Agreement was approved and extended to expire on December 31, 2020. On June 16, 2020, the third Supplemental Product and Service Framework Agreement was approved by the Company's Shareholders, commencing on January 1, 2021 and expiring on December 31, 2023. On June 29, 2023, the fourth Supplemental Product and Service Framework Agreement was approved by the Company's Shareholders, commencing on January 1, 2024 and expiring on December 31, 2026. For the three months ended March 31, 2025, revenue from sales of copper concentrate and other products to CNG was US$192.1 million compared to US$24.0 million for the same period in 2024.

For the three months ended March 31, 2025, construction services of US$32.6 million were provided to the Company by subsidiaries of CNG compared to US$6.2 million for the same period in 2024.

In addition to the aforementioned major related party transactions, the Company also obtains additional services from related parties in its normal course of business, including a Loan Agreement and a Deposit Services Agreement entered into on March 25, 2019, December 31, 2019, December 22, 2020 and a Financial Service Agreement on May 5, 2021 among the Company and China Gold Finance. The Company and China Gold Finance entered into a 2024 Financial Service Agreement on June 6, 2024. As part of the 2024 Financial Service Agreement, China Gold Finance agreed to provide the Company with a range of financial services including (a) Deposit Services, (b) Lending Services, (c) Settlement Services and (d) Other Financial Services. On June 27, 2024, the 2024 Financial Services Agreement was approved by the Company's Shareholders, commencing on the date of the approval by the Independent Shareholders and up to and including December 31, 2026.

Refer to Note 15 of the condensed consolidated financial statements for details of significant related party transactions during the three months ended March 31, 2025.

PROPOSED TRANSACTIONS

The Board of Directors has given the Company approval to conduct reviews of a number of projects that may qualify as acquisition targets through joint venture, merger and/or outright acquisitions. The Company did not have any material acquisition and disposal of subsidiaries and associated companies for the three months ended March 31, 2025. The Company continues to review possible acquisition targets.

CRITICAL ACCOUNTING ESTIMATES

In the process of applying the Company's accounting policies, the Directors of the Company have identified accounting judgments and key sources of estimation uncertainty that have a significant effect on the amounts recognized in the audited annual consolidated financial statements.

Key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months are described in Note 4 of the audited annual consolidated financial statements for the year ended December 31, 2024.

CHANGE IN ACCOUNTING POLICIES

A summary of new and revised IFRS standards and interpretations are outlined in Note 2 of the audited annual consolidated financial statements as at December 31, 2024.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company holds a number of financial instruments, the most significant of which are equity securities, accounts receivables, accounts payables, cash and loans. The financial instruments are recorded at either fair values or amortized amount on the balance sheet. The Company did not have any financial derivatives or outstanding hedging contracts as at March 31, 2025.

OFF-BALANCE SHEET ARRANGEMENTS

As at March 31, 2025, the Company had not entered into any off-balance sheet arrangements.

DIVIDEND AND DIVIDEND POLICY

The Company's dividend policy is a key component of its long-term growth strategy. It aims to optimize capital allocation to drive business expansion while maintaining stable returns for shareholders. After successfully distributing special dividends for three consecutive years (2021-2023), the Company is introducing an enhanced dividend policy comprised of a base dividend supplemented by a variable component that adjusts based on financial performance and market conditions.

Basic dividend: Subject to profitability in the previous financial year and after assessing the Company's cash flow position and future capital requirements, the Company aims to distribute a basic dividend at a payout ratio of 30% of the net profit from the preceding financial year, with cash dividends paid annually.

Variable Component: Subject to favorable market conditions and sufficient funds, the Company may distribute special dividends in addition to the basic dividend.

Dividends may vary in amount and consistency or be discontinued at the Board of Directors' discretion depending on variables including but not limited to operational cash flows, Company development requirements and strategies, spot metal prices, taxation, general market conditions and other factors.

OUTSTANDING SHARES

As of March 31, 2025 the Company had 396,413,753 common shares issued and outstanding.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for the design of disclosure controls and procedures (“DC&P”) and the design of internal control over financial reporting (“ICFR”) to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to the Company’s certifying officers. The Company’s Chief Executive Officer and Chief Financial Officer have each evaluated the Company’s DC&P and ICFR as of March 31, 2025 and, in accordance with the requirements established under Canadian National Instrument 52-109 – Certification of Disclosure in Issuer’s Annual and Interim Filings, the Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures were effective as of March 31, 2025, and provide reasonable assurance that material information relating to the Company is made known to them by others within the Company and that the information required to be disclosed in reports that are filed or submitted under Canadian securities legislation are recorded, processed, summarized and reported within the time period specified in those rules.

The Company’s Chief Executive Officer and Chief Financial Officer have used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework to evaluate the Company’s ICFR as of March 31, 2025 and have concluded that these controls and procedures were effective as of March 31, 2025 and provide reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner. Management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means design of controls cannot provide absolute assurance that all control issues and instances of fraud will be detected. During the three months ended March 31, 2025, there were no changes in the Company’s DC&P or ICFR that materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

RISK FACTORS

There are certain risks involved in the Company's operations, some of which are beyond the Company's control. Aside from risks relating to business and industry, the Company's principal operations are located within the People's Republic of China and are governed by a legal and regulatory environment that in some respects differs from that which prevails in other countries. Readers of this MD&A should give careful consideration to the information included in this document and the Company's audited annual consolidated financial statements and related notes. Significant risk factors for the Company are metal prices, government regulations, foreign operations, environmental compliance, the ability to obtain additional financing, risk relating to recent acquisitions, dependence on management, title to the Company's mineral properties, natural disasters, pandemics such as COVID-19 and litigation. China Gold International's business, financial condition or results of operations could be materially and adversely affected by any of these risks. For details of risk factors, please refer to the Company's annual audited consolidated financial statements, and Annual Information Form filed from time to time on SEDAR+ at www.sedarplus.ca and www.hkex.com.hk.

