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CHINA KINGSTONE
中國金石

CHINA KINGSTONE MINING HOLDINGS LIMITED

中國金石礦業控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1380)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING ON STRATEGIC COOPERATION

This announcement is made by China Kingstone Mining Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide updates on the Group’s latest business development to the shareholders of the Company (the “**Shareholders**”) and potential investors.

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors of the Company (the “**Directors**”) is pleased to announce that on 7 August 2026, the Company entered into a memorandum of understanding (the “**MOU**”) with First Asia Merchants Bullion Limited (“**First Asia**”) and First Gold 3.0 Holding Limited (“**FG 3.0**”) (together, the “**Parties**”). The MOU sets out a framework for the Parties to explore potential cooperation opportunities with the aim of establishing long-term strategic collaboration and mutual commercial benefits (the “**Strategic Cooperation**”).

Pursuant to the MOU, the Parties intend to explore cooperation across the gold value chain, including:

- (i) Gold supply: the Company may supply gold which may become available from its mining operations to First Asia for trading and retail purposes, on commercial terms to be mutually agreed in definitive agreements. The Company remains free to sell its gold to any third party.
- (ii) Gold refining: the Company may be responsible for, or procure, gold refining services in respect of gold supplied to First Asia.
- (iii) Retail investment: the Parties intend to explore the development and expansion of gold shop retail business into South Asian markets. The Company may participate in the investment of such retail business.

- (iv) Comprehensive strategic cooperation: the Parties explore carry out cross-marketing, business development, joint participation in industry events, and sharing of market intelligence and expertise.
- (v) Gold recovery: the Parties may explore cooperation in gold recovery and recycling operations.
- (vi) Hedging: First Asia may provide the Company with gold price hedging and risk management services.
- (vii) Reciprocal investment: First Asia and FG 3.0 may explore potential investment into the Company, on terms to be mutually agreed.

All of the above areas of cooperation remain indicative and subject to further negotiation and the entry into legally binding definitive agreements. No binding obligations exist in respect of any commercial cooperation until such agreements are executed.

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

The Group is exploring opportunities to expand its business into gold mining, including in connection with a proposed gold mine project in Chile. The proposed cooperation under the MOU provides a framework for the Parties to explore potential vertical integration opportunities along the gold value chain. The MOU contemplates that the Parties may explore participation in downstream activities, from refining and minting through to trading, retail, hedging, gold recovery and recycling, with a view to exploring opportunities to participate in a broader range of activities across the gold value chain.

If definitive agreements are reached and implemented, the Strategic Cooperation may allow the Group to explore, among other things:

- the possibility of establishing direct routes to end-markets through First Asia's trading and retail channels;
- the potential to participate in a branded retail platform targeting the South Asian market;
- access to institutional-grade hedging and risk management services, subject to separate agreement;
- exploration of gold recovery and recycling opportunities; and
- potential reciprocal investment interest among the Parties.

The Board believes that the exploration of vertical integration under the MOU, if progressed to definitive agreements, may be in the overall interests of the Company and its Shareholders. There is no certainty that any of the matters described will materialise.

INFORMATION ABOUT THE PARTIES

The Group principally engages in the production and sale of crushed limestone in the People's Republic of China.

First Asia is a company incorporated in Hong Kong with limited liability. According to information provided by First Asia, it principally engages in precious metal trading, with extensive experience in bullion trading, minting, and risk management. First Asia also provides professional bullion trading services to clients worldwide. In addition, First Asia is a member of the Hong Kong Gold Exchange (the “**Gold Exchange**”) with a type AA operation status (Membership No. 114). Its membership status authorises First Asia to conduct trading in precious metal contracts and engage in electronic trading on the Gold Exchange.

FG 3.0 is a company incorporated in Hong Kong with limited liability. According to information provided by FG 3.0, it is the owner and developer of the “**First Gold 3.0 Jewellery**” brand. FG 3.0 engages in the development and expansion of its precious metals and jewellery retail business.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, First Asia and FG 3.0 and their respective ultimate beneficial owners are third parties independent of the Company and its connected person(s) (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**Listing Rules**”)).

GENERAL

The MOU is not legally binding on the Parties save as to terms relating to confidentiality, governing law, dispute resolution and term. The MOU is only valid for a period of 12 months from the date hereof, expiring on 6 August 2027.

The MOU serves as a framework for the Parties to explore collaboration. Upon confirming the direction of the Strategic Cooperation, the Parties will proceed to negotiate and sign formal definitive agreement(s), which will be subject to the approval of their respective board of directors and internal approval process. As at the date of this announcement, the Company has not entered into any formal or legally binding agreement(s) for the Strategic Cooperation. The Strategic Cooperation contemplated under the MOU, if materialised, may or may not constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) will be made by the Company as and when required in compliance with the Listing Rules and other applicable laws and regulations.

Shareholders and potential investors are reminded that the matters contemplated under the MOU are preliminary and remain subject to further negotiation and, where applicable, definitive agreement(s), and may or may not materialise as described or at all. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
CHINA KINGSTONE MINING HOLDINGS LIMITED
Chin Then Hin
Chairman and Executive Director

Hong Kong, 10 August 2026

As at the date of this announcement, the Board comprises Mr. Chin, Then Hin (Chairman and Chief Executive Officer), Ms. Zhang, Cuiwei, and Mr. Zhang, Mian as executive Directors; and Mr. Andreas Varianos, Ms. Zu, Rui and Mr. Gao Shuang as independent non-executive Directors.