Chifeng Jilong Gold Mining Group Limited
赤峰吉隆黃金礦業集團股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(H Shares Stock Code: 6693)

TERMS OF REFERENCE OF THE AUDIT AND SUPERVISION COMMITTEE OF THE BOARD OF DIRECTORS

(Passed at the first meeting of the tenth session of the board of Directors on 16 November 2026)

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to improve and standardise the discussion and decision-making procedures of the audit and supervision committee of the board of directors (hereinafter referred to as the "**Audit and Supervision Committee**") of Chifeng Jilong Gold Mining Group Limited (hereinafter referred to as the "**Company**") and improve its work efficiency and scientific decision-making level, the Terms of Reference of the Audit and Supervision Committee were formulated by the Company in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China and the securities regulatory rules of the Company's stock listing places (including the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited), the Articles of Association of Chifeng Jilong Gold Mining Group Limited (hereinafter referred to as the "**Articles of Association of the Company**") and other relevant requirements.

Article 2 The Audit and Supervision Committee is a specialised committee established under the board of directors. It is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external audit work and internal control, and exercising the duties and powers of the supervisory committee as stipulated in the Companies Law.

CHAPTER 2 MEMBERSHIP

Article 3 The Audit and Supervision Committee shall consist of five directors, who shall be directors not serving as senior management of the Company, among which, three members shall be independent directors (at least one independent director shall have a background in professional accounting), and one member shall be an executive director responsible for internal supervision work of the Company.

Article 4 The members of the Audit and Supervision Committee shall be nominated by the chairman of the board of Directors, by a majority of independent Directors, or by one-third of the total number of Directors. The members shall then be elected by the board of Directors.

Article 5 The Audit and Supervision Committee shall have one chairman who shall concurrently serve as the convenor, and shall be served by an independent director who is an accounting professional. The executive director who is responsible for the internal supervision work of the Company shall serve as the co-chairman.

Article 6 The term of office of the Audit and Supervision Committee shall align with the term of the board of Directors. Members of the Audit and Supervision Committee may be re-elected at the end of their term of office. If, during the term of office, a member ceases to be a Director of the Company or a member as an independent Director no longer satisfies the independence requirements set out in the securities regulatory rules of the jurisdiction where the Company's shares are listed, his/her membership shall be automatically terminated and a replacement shall be appointed by the board of Directors in accordance with Articles 3 to 5 above.

A member of the Audit and Supervision Committee may resign before the expiration of his/her term of office by submitting a resignation to the board of Directors. The resignation letter shall include an explanation of the reasons for the resignation and any matters requiring the attention of the board of Directors. If the resignation results in the Audit and Supervision Committee having fewer members than the minimum number required by these Terms of Reference, the resigning member shall continue to perform his/her duties until the new member assumes office.

Article 7 The internal control and audit department of the Company is the administrative organisation of the Audit and Supervision Committee, which is responsible for the communication of the members of the committee, meeting organisation, materials preparation, implementation of resolutions, document management and other specific work. The Audit and Supervision Committee may assign relevant personnel to form work groups to carry out the tasks based on work needs.

CHAPTER 3 POWERS AND DUTIES

Article 8 The Audit and Supervision Committee shall perform the following duties:

(1) To consider the following matters and table such matters to the board of Directors for consideration after consideration and approval:

1. To disclose financial information in the financial accounting reports and periodic reports to be disclosed, and internal control evaluation reports;

2. To appoint or remove the audit firm that undertakes the Company's audit;

3. To appoint or dismiss the Company's Chief Financial Officer;

4. To make changes in accounting policies or accounting estimates for reasons other than changes in accounting standards, or corrections of material accounting errors; and

5. Other matters required to be considered pursuant to provisions of laws, administrative regulations, the securities regulatory authorities of the places where the Company's shares are listed, the regulatory rules of the stock exchanges, and the Articles of Association.