QUALIFIED PERSON

Disclosure of scientific or technical information in this MD&A was reviewed and approved by Mr. Tony Guo, P.Geo., the Company's Qualified Person ("QP") as defined by National Instrument 43-101.

May 15, 2025

CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.

(incorporated in British Columbia, Canada with limited liability)

Condensed Consolidated Financial Statements
For the three months ended March 31, 2025

CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025

CONTENTS

CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2025

	NOTES	Three months ended March 31, 2025 US$'000 (unaudited)	Three months ended March 31, 2024 US$'000 (unaudited)
Revenue	3	273,096	60,543
Cost of sales		(155,443)	(72,039)
Mine operating earnings (loss)		117,653	(11,496)
Expenses			
General and administrative expenses	4	(12,232)	(9,096)
Exploration and evaluation expenditure		(508)	(92)
Research and development expenses		(3,296)	(787)
		(16,036)	(9,975)
Income (loss) from operations		101,617	(21,471)
Other (expenses) income			
Foreign exchange loss, net		(2,654)	(157)
Interest and other income		1,809	1,228
Other expenses	17	-	(347)
Finance costs	5	(5,002)	(5,663)
		(5,847)	(4,939)
Profit (loss) before income tax		95,770	(26,410)
Income tax (expenses) credit	6	(9,791)	362
Profit (loss) for the period		85,979	(26,048)
Other comprehensive income (expenses) for the period			
Item that will not be reclassified to profit or loss:			
Fair value gain (loss) on equity instruments at fair value through other comprehensive income ("FVTOCI")		3,364	12,626
Item that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation		2,485	(1,106)
Other comprehensive income for the period		5,849	11,520
Total comprehensive (expenses) income for the period		91,828	(14,528)

	NOTE	Three months ended March 31, 2025 US$'000 (unaudited)	Three months ended March 31, 2024 US$'000 (unaudited)
Profit (loss) for the period attributable to			
Non-controlling interests		966	251
Owners of the Company		85,013	(26,299)
		85,979	(26,048)
Total comprehensive income (expenses) for the period attributable to			
Non-controlling interests		966	251
Owners of the Company		90,862	(14,779)
		91,828	(14,528)
Earnings (loss) per share - Basic (US cents)	8	21.45	(6.63)
Weighted average number of common shares - Basic	8	396,413,753	396,413,753

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT MARCH 31, 2025

	NOTES	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Current assets			
Cash and cash equivalents		240,492	183,779
Restricted bank balance		66,793	66,698
Term deposits		181,104	118,246
Trade and other receivables	9	7,379	7,393
Prepaid expenses and deposits		754	1,513
Inventories	10	279,508	290,405
		776,030	668,034
Non-current assets			
Prepaid expenses and deposits		30,127	30,095
Right-of-use assets		47,372	45,957
Equity instruments at FVTOCI	16	51,775	48,411
Property, plant and equipment	11	1,368,270	1,375,498
Mining rights	11	745,463	752,414
Other non-current assets		15,593	15,570
		2,258,600	2,267,945
Total assets		3,034,630	2,935,979
Current liabilities			
Accounts and other payables and accrued expenses	12	179,483	175,132
Contract liabilities		362	8,099
Borrowings	13	148,795	148,696
Lease liabilities		453	469
Tax liabilities		19,834	8,650
		348,927	341,046
Net current assets		427,103	326,988
Total assets less current liabilities		2,685,703	2,594,933
Non-current liabilities			
Accounts and other payables and accrued expenses	12	33,029	32,822
Borrowings	13	566,459	565,656
Entrusted loan payable		27,862	27,823
Lease liabilities		459	459
Deferred tax liabilities		109,414	112,000
Deferred income		19	19
Environmental rehabilitation		70,735	69,948
		807,977	808,727
Total liabilities		1,156,904	1,149,773

	NOTE	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Owners' equity			
Share capital	14	1,229,061	1,229,061
Reserves		105,586	99,737
Retained profits		518,653	433,640
		1,853,300	1,762,438
Non-controlling interests		24,426	23,768
Total owners' equity		1,877,726	1,786,206
Total liabilities and owners' equity		3,034,630	2,935,979

The condensed consolidated financial statements were approved and authorised for issue by the board of directors on May 15, 2025 and are signed on its behalf by:

(Signed by) Chenguang Hou	(Signed by) Yingbin Ian He
Chenguang Hou Director	Yingbin Ian He Director

CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2025

		Attributable to owners of the Company								
	Number of shares	Share capital US$'000	Equity reserve US$'000	Investment revaluation reserve US$'000	Exchange reserve US$'000	Statutory reserve US$'000	Retained profits US$'000	Subtotal US$'000	Non - controlling interests US$'000	Total owners' equity US$'000
At January 1, 2024	396,413,753	1,229,061	11,179	26,318	(61,875)	121,800	380,375	1,706,858	20,883	1,727,741
(Loss) profit for the period	-	-	-	-	-	-	(26,299)	(26,299)	251	(26,048)
Fair value loss on equity instruments at FVTOCI	-	-	-	12,626	-	-	-	12,626	-	12,626
Exchange difference arising on translation	-	-	-	-	(1,106)	-	-	(1,106)	-	(1,106)
Total comprehensive income (expenses) for the period	-	-	-	12,626	(1,106)	-	(26,299)	(14,779)	251	(14,528)
Transfer to statutory reserve - safety production fund	-	-	-	-	-	1,034	(1,034)	-	-	-
Dividends paid to a non-controlling shareholder	-	-	-	-	-	-	-	-	(276)	(276)
At March 31, 2024 (unaudited)	396,413,753	1,229,061	11,179	38,944	(62,981)	122,834	353,042	1,692,079	20,858	1,712,937
At January 1, 2025	396,413,753	1,229,061	11,179	27,589	(70,298)	131,267	433,640	1,762,438	23,768	1,786,206
Profit for the period	-	-	-	-	-	-	85,013	85,013	966	85,979
Fair value gain on equity instruments at FVTOCI	-	-	-	3,364	-	-	-	3,364	-	3,364
Exchange difference arising on translation	-	-	-	-	2,485	-	-	2,485	-	2,485
Total comprehensive income (expenses) for the period	-	-	-	3,364	2,485	-	85,013	90,862	966	91,828
Dividends paid to a non-controlling shareholder	-	-	-	-	-	-	-	-	(308)	(308)
At March 31, 2025 (unaudited)	396,413,753	1,229,061	11,179	30,953	(67,813)	131,267	518,653	1,853,300	24,426	1,877,726

CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2025

	Three months ended March 31, 2025 US$'000 (unaudited)	2024 US$'000 (unaudited)
Net cash from operating activities	143,530	7,201
Investing activities		
Interest income received	737	449
Payment for acquisition of property, plant and equipment	(24,720)	(16,855)
Deposits paid for water treatment project	-	(6,096)
Payment for land use right	-	(18,858)
Placement of term deposits	(111,484)	-
Release of restricted bank deposits	48,774	-
Net cash used in investing activities	(86,693)	(41,360)
Financing activities		
Proceeds from borrowings	-	40,031
Dividend paid to a non-controlling shareholder of a subsidiary	(308)	(276)
Repayments of lease liabilities	(27)	(29)
Net cash from (used in) financing activities	(335)	39,726
Net increase in cash and cash equivalents	56,502	5,567
Cash and cash equivalents, beginning of period	183,779	97,237
Effect of foreign exchange rate changes on cash and cash equivalents	211	(134)
Cash and cash equivalents, end of period	240,492	102,670
Cash and cash equivalents are comprised of cash and bank deposits	240,492	102,670

1. BASIS OF PREPARATION AND SIGNIFICANT EVENT DURING THE CURRENT PERIOD

1.1 Basis of preparation

China Gold International Resources Corp. Ltd., (the "Company") is a publicly listed company incorporated in British Columbia, Canada on May 31, 2000 with limited liability under the legislation of the Province of British Columbia and its shares are listed on the Toronto Stock Exchange and The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company together with its subsidiaries (collectively referred to as the "Group") is principally engaged in the acquisition, exploration, development and mining of mineral resources in the People's Republic of China (the "PRC"). The Group considers that China National Gold Group Co., Ltd. ("CNG"), a state owned company registered in Beijing, the PRC which is controlled by State-owned Assets Supervision and Administration Commission of the State Council of the PRC, is able to exercise significant influence over the Company.

The head office, principal address and registered and records office of the Company are located at Suite 1780, Commerce Place, 400 Burrard Street, Box 17, Vancouver, British Columbia, Canada, V6C 3A6.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB"), which should be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

The condensed consolidated financial statements are presented in United States Dollars ("US$"), which is the functional currency of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the three months ended March 31, 2025 are the same as those presented in the Group's annual financial statements for the year ended December 31, 2024.

In the current interim period, the Group has applied the following amendments to International Financial Reporting Standards ("IFRSs") issued by IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue

(i) Disaggregation of revenue from contracts with customers

The following is an analysis of the Group's revenue from its major products and services:

	Three months ended March 31,	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
At a point in time		
Gold doré bars	79,094	36,166
Copper	93,496	15,585
Other by-products	100,506	8,792
Total revenue	273,096	60,543

(ii) Performance obligations for contracts with customers

The Group sells gold doré bars, copper and other by-products directly to customers. Revenue is recognised at a point in time when control of the gold doré bars, copper and other by-products is passed to customers, i.e. when the products are delivered and titles have passed to customers. A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Segment information

IFRS 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the chief operating decision-maker ("CODM") to allocate resources to the segments and to assess their performance.

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been defined as the executive directors of the Company. The CODM has identified two operating and reportable segments as follows:

(i) The mine-produced gold segment - the production of gold doré bars through the Group’s integrated processes, i.e., mining, metallurgical processing, production and selling of gold doré bars to external clients.

(ii) The mine-produced copper concentrate segment - the production of copper concentrate including other by-products through the Group's integrated processes, i.e., mining, metallurgical processing, production and selling of copper concentrate including other by-products to external clients.

