XIZANG ZHIHUI MINING CO., LTD. *
西藏智匯礦業股份有限公司

TERMS OF REFERENCE FOR THE REMUNERATION AND APPRAISAL COMMITTEE OF THE BOARD OF DIRECTORS

Chapter I General Provisions

Article 1 For the purpose of enhancing the decision-making function of the Board of Directors of Xizang Zhihui Mining Co., Ltd. (the "Company"), reinforcing the effective supervision of management by the Board of Directors of the Company and improving the corporate governance structure, the Company has established the Remuneration and Appraisal Committee under the Board of Directors and formulated these terms of reference in accordance with the provisions of the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), other relevant laws, administrative regulations, and normative documents, and the Articles of Association of Xizang Zhihui Mining Co., Ltd. (the "Articles of Association").

Article 2 The Remuneration and Appraisal Committee is a specialized working body established by the Board of Directors in accordance with the resolutions of the shareholders' meeting. Its primary responsibilities are to review and oversee the implementation of an effective remuneration and performance appraisal system, which incorporates appropriate incentives and constraints. It also proposes recommendations to the Board of Directors regarding the remuneration system, performance appraisal systems, and incentive plans for the Company's directors, supervisors, and senior management and evaluates the performance and conduct of directors and senior management.

Article 3 For the purposes of these terms of reference, "Directors" refers to directors of the Company who receive remuneration, and "Senior Management" refers to the General Manager, Chief Financial Officer (Chief Accountant) and Board Secretary appointed by the Board of Directors.

Chapter II Composition

Article 4 The Remuneration and Appraisal Committee shall be composed of at least three directors, with the majority being independent non-executive directors.

Article 5 Members of the Remuneration and Appraisal Committee shall be nominated by the Chairman, by more than half of the independent non-executive directors, or by one-third of all directors and appointed or dismissed by the Board of Directors.

Article 6 The Remuneration and Appraisal Committee shall have a convener (chairperson), who shall be an independent non-executive director and shall be responsible for leading the work of the Remuneration and Appraisal Committee. The convener (chairperson) shall be elected from among the members and approved by the Board of Directors.

Article 7 The primary duties and authorities of the Committee convener include:

(1) Presiding over Committee meetings and signing meeting resolutions;

(2) Proposing the convening of meetings;

(3) Leading the Committee to ensure its effective operations and performance of its duties;

(4) Ensuring that each item discussed by the Committee has a clear and conclusive outcome (including approval, rejection, or requests for supplementary materials);

(5) Setting the agenda for each Committee meeting;

(6) Ensuring that all Committee members understand the matters discussed and have access to complete and reliable information;

(7) Exercising other powers stipulated by law, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and stock exchanges, these terms of reference , and the Board of Directors.

Article 8 Committee members serve terms concurrent with those of the directors. Members may be re-elected upon expiration of their terms. Any member who ceases to serve as a Company director or an independent non-executive director shall automatically lose their Committee membership unless the number of Committee members falls below the statutory requirement, which would impair its ability to function. In such cases, the Board of Directors shall fill the vacancy in accordance with these Implementation Rules.

Article 9 The primary duties and authorities of the Committee members include:

(1) Attending Committee meetings on time, expressing opinions on matters discussed, and exercising voting rights;

(2) Proposing topics for discussion at Committee meetings;

(3) Attending or observing relevant Company meetings and conducting investigations as needed to obtain required reports, documents, materials, and other related information to fulfill their duties;

(4) Gaining a thorough understanding of the Committee's responsibilities and its own duties as a member of the Committee, familiarizing themselves with the Company's operations, activities, and developments related to their responsibilities, and ensuring their ability to fulfill their duties;

(5) Committing sufficient time and effort to fulfill their duties;

(6) Exercising other powers stipulated by law, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and stock exchanges, these terms of reference, and the Board of Directors.

Chapter III Duties and Authorities

Article 10 The primary duties and authorities of the Remuneration and Appraisal Committee are as follows:

(1) Developing performance appraisal standards for directors and senior management, reviewing their performance, conducting regular performance evaluations, and making recommendations to the Board of Directors;

(2) Formulating and reviewing remuneration plans or schemes, policies and structure, and setting up a formal and transparent procedure for the formulation of the said remuneration plans or programs and to make recommendations to the Board based on the scope, responsibilities, and significance of managerial positions of directors and senior management, with reference to remuneration levels in comparable companies and roles. Remuneration plans may include, but are not limited to, performance evaluation standards, procedures, core assessment systems, reward and disciplinary programs, and relevant systems;