(2) To exercise the statutory duties and powers of the supervisory committee as stipulated in the Companies Law:

1. to inspect on the financial affairs of the Company;

2. to supervise the discharge of duties by the directors and senior management, and make recommendations on the removal of directors and senior management who have violated laws, administrative regulations, the Articles of Association or resolutions of the general meeting;

3. to require the directors or senior management to rectify their conducts which prejudice the interests of the Company;

4. to propose the convening of an interim meeting of the Board;

5. to propose the convening of an extraordinary general meeting, and convene and preside over a general meeting when the board of directors fails to perform the duty of convening and presiding over a general meeting as prescribed in the Companies Law;

6. to table proposals to the general meeting; and

7. to file lawsuits against directors and senior management who shall be liable for compensation liabilities due to violations of the provisions of laws, administrative regulations or the Articles of Association while discharging duties of the Company and result in losses of the Company pursuant to the Companies Law.

(3) To supervise and provide guidance for the audit work:

1. to supervise the development and implementation of the Company's internal audit system, supervise and guide the internal audit institution to carry out supervision and inspection on the Company's business activities, risk management, internal control and financial information, and participate in the appraisal of person-in-charge of internal control and audit department;

2. to supervise the appointment of external audit institution, supervise and evaluate the audit work of external audit institution, and report the performance of the external audit institution to the board of Directors;

3. to formulate and implement the policy on the provision of non-audit services by the external auditor, setting out provisions on the types of non-audit services, approval authority and procedures, fee standards, and the impact on the independence of the external auditor, and supervise its implementation to ensure that the provision of non-audit services by the external auditor does not affect its independence and objectivity; the Audit and Supervision Committee shall report to the board of Directors and make recommendations on matters requiring action or improvement; and

4. to be responsible for communication between internal control and audit and the external auditor.

(4) To review the Company's internal financial reporting and risk management systems, and have the authority to decide whether to conduct audits of material connected transactions.

(5) To regularly organise inspections and evaluations on internal control, guide and urge the internal audit institution to evaluate the risks in key areas and important links of the Company's internal control, provide written evaluation opinions on the effectiveness of the Company's internal control, and report to the board of Directors.

When there are significant deficiencies in the Company's internal control, the Audit and Supervision Committee should supervise the Company to formulate rectification plans and measures and ensure that the rectification can be completed within a specified time frame, and to establish, improve and strictly enforce the internal systems for holding accountability and pursuing responsibility.

(6) To be responsible for other duties and matters in accordance with the provisions governed in laws, administrative regulations, the regulatory rules of the securities regulatory authorities of the places where the Company's shares are listed, the regulatory rules of the stock exchanges, etc. (including the duties and powers as set out in the Corporate Governance Code as issued by The Stock Exchange of Hong Kong Limited in Appendix).

(7) Other matters as authorised by the board of Directors of the Company.

Article 9 The Company's executive director who is responsible for the internal supervision shall preside over the daily work when the meeting of the Audit and Supervision Committee is not held, and shall be responsible for the development of internal audit, supervision and anti-corruption systems, vertically managing the supervision authorities of the Company and its subsidiaries, and organising and leading the investigation and handling of various internal cases involving corruption, dereliction of duty, malfeasance, etc.

Article 10 The Audit and Supervision Committee shall be accountable to the board of Directors and report its work to the board of Directors. The proposals of the Audit and Supervision Committee shall be tabled to the board of Directors for consideration.

Article 11 The internal control and audit department of the Company shall perform the following main duties:

(1) To examine and evaluate the completeness and reasonableness of the internal control systems and the effectiveness of their implementation of each internal organization of the Company, its controlling subsidiaries and its participating companies with significant influence on the Company;

(2) To audit the legality, compliance, truthfulness and completeness of the accounting information and other relevant economic information of each internal organizations of the Company, its controlling subsidiaries and its participating companies with significant influence on the Company, as well as the financial revenues and expenditures and relevant economic activities as reflected therein, including but not limited to financial reports, results forecasts, results releases and voluntarily disclosed predictive financial information;