3. REVENUE AND SEGMENT INFORMATION - continued

Segment information - continued

Information regarding the above segments is reported below:

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

For the three months ended March 31, 2025

	Mine - produced gold US$'000 (unaudited)	Mine - produced copper concentrate US$'000 (unaudited)	Segment total US$'000 (unaudited)	Unallocated US$'000 (unaudited)	Consolidated US$'000 (unaudited)
Revenue - external and segment revenue	79,094	194,002	273,096	-	273,096
Cost of sales	(44,539)	(110,904)	(155,443)	-	(155,443)
Mining operating earnings (loss)	34,555	83,098	117,653	-	117,653
Income (loss) from operations	34,047	68,522	102,569	(952)	101,617
Foreign exchange gain (loss)	(2,667)	28	(2,639)	(15)	(2,654)
Interest and other income	737	1,022	1,759	50	1,809
Finance costs	(86)	(3,862)	(3,948)	(1,054)	(5,002)
Profit (loss) before income tax	32,031	65,710	97,741	(1,971)	95,770

For the three months ended March 31, 2024

	Mine - produced gold US$'000 (unaudited)	Mine - produced copper concentrate US$'000 (unaudited)	Segment total US$'000 (unaudited)	Unallocated US$'000 (unaudited)	Consolidated US$'000 (unaudited)
Revenue - external and segment revenue	36,166	24,377	60,543	-	60,543
Cost of sales	(28,158)	(43,881)	(72,039)	-	(72,039)
Mining operating earnings (loss)	8,008	(19,504)	(11,496)	-	(11,496)
Income (loss) from operations	7,917	(28,568)	(20,651)	(820)	(21,471)
Foreign exchange loss	(120)	(32)	(152)	(5)	(157)
Interest and other income	885	367	1,252	(24)	1,228
Other expenses	-	(347)	(347)	-	(347)
Finance costs	(101)	(4,310)	(4,411)	(1,252)	(5,663)
Profit (loss) before income tax	8,581	(32,890)	(24,309)	(2,101)	(26,410)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent profit (loss) before income tax without allocation of certain general and administrative expenses, foreign exchange gain (loss), interest and other income and finance costs, attributable to the respective segment. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

There are no inter-segment sales for the three months ended March 31, 2025 and 2024.

3. REVENUE AND SEGMENT INFORMATION - continued

Segment information - continued

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by segment representing assets/liabilities directly attributable to the respective segment:

	Mine - produced gold US$'000	Mine - produced copper concentrate US$'000	Segment total US$'000	Unallocated US$'000	Consolidated US$'000
As of March 31, 2025 (unaudited)					
Total assets	642,417	2,320,333	2,962,750	71,880	3,034,630
Total liabilities	47,704	1,028,261	1,075,965	80,939	1,156,904
As of December 31, 2024 (audited)					
Total assets	599,908	2,266,611	2,866,519	69,460	2,935,979
Total liabilities	34,886	1,033,576	1,068,462	81,311	1,149,773

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain cash and cash equivalents, other receivables, prepaid expenses and deposits, right-of-use assets, property, plant and equipment and equity instruments at FVTOCI; and

- all liabilities are allocated to operating segments other than other payables and accrued expenses, lease liabilities, deferred income and certain borrowings.

4. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended March 31, 2025 US$'000 (unaudited)	Three months ended March 31, 2024 US$'000 (unaudited)
Administration and office	2,681	1,247
Depreciation of property, plant and equipment	1,598	1,900
Depreciation of right-of-use assets	24	25
Professional fees	514	1,461
Salaries and benefits	4,959	3,554
Others	2,456	909
Total general and administrative expenses	12,232	9,096

5. FINANCE COSTS

	Three months ended March 31, 2025 US$'000 (unaudited)	Three months ended March 31, 2024 US$'000 (unaudited)
Interests on borrowings	4,276	5,123
Interests on provision of mining rights	199	-
Interests on lease liabilities	11	17
Accretion on environmental rehabilitation	684	705
	5,170	5,845
Less: Amounts capitalised to property, plant and equipment	(168)	(182)
Total finance costs	5,002	5,663

6. INCOME TAX (CREDIT) EXPENSES

	Three months ended March 31, 2025 US$'000 (unaudited)	Three months ended March 31, 2024 US$'000 (unaudited)
Current tax:		
PRC Enterprise Income Tax ("EIT")	12,377	1,577
(Overprovision) underprovision in prior year - PRC EIT	-	(24)
PRC withholding income tax on profit earned from PRC subsidiaries	-	-
	12,377	1,553
Deferred tax:		
PRC Enterprise Income Tax ("EIT")	(2,586)	(1,915)
PRC withholding income tax on profit earned from PRC subsidiaries	-	-
	(2,586)	(1,915)
Total income tax (credit) expenses	9,791	(362)

7. DIVIDEND

During the three months ended March 31, 2025 a dividend in respect of the year ended December 31, 2024 of US$0.08 per common share (the basic dividend of US$0.05, and the special dividend of US$0.03), in an aggregate amount of US$31,713,000, has been declared by the directors of the Company upon the approval of the board resolution dated March 26, 2025.

During the three months ended March 31, 2024, no dividend was declared to shareholders of the Company.

8. EARNINGS (LOSS) PER SHARE

Profit (loss) used in determining earnings (loss) per share are presented below:

	Three months ended March 31, 2025 (unaudited)	Three months ended March 31, 2024 (unaudited)
Profit (loss) for the period attributable to owners of the Company for the purposes of basic earnings per share (US$'000)	85,013	(26,299)
Weighted average number of common shares, basic	396,413,753	396,413,753
Basic earnings (loss) per share (US cents)	21.45	(6.63)

The Group has no outstanding potential dilutive instruments issued as at March 31, 2025 and 2024 and during the periods ended March 31, 2025 and 2024. Therefore, no diluted earnings per share is presented.

9. TRADE AND OTHER RECEIVABLES

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Trade receivables	1,925	2,473
Less: allowance for credit losses	(181)	(180)
	1,744	2,293
Amounts due from related companies (note 15(a)) (1)	1,663	1,583
Other receivables (2)	3,972	3,517
Total trade and other receivables	7,379	7,393

(1) The amounts are unsecured, interest free and repayable on demand.