(3) Determining the remuneration packages of individual executive directors and senior management personnel, or making recommendations to the Board on the remuneration packages of individual executive Directors and senior management personnel;

(4) Establishing remuneration packages for individual executive directors and senior management, including non-monetary benefits, pension entitlements, and compensation amounts (including compensation for loss or termination of duties or appointments). Such compensation shall be determined in accordance with relevant contract terms or, if unavailable, be fair, reasonable, and not impose an undue burden on the Company;

(5) Making recommendations to the Board of Directors regarding the remuneration of non-executive directors;

(6) Assessing and overseeing the Company's remuneration system and its implementation;

(7) Factors to be considered include the requirements of relevant laws and regulations, the remuneration paid by similar companies, the time dedicated by and the duties of directors and senior management, the employment terms of other positions in the Company and whether remuneration should be based on performance, etc.

(8) Ensuring that no director or any of their associates (as defined in the Hong Kong Listing Rules) participates in the determination of their own remuneration;

(9) Reviewing and/or approving matters related to share plans under Chapter 17 of the Hong Kong Listing Rules;

(10) Addressing shareholders' inquiries regarding the remuneration of Company directors and senior management; and

(11) to assume other duties as required by the provisions of laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the stock exchange of the place where the shares of the Company are listed (including the relevant authority and duties as stipulated in the relevant code provisions of the Corporate Governance Code as set out Appendix C1 to the Hong Kong Listing Rules (as amended from time to time)) and the Articles of Association, and other duties and powers delegated by the board of directors. The committee shall also report to the board of directors on matters within the scope of its duties and authority (including decisions or recommendations made by the committee).

Article 11 The Remuneration and Appraisal Committee is accountable to the Board of Directors. The Remuneration and Appraisal Committee's proposals are submitted to the Board of Directors for review and decision-making. The Remuneration and Appraisal Committee shall cooperate with the Supervisory Committee in remuneration and appraisal activities.

Article 12 The Remuneration and Appraisal Committee shall provide all research discussions, materials, and information in the form of reports, recommendations, and summaries to the Board of Directors for consideration and decision-making.

Article 13 The chairman of the Remuneration and Appraisal Committee shall attend the annual Shareholders' meeting of the Company and answer the shareholders' questions in relation to the duties of the Remuneration and Appraisal Committee. If the chairman of the Committee cannot attend the annual Shareholders' meeting, another member or duly authorized representative shall attend the meeting.

Article 14 The Board of Directors shall have the right to veto any remuneration plan (package) and share incentive scheme that goes against shareholders' interests.

Chapter IV Rules of Procedure

Article 15 The Remuneration and Appraisal Committee shall convene at least once per year, with all members notified five days in advance. This notification period may be waived with the unanimous consent of all members。An extraordinary meeting shall be proposed by the members of the Remuneration and Appraisal Committee, and notice of an extraordinary meeting shall be given to all members three days before it is convened. Notice shall be accompanied by a complete set of meeting proposals, and shall be delivered by facsimile, telephone, e-mail, hand delivery, mail or other means as appropriate.

Meetings shall be presided over by the convener (chairperson) of the Remuneration and Appraisal Committee. If the convener (chairperson) cannot attend, he or she may designate an independent non-executive director to preside.

If the chairperson of the Remuneration and Appraisal Committee fails to perform his/her duties or designate other members to perform them on his/her behalf, any of the members may report to the Board of Directors, and the Board of Directors shall designate a member to perform the duties of the chairman of the Remuneration and Appraisal Committee.

If a member of the Remuneration and Appraisal Committee fails to attend the meeting in person or appoint another member to attend the meeting on his/her behalf, he/she shall be deemed as absent from the relevant meeting.

Article 16 The meeting of the Remuneration and Appraisal Committee must be attended by at least two-thirds of the members (including members who have delegated another member in writing to attend the meeting, which shall specify the scope of authorization) to be valid. Each member has one vote, and resolutions must be approved by a majority of all members.

Article 17 When a member of the Remuneration and Appraisal Committee has a conflict of interest in an issue to be discussed at a meeting, such member shall abstain from voting.

Where the number of members attending the meeting is less than the quorum specified in these terms of reference after the interested members abstain from voting, all members (including the interested members) shall resolve procedural issues including submitting the proposal to the Board of Directors for consideration. Such proposal shall be considered by the Board of Directors.

Article 18 The meetings may be held on site and in the form of written circular. If a meeting is held on site, telephone, video, etc. may be used to facilitate the members in attending the meeting. Any member who attends the meeting via the abovementioned approaches shall be deemed as having attended the onsite meeting.

