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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in ZHAOJIN MINING INDUSTRY COMPANY LIMITED, you should at once hand this circular together with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

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

(Stock Code: 1818)

RESOLUTION ON THE PROVISION OF GUARANTEES FOR FINANCING OF SUBSIDIARIES AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

The EGM of the Company will be held at the Company's conference room at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC at 9:00 a.m. on Thursday, 16 November 2023. The notice convening the EGM is set out on pages 9 to 11 of this circular. Shareholders who have the right to attend and vote at the EGM are entitled to appoint one or more proxies (whether or not a Shareholder) in writing to attend and vote at the EGM on his/her/its behalf. For those Shareholders who appoint more than one proxy, such proxies can only exercise their voting rights by way of poll. If you intend to appoint one or more proxies, you should first read the instructions on the accompanying proxy form, and deposit the signed proxy form and (if the proxy form is signed by a person under a power of attorney or other authority) the notarially certified copy of such power of attorney or other authority under which it is signed at (i) the Company's share registrar for H Shares in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares); or (ii) the registered address of the Company in the PRC at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC (for holders of Domestic Shares) not less than 24 hours before the time appointed for holding the EGM. Completion and return of the proxy form shall not preclude a Shareholder from attending and voting at the EGM or any adjourned meetings if he/she/it so wish.

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DEFINITIONS

In this circular, unless otherwise indicated in the context, the following expressions have the following meanings:

“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	Zhaojin Mining Industry Company Limited* (招金礦業股份有限公司) (Stock Code: 1818), a joint stock limited company incorporated in the PRC on 16 April 2004 and the H Shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Domestic Share(s)”	domestic share(s) of nominal value of RMB1.00 each in the share capital of the Company
“Dongfang Yanjing”	Beijing Dongfang Yanjing Engineering Technology Co., Ltd.* (北京東方燕京工程技術有限公司), a non-wholly-owned subsidiary of the Company
“EGM”	the 2023 first extraordinary general meeting to be held by the Company at the Company’s conference room at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC at 9:00 a.m. on Thursday, 16 November 2023 to, amongst others, consider and seek Shareholders’ approval for the resolution on the provision of guarantees for financing of subsidiaries
“Finance Company”	Shandong Zhaojin Finance Company Limited* (山東招金集團財務有限公司), a non-wholly-owned subsidiary of the Company
“Gansu Zhaojin Smelting”	Gansu Zhaojin Precious Metal Smelting Company Limited* (甘肅招金貴金屬冶煉有限公司), a non-wholly-owned subsidiary of the Company
“H Share(s)”	the overseas-listed foreign invested shares of RMB1.00 each in the registered share capital of the Company, which are listed on the Stock Exchange and traded in Hong Kong dollars
“Jintingling Mining”	Zhaoyuan Jintingling Mining Industry Company Limited* (招遠市金亭嶺礦業有限公司), a wholly-owned subsidiary of the Company
“Liangdang Zhaojin”	Liangdang Zhaojin Mining Industry Company Limited* (兩當縣招金礦業有限公司), a non-wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Materials Supply Center”	Zhaoyuan Gold Materials Supply Center Co., Ltd* (招遠市黃金物資供應中心有限公司), a wholly-owned subsidiary of the Company
“NMCL”	Shandong Zhaojin New Wear-Resistant Materials Company Limited* (山東招金新型耐磨材料有限公司), a non-wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Ruihai Mining”	Laizhou Ruihai Mining Industry Company Limited* (萊州市瑞海礦業有限公司), a non-wholly-owned subsidiary of the Company
“Shares”	ordinary shares of RMB1.00 each in the share capital of the Company, comprising Domestic Shares and H Shares
“Shareholder(s)”	the registered holder(s) of Domestic Shares and H Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xinjiang Xingta”	Xinjiang Xingta Mining Company Limited* (新疆星塔礦業有限公司), a wholly-owned subsidiary of the Company
“Zhaojin Baiyun”	Liaoning Zhaojin Baiyun Gold Mining Company Limited* (遼寧招金白雲黃金礦業有限公司), a non-wholly-owned subsidiary of the Company
“Zhaojin Beijiāng”	Tuoli Zhaojin Beijiāng Mining Company Limited* (托里縣招金北疆礦業有限公司), a wholly-owned subsidiary of the Company
“Zhaojin Geological Prospecting”	Shandong Zhaojin Geological Prospecting Co., Ltd.* (山東招金地質勘查有限公司), a wholly-owned subsidiary of the Company
“Zhaojin Jinhe”	Zhaoyuan Zhaojin Jinhe Technology Co., Ltd* (招遠市招金金合科技有限公司), a wholly-owned subsidiary of the Company