(3) To assist in the establishment of a sound anti-fraud mechanism, identifying the key areas, key aspects and key contents of anti-fraud, as well as paying attention to and checking for possible fraud in the course of internal audits;

(4) To report to the Audit and Supervision Committee at least once each quarter, including but not limited to, the implementation of the internal audit plan and issues identified in the internal audit work;

(5) To submit a report on the internal audit work and the work plan for the following year to the Audit and Supervision Committee after the end of each year;

(6) To urge the relevant responsible departments to formulate corrective measures and timeframe for rectification of deficiencies in the Company's internal control and problems in its implementation, to conduct follow-up review of internal control, to supervise the implementation of the corrective measures, and to report to the Audit and Supervision Committee in a timely manner in the event that significant deficiencies or significant risks in the internal control are identified.

CHAPTER 4 MEETING MATERIALS AND MATTERS FOR CONSIDERATION

Article 12 The internal control and audit department of the Company are responsible for the preliminary preparatory work prior to meetings of the Audit and Supervision Committee and shall provide the following information in writing:

(1) The Company's relevant financial reports and status of external disclosure;

(2) Work reports of the internal audit institutions;

(3) External auditor's contract and relevant work reports;

(4) Audit report on the Company's material connected transactions;

(5) Relevant reports on the Company's internal control and risk management; and

(6) Other relevant matters.

Article 13 The Audit and Supervision Committee shall evaluate the aforesaid reports and relevant matters and advise on the following items based on their reviews:

(1) Evaluation of the work of the external auditor, and appointment and replacement of external auditor;

(2) Effectiveness of the implementation of the Company's internal audit system and comprehensiveness and truthfulness of the Company's financial reports;

(3) The objectiveness and truthfulness of the Company's financial reports to be disclosed externally, and whether the Company's material connected transactions comply with relevant laws and regulations;

(4) Evaluation of the work of the Company's finance department, internal control and audit department and their persons-in-charge;

(5) Evaluation and audit opinions on the effectiveness of the Company's internal control and risk management; and

(6) Other related matters.

CHAPTER 5 RULES OF PROCEDURE

Article 14 Meetings of the Audit and Supervision Committee are divided into regular meetings and extraordinary meetings. Regular meetings shall be convened at least four times every year, once every quarter. The chairman, co-chairman or not less than two members of the committee may propose convening an extraordinary meeting. All members of the committee shall be notified seven days before the convention of a meeting, and be provided with relevant materials and information no later than three days in advance. The convenor shall preside over the meetings, in case the convenor is unable to attend, he may appoint another member of the committee who is an independent director to preside over the meetings.

If a member of the Audit and Supervision Committee fails to attend the meeting twice consecutively and does not entrust another member to exercise his or her powers on his or her behalf, the Audit and Supervision Committee may request the board of Directors to replace him or her.

Article 15 Meetings of the Audit and Supervision Committee shall only be held in the presence of not less than two-thirds of the members of the committee; each member of the committee shall have 1 vote; resolutions made at the meetings shall be passed by over half of the members of the committee. If a member is unable to attend a meeting for any reasons, he shall review the meeting materials in advance and form a clear opinion and appoint another member of the committee in writing to vote on his behalf (an independent director can only appoint another independent director who is a member of the committee in writing to vote on his behalf).

Article 16 Voting on the resolutions at the meetings of the Audit and Supervision Committee shall be taken by poll; extraordinary meetings can be convened by way of telecommunication.

Article 17 The chief financial officer, secretary to the board of Directors of the Company and representatives of external auditor shall be present at the meetings of the Audit and Supervision Committee. If necessary, other Directors and senior management of the Company may also be invited to be present at the meetings.

Article 18 The Audit and Supervision Committee may, if necessary, engage intermediary institutions to provide professional advice for its decision-making. The costs of which shall be borne by the Company.

