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Zijin Mining Group Co., Ltd.*

紫金礦業集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 2899)

Announcement in relation to Acquisition of the Akyem Gold Mine Project in Ghana

Important notes:

- On 9 October 2024 (Beijing time), Zijin Mining Group Co., Ltd.* (“Zijin” or the “Company”) and Gold Source International Holdings Company Limited (an overseas wholly-owned subsidiary of the Company, “Gold Source International”) entered into a share purchase agreement (the “Share Purchase Agreement” or the “Agreement”) with Newmont Corporation (“Newmont”) and Newmont Golden Ridge Ltd (a wholly-owned subsidiary of Newmont, the “Target Company”). It was proposed that Gold Source International shall acquire 100% of the equity interest in the Target Company held by Newmont for a purchase price of USD1 billion (the “Transaction”). The Target Company owns 100% of the Akyem Gold Mine project in Ghana (the “Akyem Gold Mine”).
- The Transaction was considered and unanimously approved at the fourteenth extraordinary meeting in 2024 of the eighth term of the board of directors of the Company. The Transaction does not constitute a connected transaction or a material asset restructuring. The Transaction is subject to uncertainties. The completion of the Transaction depends on the satisfaction or waiver of a series of conditions precedent. Investors are advised to pay attention to investment risks.

I. Overview of the Transaction

On 9 October 2024 (Beijing time), the Company and Gold Source International entered into the Share Purchase Agreement with Newmont and the Target Company. It was proposed that Gold Source International shall acquire 100% of the equity interest in the Target Company held by Newmont for a purchase price of USD1 billion (equivalent to approximately RMB7.071 billion, calculated based on the central parity rate of USD1:RMB7.0709 on 8 October 2024 announced by the China Foreign Exchange Trade System, same hereafter). The Target Company owns 100% of the Akyem Gold Mine project in Ghana.

The purchase price of the Transaction was determined based on multiple prudent assessments following the due diligence of the Target Company by the Company, and was agreed upon through extensive negotiation among the parties to the Transaction and on normal commercial terms.

The Transaction was considered and unanimously approved at the fourteenth extraordinary meeting in 2024

of the eighth term of the board of directors of the Company. The Transaction does not constitute a connected transaction or a material asset restructuring.

II. Basic information on the counterparty to the Transaction

Newmont is the world's leading gold company and a producer of copper, silver, zinc and lead. Newmont's world-class portfolio of assets, prospects and talent is anchored in favorable mining jurisdictions in Africa, Australia, Latin America & Caribbean, North America, and Papua New Guinea. Newmont is the only gold producer listed in the S&P 500 Index and is widely recognized for its principled environmental, social, and governance practices. Newmont is an industry leader in value creation, supported by robust safety standards, superior execution, and technical expertise. Founded in 1921, Newmont has been publicly traded since 1925. For additional information, please refer to Newmont's official website, <https://newmont.com>.

III. Basic information on the transaction target

(I) Overview of the Target Company

The Target Company is registered in Ghana. Newmont owns 100% of the equity interest in the Target Company. The Target Company owns 100% of the Akyem Gold Mine in Ghana. Pursuant to the mining laws of Ghana, the government of Ghana is entitled to receive 10% of the Target Company's dividends, if declared.

As at 31 December 2023, the total assets, total liabilities and net assets of the Target Company amounted to USD1.227 billion, USD518 million and USD709 million, respectively. For the 12-month period ending on 31 December 2023, the Target Company's sales revenue and net profit amounted to USD574 million and USD128 million, respectively (the abovementioned financial data have been audited).

(II) Overview of the Akyem Gold Mine project

1. Information on natural geography and infrastructure

The Akyem Gold Mine is located in the Eastern Region of southern Ghana, approximately 180 kilometres from Accra, the capital of Ghana. The mining area has a flat land surface, with an elevation ranging from 200 to 480 metres. The region has a tropical climate, with an average annual rainfall of approximately 1,400 millimetres. The mining area is connected by road to Tema, a major city in Ghana as well as an important port in Western Africa, providing convenient transportation. The electric power of the mining area is primarily supplied by the hydropower plant of Ghana Grid Company's Volta River Authority, which provides stable and sufficient clean electric power.

2. Information on mining rights

The mining rights of the Akyem Gold Mine consist of two mining leases, namely the Akyem East Mining Lease and the Akyem West Mining Lease, which are due to expire in January 2025. All existing resources and production facilities are within the Akyem East Mining Lease. At present, the applications for extensions of the mining leases were approved by the Ministry of Lands and Natural Resources of Ghana in September 2024 (the Akyem East Mining Lease and the Akyem West Mining Lease were extended for 12 years and 5 years from their respective expiration dates of the validity period). The extended mining leases are still subject to the ratification of the Parliament of Ghana.

The Target Company also holds four prospecting licences - covering a total area of 79.59 square kilometres,

three of which are adjacent to the Akyem Gold Mine.

3. Information on resources

The Akyem Gold Mine is located in one of the world's major gold metallogenic belts. It is a typical orogenic gold deposit. The ore deposit extends over 2.5 kilometres long, and is localised along a southeast dipping over 900 metres deep. The ore deposit is composed of many high-grade orebodies with widths from 10 to 100 metres. The orebodies are thick and exhibit good mineralisation continuity, indicating strong potential for resource development, utilisation and exploration.