LETTER FROM THE BOARD



ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

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

(Stock Code: 1818)

Executive Directors:

Mr. Jiang Guipeng (*Chairman*)
Mr. Duan Lei
Mr. Wang Ligang
Mr. Chen Lunan

Registered address:

No. 118 Wenquan Road
Zhaoyuan City
Shandong Province
PRC

Non-executive Directors:

Mr. Long Yi (*Vice chairman*)
Mr. Li Guanghui
Mr. Luan Wenjing

Principal place of business in Hong Kong:

31st Floor
Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Independent Non-executive Directors:

Ms. Chen Jinrong
Mr. Choy Sze Chung Jojo
Mr. Wei Junhao
Mr. Shen Shifu

To the Shareholders

Dear Sir or Madam,

RESOLUTION ON THE PROVISION OF GUARANTEES FOR FINANCING OF SUBSIDIARIES AND NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

This circular is issued with the notice dated 31 October 2023 in relation to the EGM of the Company to be held on 16 November 2023.

The purpose of this circular is to provide you with information regarding the resolution on the provision of guarantees for financing of subsidiaries to be proposed at the EGM, in order to enable you to make an informed decision on whether to vote for or against of this resolution at the EGM.

* For identification purpose only

LETTER FROM THE BOARD

2. RESOLUTION ON THE PROVISION OF GUARANTEES FOR FINANCING OF SUBSIDIARIES

(1) Overview

In order to meet the business development needs and financing requirements of certain wholly-owned subsidiaries and non-wholly-owned subsidiaries of the Company, the Company intends to (i) provide guarantees for the financing provided by Finance Company to 11 wholly-owned subsidiaries or non-wholly-owned subsidiaries of the Company, including Gansu Zhaojin Smelting, Xinjiang Xingta and Jintingling Mining (the “**First Guarantee**”), with the proposed guarantee amount of the First Guarantee not exceeding RMB1,500 million, representing approximately 7.48% of the latest audited net assets of the Company; and (ii) provide guarantees for the financing provided by external financial institutions to three non-wholly-owned subsidiaries of the Company, namely Zhaojin Baiyun, Gansu Zhaojin Smelting and Ruihai Mining (the “**Second Guarantee**”, together with the First Guarantee, collectively the “**New Guarantees**”), with the proposed guarantee amount of the Second Guarantee not exceeding RMB4,718.5 million, representing approximately 23.54% of the latest audited net assets of the Company. Accordingly, the proposed guarantee amount of the New Guarantees will not exceed RMB6,218.5 million in aggregate, representing approximately 31.02% of the latest audited net assets of the Company.

As of 30 September 2023, the total amount of authorized guarantees provided by the Company for its wholly-owned subsidiaries and non-wholly-owned subsidiaries as approved by the Board and currently subsisting is approximately RMB1,454 million (the “**Historical Guarantees**”), representing approximately 7.25% of the latest audited net assets of the Company. None of the Historical Guarantees were overdue.

According to the Rules of Procedures for General Meetings (《股東大會議事規則》) of the Company, the Shareholders’ general meeting shall consider and approve guarantees that, when aggregated with external guarantees within a period of twelve consecutive months, exceed 30% of the latest audited net assets of the Company. Given that: (i) the total amount of the New Guarantees represents approximately 31.02% of the latest audited net assets of the Company; and (ii) the New Guarantees and the Historical Guarantees took place within a twelve-month period and the total amount of the guarantees, when aggregated, is expected to be not more than approximately RMB7,672.5 million, representing approximately 38.27% of the latest audited net assets of the Company. Accordingly, in accordance with the Rules of Procedures for General Meetings (《股東大會議事規則》) of the Company, the New Guarantees shall be subject to consideration and approval at the Shareholders’ general meeting.