(2) Included in the balance as at March 31, 2025 are Tax and Other Surcharges (as defined in note 17) of US$1,272,000 (December 31, 2024: US$1,270,000), net of allowance for credit losses, to be recovered from Zhongxinfang Tibet Construction Investment Co. Ltd. (“Zhongxinfang”), an independent third party property developer. Details of the impairment assessment of the receivable amount from Zhongxinfang are set out in note 17.

The Group allows an average credit period of 30 days and 180 days to its trade customers.

9. TRADE AND OTHER RECEIVABLES - continued

Below is an aged analysis of trade receivables (net of allowance for credit losses) presented based on invoice dates, which approximated the respective revenue recognition dates, at the end of the reporting period.

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Less than 30 days	39	819
31 to 90 days	458	130
91 to 180 days	408	276
Over 180 days	839	1,068
Total trade receivables	1,744	2,293

10. INVENTORIES

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Gold in process	211,640	222,568
Gold doré bars	26,003	26,467
Consumables	12,517	11,119
Copper concentrates	4,113	5,959
Spare parts	25,235	24,292
Total inventories	279,508	290,405

Inventories totalling US$45 million for the three months ended March 31, 2025 (three months ended March 31, 2024: US$44 million) was recognised in cost of sales.

11. PROPERTY, PLANT AND EQUIPMENT/MINING RIGHTS

During the three months ended March 31, 2025, the Group incurred US$16.6 million on construction in progress (for the three months ended March 31, 2024: US$1.4 million) and US$3.8 million on mineral assets (for the three months ended March 31, 2024: US$1 million), respectively.

Depreciation of property, plant and equipment was US$33 million for the three months ended March 31, 2025 (for the three months ended March 31, 2024: US$24.4 million). The depreciation amount was partly recognized in cost of sales and general and administrative expenses and partly capitalized in inventory.

No addition of mining rights was incurred during the three months ended March 31, 2025 and 2024. Amortisation of mining rights was US$16.9 million for the three months ended March 31, 2025 (for the three months ended March 31, 2024: US$1.2 million). The amortisation amounts were recognised in cost of sales.

12. ACCOUNTS AND OTHER PAYABLES AND ACCRUED EXPENSES

Accounts and other payables and accrued expenses comprise the following:

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Accounts payable	29,341	25,811
Construction cost payables	93,082	84,218
Provision of the variable payment arising from the mining right (note a)	44,280	49,057
Payable for litigation compensation (note 17)	19,030	23,872
Payable for acquisition of a mining right	2,352	2,349
Payroll and benefit payable	3,065	286
Mining cost accrual	2,809	1,544
Other accruals	2,379	2,231
Other tax payable	2,895	9,719
Other payables	13,279	8,867
Total accounts and other payables and accrued expenses	212,512	207,954
Current	179,483	175,132
Non-current (note a)	33,029	32,822
Total accounts and other payables and accrued expenses	212,512	207,954

Note:

a. The amounts represent the variable payment arising from the mining right that are classified as current and non-current based on the instalments schedule as at March 31, 2025 and December 31, 2024.

13. BORROWINGS

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Bank loans	634,454	633,666
Loans payable to a CNG's subsidiary (note 15)	80,800	80,686
	715,254	714,352

The borrowings are repayable as follows:

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Carrying amount repayable within one year	148,795	148,696
Carrying amount repayable within one to two years	291,438	254,855
Carrying amount repayable within two to five years	176,996	212,914
Carrying amount repayable over five years	98,025	97,887
	715,254	714,352
Less: Amounts due within one year (shown under current liabilities)	(148,795)	(148,696)
Amounts shown under non-current liabilities	566,459	565,656

The carrying values of the pledged assets to secure borrowings by the Group are as follows:

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Mining rights	743,953	750,627

Borrowings carry interest at effective interest rates ranging from 1.85% to 4.29% (December 31, 2024: 1.85% to 6.27%) per annum.

13. BORROWINGS - continued

In respect of a bank loan with a carrying amount of US$195,035,000 as at March 31, 2025 (December 31, 2024: US$298,742,000), the Group is required to comply with certain significant financial covenants throughout the continuance of the relevant bank loans and/or as long as the bank loans are outstanding. These covenants include, but are not limited to, the following: the ratio of liabilities to assets of the borrower must not be more than certain percentage; the ratio of current asset to current liabilities of the borrower must be more than 0.5; and the net assets of the Group must not be less than US$1,000 million, among others.

14. SHARE CAPITAL

Common shares

(i) Authorized - Unlimited common shares without par value

(ii) Issued and outstanding

	Number of shares	Amount US$'000
Issued and fully paid:		
At January 1, 2024 (audited), December 31, 2024 (audited) and March 31, 2025 (unaudited)	396,413,753	1,229,061

15. SIGNIFICANT RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control the other party or exercise significant influence in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. CNG, a state owned company registered in Beijing, the PRC, which is controlled by State-owned Assets Supervision and Administration Commission of the State Council of the PRC, is able to exercise significant influence over the Company.

The management believes that information relating to related party transactions have been adequately disclosed in accordance with the requirements of IAS 24 "Related party disclosures".

In addition to the related party transactions and balances shown elsewhere in these condensed consolidated financial statements, the following is a summary of significant related party transactions entered into in the ordinary course of business between the Group and its related parties for the three months ended March 31, 2025 and 2024, and related party balances as at March 31, 2025 and December 31, 2024.