Article 19 The procedures of convening meetings, voting methods and resolutions passed at the meetings of the Audit and Supervision Committee shall comply with the provisions of relevant laws, regulations, the Articles of Association and the Terms of Reference.

Article 20 Minutes shall be kept for the meetings of the Audit and Supervision Committee. Members of the committee who are present shall sign the meeting minutes. The meeting minutes shall be kept and filed by the internal control and audit department. The retention period shall be not less than ten years.

Article 21 The opinions, summaries and resolutions passed at the meetings of the Audit and Supervision Committee shall be reported in writing to the board of Directors of the Company.

Article 22 Members of the committee attending the meetings and all other persons present at the meetings shall be obligated to maintain confidentiality regarding the matters discussed at the meetings and shall not disclose any relevant information without approval.

CHAPTER 6 PROCEDURES FOR THE PREPARATION OF ANNUAL REPORT

Article 23 Members of the Audit and Supervision Committee shall earnestly and diligently discharge their duties and obligations in the processes of the preparation, review and disclosure of the Company's annual financial reports.

Article 24 After the end of each financial year, the chief financial officer of the Company shall, based on the Company's actual situation, draft a timetable for the audit work of the Company's annual financial report, table it to the Audit and Supervision Committee and the audit firm that undertakes the audit of the Company's annual financial report (hereinafter referred to as "**annual auditor**" or "**auditor**").

Article 25 The time and arrangement for the audit work of the annual financial report shall be determined through negotiation between the Audit and Supervision Committee and the annual auditor. At least two meetings regarding the audit work of annual financial report shall be arranged for every year.

Article 26 The Audit and Supervision Committee shall review the Company's financial statements and form a written opinion on it before the annual auditor starts the field work.

Article 27 After the annual auditor starts the field work, the Audit and Supervision Committee shall strengthen the communication with it. The committee shall review the Company's financial statements again and form a written opinion after the annual auditor has issued a preliminary audit opinion.

Article 28 The Audit and Supervision Committee shall focus on any material and abnormal items reflected or required to be reflected in reports and accounts, and fully consider the opinions provided by the finance department, internal control and audit department of the Company or the annual auditor.

Article 29 After the completion of audit of the annual financial report, the Audit and Supervision Committee shall hold a meeting for the consideration of the report, form a review opinion and table it to the board of Directors.

Article 30 The Audit and Supervision Committee shall have the rights to understand the progress of the audit work of the annual auditor and any issues found during the audit process, and urge the annual auditor to submit the annual audit report within the agreed timeframe. The Audit and Supervision Committee shall record the manner, frequency and results of such urging in writing, which shall be signed and confirmed by the relevant persons-in-charge.

Article 31 On the submission of annual financial report to the board of Directors, the Audit and Supervision Committee shall also submit a summary report on the annual audit work for current year performed by the annual auditor, together with the committee's opinions on the re-appointment or replacement of the audit firm for the following year.

When disclosing its annual report, the Company shall simultaneously disclose the Audit and Supervision Committee's report on its assessment of the accounting firm's performance of duties and the Audit and Supervision Committee's report on its performance of supervisory duties over the accounting firm.

Article 32 On re-appointment of the annual auditor for the following year, a comprehensive and objective evaluation of the status and quality of annual audit work completed by the annual auditor shall be made by the Audit and Supervision Committee. A resolution shall be formed and tabled to the board of Directors for consideration and approval. After the board of Directors has considered and approved such resolution, it shall be subsequently tabled to the general meeting for consideration.

Article 33 On appointment of another annual auditor for the following year, the Audit and Supervision Committee shall physically meet and communicate with the annual auditor proposed to be replaced and the annual auditor proposed to be appointed. After obtaining a comprehensive understanding and appropriate evaluation, the committee shall form a resolution for the replacement matter and table it to the board of Directors for approval. After the board of Directors has considered and approved such resolution, it shall be subsequently tabled to the general meeting for consideration. The communication details, evaluation opinions and suggestions from the Audit and Supervision Committee shall be documented in writing and signed by the relevant parties.