According to Newmont's public disclosure, details of the resources and reserves of the project as at 31 December 2023 are as follows:

Resources (exclusive of reserves)				
Deposit	Classification	Tonnage	Gold grade	Gold metal contained
		000 tonnes	g/tonne	Tonne
Akyem (open-pit + underground)	Measured and indicated	10,600	3.57	37.8
	Inferred	5,600	2.95	16.5
Total		16,200	3.36	54.4
Reserves				
Deposit	Classification	Tonnage	Gold grade	Gold metal contained
		000 tonnes	g/tonne	Tonne
Akyem open-pit	Proven and probable	19,000	1.55	29.5
Akyem stockpiles	Proven and probable	6,700	0.77	5.2
Total		25,700	1.35	34.6

Notes: Cut-off grade of reserves: 0.52 grammes per tonne; resources were estimated at a gold price of USD1,600 per ounce; gold reserves were estimated at a gold price of USD1,400 per ounce.

In addition to the above reported mineral resources and reserves, approximately an addition of 83 tonnes of gold are classified as underground mining inventory by Newmont's technical studies. With further drilling and exploration, there is potential for a portion of such inventory to be upgraded to mineral resources.

4. Information on development

The Akyem Gold Mine has been one of the largest gold mines in Ghana. It began commercial production in October 2013. The mine and the processing plant have consistently demonstrated stable operations, with equipment maintaining good condition. Conventional carbon-in-leach process has been adopted. The designed processing capacity of the processing plant is 8.5 million tonnes/year. From 2021 to 2023, the mine produced 11.9 tonnes, 13.1 tonnes and 9.2 tonnes of gold, respectively.

At present, open-pit mining is adopted for the project. According to Newmont's current production schedule (including the abovementioned underground mining inventory), the mine is planned to transit to underground mining starting from 2028 and the current mine life is expected to continue until the year of 2042, with expected average annual gold production of approximately 5.8 tonnes during the whole mine life.

After study, the Company is of the view that under the current and anticipated future gold price conditions, the project's utilisable resources and reserves still have significant potential. It is expected that through further exploration, re-evaluation of economic technology and technological upgrades, both the resources and reserves and output of the project may be further enhanced.

IV. Main contents of the Agreement

(I) Purchase and sale of shares

Newmont agreed to sell, and Gold Source International agreed to purchase, 100% of the equity interest in the Target Company held by Newmont on the closing date.

(II) Consideration for the Transaction

The purchase price in the Transaction is USD1 billion. USD900 million shall be paid at the closing. The remaining USD100 million shall be paid after the earliest to occur of the ratification of the extended Akyem East Mining Lease by the Parliament of Ghana, the ratification of a replacement mining lease to the extended Akyem East Mining Lease by the Parliament of Ghana and the five year anniversary of the closing date. In addition to the purchase price in the Transaction, both parties to the Transaction shall settle separately the Target Company's closing cash, working capital, inventory, finished goods inventory, amount of reclamation obligations, etc. pursuant to the procedures and standards as set out in the Agreement. If Gold Source International suffers certain losses in connection with the lack of ratifications of mining leases by the Parliament of Ghana, then Newmont shall indemnify Gold Source International under certain agreed conditions, up to an applicable aggregate amount not exceeding USD200 million.

(III) Conditions precedent

The closing of the Transaction is subject to the satisfaction of conditions precedent, which include obtaining the filings or registrations from the National Development and Reform Commission, the Ministry of Commerce and the State Administration of Foreign Exchange of the People's Republic of China, obtaining a no objections letter from the Minister of Lands and Natural Resources of Ghana and other customary conditions precedent.

(IV) Other terms

The Agreement also includes representations, warranties, covenants of both parties to the Transaction, termination rights and other provisions customary for a transaction of this nature including with respect to transition services, tax matters, indemnification and dispute resolution.

V. Impact of the Transaction on the Company

The Akyem Gold Mine is a project in production. It has favourable mineralisation conditions and significant potential for exploration and reserve increment. Its infrastructure is relatively well-developed. It has a long mine life, favourable local transportation and power supply conditions. It is expected to generate considerable economic benefits.

The Company is committed to honouring the agreements the Target Company has entered with the communities and other stakeholders, while upholding strong community relationships and workforce values, as well as continuing making contributions to social and economic development of Ghana. The Company is

aware certain Ghanaian entities have expressed interest in acquiring a minority stake in the asset. Zijin is open to exploring such potential transactions in due course.

The Transaction aligns with the Company's development strategy, and is beneficial for further strengthening the resource reserves of the Company's gold segment, rapidly increasing the Company's mine-produced gold output and supporting the realisation of the targets of the Company's production volume plan for the next five years.

VI. Investment risks

The Transaction is subject to uncertainties. The completion of the Transaction depends on the satisfaction or waiver of a series of conditions precedent; the extended mining leases are still subject to the ratification of the Parliament of Ghana; the Akyem Gold Mine project is subject to risks caused by the mining volume not achieving the designed production capacity and the metal output falling below expectations; the economic benefits of the Akyem Gold Mine project will be subject to fluctuations of gold prices. Investors are advised to pay attention to investment risks.

As none of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in respect of the Transaction exceeds 5%, the Transaction does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. The Transaction also does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. This announcement is made by the Company on a voluntary basis.

This announcement is published in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail.

Investors and shareholders are advised by the board of directors to exercise caution when dealing in the securities of the Company.

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Zou Laichang, Lin Hongfu, Ms. Lin Hongying, Messrs. Xie Xionghui and Wu Jianhui as executive directors, Mister Li Jian as non-executive director, and Messrs. He Fulong, Mao Jingwen, Li Changqing, Suen Man Tak, Bo Shao Chuan and Ms. Wu Xiaomin as independent non-executive directors.

By Order of the Board of Directors
Zijin Mining Group Co., Ltd.*
Chen Jinghe
Chairman

9 October 2024, Fujian, the PRC

**The Company's English name is for identification purpose only*