15. SIGNIFICANT RELATED PARTY TRANSACTIONS - continued

Name and relationship with related parties during the period/year are as follows:

CNG owned the following percentages of outstanding common shares of the Company:

	March 31, 2025 % (unaudited)	December 31, 2024 % (audited)
CNG	40.01	40.01

(a) Transactions/balances with CNG and its subsidiaries

The Group had the following significant transactions with CNG and CNG's subsidiaries:

	Three months ended March 31, 2025 US$'000 (unaudited)	2024 US$'000 (unaudited)
Gold doré bars sales by the Group	79,094	36,166
Copper and other by-product sales by the Group	192,077	24,021
Other income	-	712
Provision of transportation services by the Group	492	34
Construction, stripping and mining services provided to the Group	32,567	6,166
Accrued property management fee	113	114
Commitment fee	149	157
Interest income	1,225	233
Interest expense on loans payable to a CNG's subsidiary and entrusted loan payable	610	623
Interest expense on lease liabilities	10	16

15. SIGNIFICANT RELATED PARTY TRANSACTIONS - continued

(a) Transactions/balances with CNG and its subsidiaries - continued

The Group has the following significant balances with CNG and its subsidiaries at the end of each reporting period:

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Assets		
Amounts due from related companies (Note 9)	850	1,583
Cash and cash equivalents held in a CNG's subsidiary	164,125	150,315
Temp deposits held in a CNG's subsidiary	181,931	118,246
Restricted balance held in a CNG's subsidiary	66,793	66,698
Total amounts due from CNG and its subsidiaries	413,699	336,842

Other than the cash and cash equivalents held in a CNG's subsidiary, the remaining amounts due from CNG and its subsidiaries as at March 31, 2025 and December 31, 2024, which are included in trade and other receivables are non-interest bearing, unsecured and repayable on demand.

	March 31, 2025 US$'000 (unaudited)	December 31, 2024 US$'000 (audited)
Liabilities		
Entrusted loan payable	27,883	27,823
Loans payable to a CNG's subsidiary (Note 13)	80,854	80,686
Construction costs payable to CNG's subsidiaries	28,137	19,515
Trade payable to CNG's subsidiaries	2,080	952
Amounts due to CNG	1,880	4,080
Contract liabilities with a CNG's subsidiary	348	8,085
Leased liabilities to a CNG's subsidiary	788	897
Total amounts due to CNG and its subsidiaries	141,970	142,038

With the exception of the entrusted loan payable to CNG, loans payable to a CNG’s subsidiary, lease liabilities to a CNG's subsidiary and contract liabilities to a CNG's subsidiary, the amounts due to CNG and its subsidiaries which are included in other payables and construction costs payable, are non-interest bearing, unsecured and have no fixed terms of repayments.

15. SIGNIFICANT RELATED PARTY TRANSACTIONS - continued

(b) Compensation of key management personnel

The Group has the following compensation to key management personnel during the period:

	Three months ended March 31,	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
Salaries and other benefits	102	82
Post-employment benefits	7	7
	109	89

16. FINANCIAL INSTRUMENTS

As at March 31, 2025 and December 31, 2024, the Group's investments in equity securities include equity securities listed on the Stock Exchange and unlisted companies incorporated in the PRC.

Investment in equity securities listed on the Stock Exchange of US$50,962,000 (December 31, 2024: US$47,599,000) is measured based on the unadjusted quoted price available on the Stock Exchange (Level 1 fair value measurement). The Group's investment in listed equity securities represent investment in a company engaged in mining, processing and trading of nonferrous metals registered in Hong Kong, PRC.

In addition, investment in an unlisted company incorporated in the PRC of US$813,000 (December 31, 2024: US$812,000) are measured at fair value based on Level 3 inputs.

The Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

17. CONTINGENCIES

(i) Litigation with Huaxin and Zhongxinfang

During the year ended December 31, 2020, there was a construction contract dispute between independent third parties including the constructor, Huaxin Construction Group Co., Ltd. (formerly named as "Nantong Huaxin Construction Group Co., Ltd.") ("Huaxin"), Zhongxinfang, and the Company's subsidiary, Tibet Huatailong Mining Development Co. Ltd. ("Huatailong"). The land use right of a composite project under the construction contract was transferred from Huatailong to Zhongxinfang in 2019 pursuant to the cooperation agreement (the "Cooperation Agreement") whereby the Group agreed to transfer the land use right for the development and Zhongxinfang agreed to compensate the Group by transferring a block of the buildings and twenty car parks (the "New Premises") to the Group within two years from the date of the Cooperation Agreement (the "Land Exchange").

(a) *Litigations with Huaxin and Zhongxinfang for the construction costs*

During the year ended December 31, 2020, Huaxin proceeded a lawsuit against the parties to the construction contract, Zhongxinfang and Huatailong, for the recovery of the construction costs of RMB149 million (equivalent to US$21,319,000) and applied for pre-litigation preservation of assets from Huatailong. The Intermediate People's Court of Lhasa City, Tibet ("Tibet Intermediate Court"), adjudicated that the bank deposit of RMB140 million (equivalent to US$19,775,000) of Huatailong to be frozen for one year from April 10, 2020 (the "First Adjudication"). Based on the adjudication of Tibet Intermediate Court after the First Adjudication on December 1, 2020 and related notice of execution effective from December 3, 2020, the related frozen bank deposit of US$19,775,000 of Huatailong was released.

Based on the first instance adjudication dated July 23, 2020 (the "First Instance Adjudication"), the litigation ruling adjudicated that Zhongxinfang and Huatailong shall have the joint obligation for the construction costs of RMB140 million (equivalent to US$20,070,000) to Huaxin. Pursuant to the Cooperation Agreement, Huatailong is not responsible for the construction and the related construction works and costs are the sole responsibilities of Zhongxinfang. Huatailong proceeded an appeal against the First Instance Adjudication on August 17, 2020. Subsequently, it was confirmed that Huatailong has no obligation for the aforesaid construction costs as the High People's Court of Lhasa City, Tibet ("Tibet High Court") entered the final instance adjudication dated November 20, 2020 (the "2020 Final Instance Adjudication") and rescinded the First Instance Adjudication.