Members of the Remuneration and Appraisal Committee shall attend meetings in person and express clear opinions on matters under consideration. Where a member is unable to attend the meeting in person for any reason, he/she may submit an instrument of proxy signed by the member, authorizing another member to attend and express opinions on his/her behalf. The instrument of proxy shall clearly specify the scope and duration of the mandate. Each member shall accept delegation from no more than one of the other members. Should an independent non-executive director member be unable to attend a meeting in person for any reason, he/she shall appoint another independent non-executive director member to attend on his/her behalf.

Article 19 Voting at the meeting of the Remuneration and Appraisal Committee shall be conducted either by a show of hands or by ballot.

Article 20 When necessary, the Remuneration and Appraisal Committee may invite directors, supervisors, and other senior management of the Company to attend meetings.

Article 21 The Remuneration and Appraisal Committee may, if necessary, engage intermediary agencies to provide professional advice for decision-making, with reasonable fees borne by the Company.

Article 22 The convening procedures, voting methods, and resolutions of meetings of the Remuneration and Appraisal Committee shall adhere to relevant laws, regulations, securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, and these terms of reference.

Article 23 Meetings of the Remuneration and Appraisal Committee shall be documented, and all attendees must sign the meeting minutes. These minutes shall be kept by the Secretary of the Board of Directors in accordance with the Company's archives management policy.

The minutes shall record the matters considered and resolutions passed at the meetings in sufficient detail, including any doubts or objections raised by members, and shall be circulated to every member for review and confirmation. The members attending the meeting and the minute taker shall sign the minutes. Members present at a meeting shall have the right to request that a descriptive entry be made in the minutes of their statements at the meeting. If a committee member has any comments or objections regarding the minutes, he/she may choose not to sign but shall submit their written opinions to the secretary of the Board of Directors within the stipulated timeframe. If the errors or omissions in the records are confirmed to be true, the secretary of the Board of Directors shall make corrections, and the committee member shall sign the revised minutes.

Proposals and voting results passed at meetings of the Remuneration and Appraisal Committee shall be reported in writing to the Board of Directors.

Article 24 All members present are obligated to keep all matters discussed at the meetings confidential and shall not disclose any information without authorization.

Chapter V Decision-Making Procedure

Article 25 In its operations, the Remuneration and Appraisal Committee shall be provided with relevant written materials, including:

(1) The Company's primary financial indicators and completion status of business objectives;

(2) The scope of responsibilities and performance of senior management;

(3) Completion status of indicators related to the performance evaluation of directors and senior management;

(4) providing operational performance metrics demonstrating the business innovation and profit-making capabilities of directors and senior management;

(5) Relevant calculations supporting the Company's remuneration plan and distribution methods;

(6) Supervisory Committee appraisal opinions.

Article 26 The evaluation procedures of the Remuneration and Appraisal Committee for directors and senior management are as follows:

(1) Directors and senior management shall submit work reports and self-evaluations to the Committee;

(2) The Committee shall assess the performance of directors and senior management according to established evaluation standards and procedures;

(3) Assess directors' and senior management's capacity for innovation and business potential;

(4) Based on performance evaluations and remuneration distribution policies, the Remuneration and Appraisal Committee shall propose recommendations for remuneration amounts and incentive methods for directors and senior management, which will be submitted to the Board of Directors;

(5) For Board re-elections and appointments of senior management, special assessments may be conducted and completed before the Board of Directors meeting.

The Remuneration and Appraisal Committee's remuneration plan for directors shall be approved by the Board of Directors and submitted to the shareholders' meeting for approval before implementation; the remuneration plan for senior management shall be approved by the Board of Directors. When the Board of Directors or its Remuneration and Appraisal Committee assesses the performance of a director or discusses its remunerations, such director shall be absent from such assessment and discussion.

Chapter VI Supplementary Provisions

Article 27 Unless otherwise specified, terms used in these terms of reference have the same meanings as those defined in the Hong Kong Listing Rules and the Articles of Association.

Article 28 "More than" as referred to in these terms of reference shall include the number.

Article 29 These terms of reference hereto have been considered and approved by the Board of Directors and shall take effect from the date of the initial public offering of overseas listed shares (H Shares) of the Company and its listing on The Stock Exchange of Hong Kong Limited.

Article 30 For matters not covered in these terms of reference, relevant national laws, regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall apply. In the event of a conflict between these terms of reference and national laws, regulations, securities regulatory rules of the place where the Company's shares are listed, or any amendments to the Articles of Association, the latter shall prevail. These terms of reference shall then be amended accordingly and submitted to the Board of Directors for approval.

Article 31 The power to interpret these terms of reference rests with the Board of Directors of the Company.