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JX Energy Ltd.

(吉星新能源有限責任公司)*

(incorporated under the laws of Alberta with limited liability)

(Stock Code: 3395)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
DISCLOSEABLE TRANSACTION**

Reference is made to the announcement of JX Energy Ltd. (the “**Company**”) dated 2 April 2024 (Hong Kong time) (the “**Announcement**”), in relation to, among other things, the disposal of the Assets. Unless otherwise defined in this announcement, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Company wishes to provide the shareholders and potential investors of the Company with the following supplemental information in relation to the disposal of the Assets.

BASIS OF DETERMINATION OF THE MARKET REALIZABLE VALUE OF THE ASSETS

As disclosed in the Announcement, the Consideration was arrived at after arm’s length negotiations between the Purchaser and the Company, with reference to the market realizable value of the Assets.

The market realizable value of the Assets was not based on an independent valuation. In determining the market realizable value of the Assets, the Company made reference to (i) the book value of the assets and liabilities relating to the Assets in the amount of approximately C\$5.9 million (equivalent to approximately HK\$34 million) based on the unaudited management accounts of the Company as at 31 December 2023; (ii) the capital commitment needed for the development of the Assets; (iii) the price paid by independent third parties for lands adjacent to the Assets where PNG rights had been recently purchased, taking into account their areas, locations and nature; (iv) indicative bid from another potential purchaser that the Company had been in touch with, of which the price offered by the Purchaser is the most competitive one; and (vi) the assessment of the condition of the Assets as compared to similar assets available for sale in the market.

Despite there being no independent valuation taken into account by the Board when assessing the fairness and reasonableness of the consideration payable by the Purchaser for the Assets and whether the entering into of the Sale and Purchase Agreement was in the interests of the Company and its shareholders as a whole, the Board was of the view that, given (i) the current difficult operating environment; and (ii) the Assets were not very liquid in the market and had been idle for years, the Board (including the independent non-executive Directors) considered the consideration for the disposal of the Assets is fair and reasonable and the entering into of the Sale and Purchase Agreement was a good opportunity for the Company to dispose of the Assets.

Save as disclosed above, all the other information set out in the Announcement remain unchanged. This announcement is supplemental to and should be read in conjunction with the Announcement.

By Order of the Board

JX Energy Ltd.

Yongtan Liu

Chairman and Interim Chief Executive Officer

Calgary, 9 April 2024

Hong Kong, 9 April 2024

As at the date of this announcement, the Board comprises of two executive Directors, namely Mr. Yongtan Liu and Mr. Binyou Dai; and three independent non-executive Directors, namely Mr. Clement Ka Hai Hung, Mr. Zhanpeng Kong and Mr. Larry Grant Smith.

For the purpose of illustration only and unless otherwise specified, conversion of C\$ to HK\$ in this announcement is based on the exchange rate of C\$1.00 to HK\$5.7637. Such conversion should not be construed as a representation that any amount has been, could have been, or may be exchanged at this or any other rate.

** For identification purpose only*