During the year ended December 31, 2022, Huaxin filed a petition with the Supreme People's Court of the PRC for a retrial and request re-adjudicating 2020 Final Instance Adjudication, the Supreme People's Court of the PRC has formed a collegial panel pursuant to law to review this case and ordered Tibet High Court to retry the case. Pursuant to retrial, Tibet High Court entered the final instance adjudication dated June 5, 2023 (the "June 2023 Huaxin Final Instance Adjudication") and affirmed the First Instance Adjudication that Zhongxinfang and Huatailong shall have the joint obligation for the construction costs and should pay to Huaxin within 15 days from the effective date of this judgment. Accordingly, Huatailong recognised the liabilities in prior year. Huatailong recognised RMB137 million (equivalent to US$19,030,000) as payable for litigation compensation which is presented under "accounts and other payables and accrued expenses" as at March 31, 2025 (December 31, 2024: 172 million (equivalent to US$23,872,000).

17. CONTINGENCIES - continued

(i) Litigation with Huaxin and Zhongxinfang - continued

(a) *Litigations with Huaxin and Zhongxinfang for the construction costs* - continued

On July 24, 2023, Huaxin applied for an enforcement of the June 2023 Final Instance Adjudication (the "July 2023 Enforcement") and Huatailong has submitted the declaration of its assets to the Tibet Intermediate Court for assessment. In addition, Huatailong is actively seeking other measures to appeal against the June 2023 Huaxin Final Instance Adjudication and is not yet come up with a result. As at March 31, 2025 and up to the date these condensed consolidated financial statements are authorised for issue, the assets that have been frozen temporarily by the Tibet Intermediate Court are set out below. On January 15, 2025, the Execution Bureau of the Tibet Intermediate Court has conducted auction of a leasehold land and buildings of Huatailong with carrying amount of US$7,494,000 as at December 31, 2024, through a public auction on a judicial auction online platform. The auction was unsuccessful. The July 2023 Enforcement is currently under proceeding and enforcement rulings is not finalised.

	Carrying amount as at March 31, 2025
	US$'000
Bank balances	27
Other non-current assets	15,775
Right-of-use assets - leasehold lands	10,963
Equity instruments at FVTOCI - unlisted investments	825
Property, plant and equipment - buildings	22,220
51% equity interest in Jiama Industry and Trade, a subsidiary of the Company	n/a
	49,810

Other than the bank balances, the Group considers that the remaining frozen assets are merely restricted from transfer or sale, with no impact of the utilization of these assets by Huatailong, and do not affect the Huatailong's current operation.

On January 17, 2025, Huatailong paid litigation settlement of RMB35,000,000 (equivalent to US$4,870,0000).

17. CONTINGENCIES - continued

(i) Litigation with Huaxin and Zhongxinfang - continued

(b) *Litigations with Zhongxinfang for the recovery of construction costs*

During the year ended December 31, 2020, Huatailong filed a lawsuit against Zhongxinfang for the recovery of the construction costs of RMB149 million (equivalents to US$21,319,000) that shall be jointly borne by Huatailong on the 2020 First Instance Adjudication. Based on the first instance adjudication dated on September 23, 2020, the litigation ruling adjudicated that Zhongxinfang shall have obligation for the construction costs of RMB149 million (equivalents to US$21,319,000) to Huatailong (the "September 2020 Adjudication"). In October 2020, Zhongxinfang proceeded an appeal against the September 2020 Adjudication and revoked subsequently. On June 20, 2023, Tibet High Court adjudicated that the September 2020 Adjudication sustained (the "June 2023 Zhongxinfang Final Instance Adjudication") and Zhongxinfang should pay relevant compensation to Huatailong within 15 days from the effective date of the June 2023 Zhongxinfang Final Instance Adjudication. On 15 September 2023, Huatailong applied for an enforcement of the June 2023 Zhongxinfang Final Instance Adjudication (the "September 2023 Enforcement") and as at March 31, 2025 and up to the date these condensed consolidated financial statements are authorised for issue, Zhongxinfang has not yet paid the compensation to Huatailong and the September 2023 Enforcement is not executed mainly because Zhongxinfang is involved in several litigations and there are no executable properties.

(c) *Litigations with Zhongxinfang for the delivery of New Premises and recovery of tax and other surcharge*

On June 21, 2021, Huatailong applied for pre-litigation preservation of the New Premises from Zhongxinfang, the Tibet Intermediate Court adjudicated that the value of New Premises limited to RMB137 million (equivalent to US$21,207,000), and the New Premises comprising a block of buildings and twenty car parks from Zhongxinfang were frozen for three and two years respectively (the "New Premises Pre-litigation Preservation"). On July 21, 2021, pursuant to the New Premises Pre-litigation Preservation, Huatailong proceeded a lawsuit against Zhongxinfang for the delivery of New Premises and the payment of penalty amounting to RMB5 million (equivalent to US$773,000), and on April 20, 2022, Huatailong submitted alternation of claims application to the court and requested the delivery of New Premises and changing the penalty charge to be RMB9 million (equivalent to US$1,397,000). On November 5, 2022, Tibet Intermediate Court adjudicated that Zhongxinfang should pay penalty of RMB9 million (equivalent to US$1,397,000) to Huatailong (the "November 2022 Adjudication") within 15 days from the effective date of the November 2022 Adjudication due to the overdue in delivery of the New Premises. In March 2023, Huatailong applied for an enforcement of the November 2022 Adjudication in March 2023 (the "March 2023 Enforcement").