During the audit of annual financial report, in principle, the Company shall not replace the annual auditor. If the need for replacement is confirmed, the audit firm proposed to be replaced shall be notified to present its opinions at the general meeting. The resolution of the general meeting and the opinions presented by the replaced audit firm shall be fully disclosed.

Article 34 The finance department of the Company is responsible for coordination and communication between the Audit and Supervision Committee and the annual auditor, and providing the Audit and Supervision Committee with the necessary conditions to discharge its duties in the preparation of annual report.

Article 35 When the Company publishes its annual report, it shall also disclose a summary of the Audit and Supervision Committee's annual performance, including its duties carried out and the meetings convened.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 36 Matters not covered by the Terms of Reference or which are inconsistent with relevant laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, the relevant laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association shall prevail for the implementation.

Article 37 In the Terms of Reference, the term "not less than" shall include the given figure; the term "over" shall not include the given figure.

Article 38 The Terms of Reference and its amendments shall take effect from the date of approval by the board of Directors.

Article 39 The board of Directors shall be responsible for interpretation of the Terms of Reference.

APPENDIX: TERMS OF REFERENCE OF THE AUDIT COMMITTEE AS REQUIRED UNDER THE CORPORATE GOVERNANCE CODE OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Relationship with the Company's auditors:

(a) to be primarily responsible for making recommendations to the board of Directors on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and handle any questions of its resignation or dismissal;

(b) to assess, review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. A former partner of the Company's existing external auditing firm is prohibited from acting as a member of the committee for a period of two years from the date of ceasing to be a partner of the firm or ceasing to have any financial interest in the firm, whichever is later;

(c) to discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;

(d) to formulate and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm, or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit and Supervision Committee should report to the board of Directors and make recommendations on any matters where action or improvement is needed;

Review of the Company's financial information:

(e) to monitor the integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting opinions contained in them;

(f) in reviewing the reports and accounts as mentioned in paragraph (e) above before the submission to the board of Directors, the committee should focus particularly on:

(i) any changes in accounting policies and practices;

(ii) major judgmental areas;

(iii) significant adjustments resulting from audit;

(iv) the going concern assumptions for the Group and any qualifications;

(v) compliance with accounting standards which shall be complied with; and

(vi) compliance with the listing rules and legal requirements in relation to financial reporting, including new regulations recently issued by professional and regulatory bodies and understand their potential impact on financial reporting;

(g) Regarding (e) and (f) above:

(i) the members of the Audit and Supervision Committee shall regularly communicate and liaise with the board of Directors, senior management and independent auditors. The Audit and Supervision Committee must meet, at least twice a year, with the Company's auditors; and

(ii) the Audit and Supervision Committee shall consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give prudent consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;

Oversight of the Company's internal financial reporting system, internal control and risk management systems:

(h) to assess and review the Company's financial controls, and unless expressly addressed by a separate risk committee under the board of Directors, or by the board of Directors itself, to assess and review the Company's risk management and internal control systems;

(i) to discuss the internal control and risk management systems with management to ensure that management has discharged its duty to establish effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;

(j) to consider major investigation findings on risk management and internal control matters as delegated by the board of Directors or on its own initiative and management's response to these findings;

(k) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;

(l) to assess and review the Group's financial and accounting policies and practices;

(m) to review the management letter provided by the external auditor to the management, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;

(n) to ensure that the board of Directors will provide a timely response to the issues raised in the external auditor's management letter;

(o) to assess and review the following arrangements of the Company: for employees of the Company to raise concerns confidentially about possible improprieties in financial reporting, internal control or other matters. The committee should ensure that proper arrangements are in place for fair and independent investigation of such matters and for appropriate follow-up action;

(p) to act as the key representative between the Company and the external auditors and take responsibility in overseeing their relationship;

(q) to report to the board of Directors on the matters set out in the above-mentioned; and

(r) to consider and execute other matters delegated by the board of Directors.