As at March 31, 2025 and the date these condensed consolidated financial statements are authorised for issue the frozen period over the block of buildings and the twenty car parks has extended to May 2027 and Huatailong is in progress to apply for a further period for New Premises Pre-litigation Preservation. In addition, based on legal advice, the March 2023 Enforcement is currently under proceeding and the result is not ascertain as at the date these condensed consolidated financial statements are authorised for issue.

17. CONTINGENCIES - continued

(i) Litigation with Huaxin and Zhongxinfang - continued

(c) *Litigations with Zhongxinfang for the delivery of New Premises and recovery of tax and other surcharge* - continued

Based on Group's assessment on the status of the New Premises and taking into account the valuation of the New Premises, no impairment loss (for the three months ended March 31, 2024: nil) has been made during the three months ended March 31, 2025 and the carrying amount of the other non-current assets are RMB111,924,000 (equivalent to US$15,592,000) as at March 31, 2025 (December 31, 2024: RMB111,924,000 (equivalent to US$15,570,000)).

In addition, during the year ended December 31, 2020, Huatailong has paid all related tax exposures including but not limited to land appreciation tax, EIT and other surcharge related to the Land Exchange (the "Tax and Other Surcharge") of RMB46 million (equivalent to US$6,997,000) and expects to recover such payments from Zhongxinfang in accordance with the Cooperation Agreement. On July 8, 2020, Huatailong applied for pre-litigation preservation of assets from Zhongxinfang, the Tibet Intermediate Court adjudicated that the value of certain properties limited to RMB46 million (equivalent to US$6,609,000) from Zhongxinfang was frozen for one year (the "Pre-litigation Preservation"). Based on the adjudication issued on November 20, 2020 in relation to the lawsuit against Zhongxinfang for the recovery of the Tax and Other Surcharge, the litigation ruling adjudicated that Zhongxinfang shall repay the Tax and Other Surcharge to Huatailong (the "November 2020 Adjudication"). As Zhongxinfang has not settled such amount within the due date, Huatailong applied for an enforcement of the November 2020 Adjudication in January 2021 (the "2021 Enforcement"). On June 24, 2021, the Tibet Intermediate Court adjudicated the 2021 Enforcement be suspended as all of the assets owned by Zhongxinfang have been sealed up or frozen and there are no executable properties from Zhongxinfang. Based on legal advice, the 2021 Enforcement is currently suspended and the Group’s first priority of claim over one of the assets under Pre-litigation Preservation has been extended to May 2027. The result of aforementioned 2021 Enforcement is not ascertain as at December 31, 2025 and the date these condensed consolidated financial statements are authorised for issue.

Based on the best available information to the Group and the credit risk assessment of Zhongxinfang as of March 31, 2025, no additional expected credit loss (for the three months ended March 31, 2024: nil) for other receivables from Zhongxinfang is recognised during the three months ended March 31, 2025, and the accumulated allowance for credit losses is RMB36,524,000 (equivalent to US$5,088,000) as of March 31, 2025 (December 31, 2024: RMB36,524,000 (equivalent to US$5,081,000)).

17. CONTINGENCIES - continued

(ii) Litigation with an independent supplier of Huatailong

In May 2023, a supplier of Huatailong proceeded a lawsuit against Huatailong for the loss of work stoppage and slowdown resulting from the suspension of Jiama Mine's south pit which are required to remediate by local government from June 19, 2021, amounting RMB479 million (equivalent to US$66,793,000)), and applied for pre-litigation preservation of assets from Huatailong, for one year.

On May 24, 2023, the Tibet Intermediate Court adjudicated balance with same amount as aforementioned placed in China National Gold Group Finance Company Limited ("China Gold Finance"), a subsidiary of CNG by the Group to be frozen for one year, which was further extended for another year on May 6, 2024. Accordingly, the frozen bank deposit of US$66,793,000 was included in restricted bank balances as at March 31, 2025 (December 31, 2024: US$66,698,000).

On November 27, 2023, the Tibet Intermediate Court adjudicated (the "2023 First Instance Adjudication") that Huatailong shall pay the Supplier Work Stoppage Loss of RMB178 million (equivalent to US$25,201,000) to that independent supplier. Huatailong proceeded an appeal to the Tibet High Court against the 2023 First Instance Adjudication on December 9, 2023 that Huatailong has no obligation for the aforesaid Supplier Work Stoppage Loss. the Tibet High Court has held a trial on the dispute between Huatailong and an independent supplier of Huatailong for the loss of work stoppage and slowdown resulting from the suspension of Jiama Mine's south pit and on April 10, 2024, the Tibet High Court rescinded the first instance adjudication dated November 27, 2023 by the Tibet Intermediate Court and remand the case to the Tibet Intermediate Court for retrial.

The Tibet Intermediate Court held the retrial three times on June 11, 2024, June 21, 2024 and July 19, 2024, while both sides are questioning the evidence disclosed during the trial process. The fourth trial was held on March 24, 2025 and no result on the trial up to the date of this condensed consolidated financial statements. As at March 31, 2025 and up to the date these consolidated financial statements are authorised for issue, the verdict is not delivered, the Group concludes that it is not probable that an outflow of economic benefits will be required by taking into account the new evidences and materials collected and the legal advice. Accordingly, no provision is made in the condensed consolidated financial statements in regard to this litigation as of March 31, 2025 (December 31, 2024: nil).