LETTER FROM THE BOARD

(2) New Guarantees

Scope of guarantee

First Guarantee: the Company will provide guarantees for the financing provided by Finance Company to 11 wholly-owned subsidiaries or non-wholly-owned subsidiaries of the Company, including Gansu Zhaojin Smelting, Xinjiang Xingta and Jintingling Mining;

Second Guarantee: the Company will provide guarantees for the financing provided by external financial institutions to three non-wholly-owned subsidiaries of the Company, namely Zhaojin Baiyun, Gansu Zhaojin Smelting and Ruihai Mining.

Details of guarantee

First Guarantee

No.	Name of guaranteed company	Maximum amount of guarantee RMB'000	Term of guarantee	Guarantee amount as a percentage of the latest audited net assets of the Company %
1	Zhaojin Jinhe	245,000	1 year	1.22
2	Gansu Zhaojin Smelting	200,000	1 year	1.00
3	Zhaojin Baiyun	220,000	1 year	1.10
4	Zhaojin Beijiang	190,000	1 year	0.95
5	Liangdang Zhaojin	70,000	1 year	0.35
6	Materials Supply Center	10,000	1 year	0.05
7	Xinjiang Xingta	120,000	1 year	0.60
8	Jintingling Mining	300,000	1 year	1.50
9	Zhaojin Geological Prospecting	15,000	1 year	0.07
10	NMCL	20,000	1 year	0.10
11	Dongfang Yanjing	110,000	1 year	0.55
Sub-total		<u>1,500,000</u>		<u>7.48</u>

LETTER FROM THE BOARD

Second Guarantee

No.	Name of guaranteed company	Maximum amount of guarantee <i>RMB'000</i>	Term of guarantee	Guarantee amount as a percentage of the latest audited net assets of the Company %
1	Zhaojin Baiyun	148,500	1 year	0.74
2	Zhaojin Baiyun	110,000	1 year	0.55
3	Gansu Zhaojin Smelting	210,000	1 year	1.05
4	Gansu Zhaojin Smelting	200,000	1 year	1.00
5	Gansu Zhaojin Smelting	200,000	1 year	1.00
6	Ruihai Mining	3,850,000	3 years	19.20
Sub-total		4,718,500		23.54
Total		6,218,500		31.02

Counter-guarantee

First Guarantee: There is no counter-guarantee measure provided by guaranteed companies;

Second Guarantee: Except for the guarantees provided for Ruihai Mining and Gansu Zhaojin Smelting, which are subject to counter-guarantees, there is no counter-guarantee measures provided by other guaranteed companies.

Specific execution agreements

The Company will, based on the production and operation of its wholly-owned subsidiaries and non-wholly-owned subsidiaries, determine the specific amount within the above guarantee amount, term and method of guarantee, and sign specific execution agreement for each guarantee transaction as and when it occurs.

LETTER FROM THE BOARD

(3) Historical Guarantees

As of 30 September 2023, the total amount of the Historical Guarantees was approximately RMB1,454 million, representing approximately 7.25% of the latest audited net assets of the Company. In addition, none of the Historical Guarantees were overdue.

3. EGM

The EGM of the Company will be held at the Company's conference room at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC at 9:00 a.m. on Thursday, 16 November 2023. At the EGM, the resolution on the provision of guarantees by the Company for financing of subsidiaries will be proposed and subject to the passing of an ordinary resolution by the Shareholders at the EGM.

Accordingly, the notice of the EGM is attached herewith, which is set out on pages 9 to 11 of this circular and published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.zhaojin.com.cn>).

In order to determine the Shareholders who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 10 November 2023 to Thursday, 16 November 2023 (both days inclusive), during which period no transfer of shares can be registered. In order to ensure the entitlement to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged, no later than 4:30 p.m. on Thursday, 9 November 2023, with (i) the Company's share registrar for H Shares in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares); or (ii) the registered address of the Company in the PRC at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC (for holders of Domestic Shares).

The form of proxy (the "**Form**") for use at the EGM is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.zhaojin.com.cn>). Whether you attend the EGM or not, you are requested to complete the Form in accordance with the instructions printed thereon and return it to (i) the Company's share registrar for H Shares in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares); or (ii) the registered address of the Company in the PRC at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC (for holders of Domestic Shares) not later than 24 hours before the time appointed for holding the EGM (i.e., 9:00 a.m. on Wednesday, 15 November 2023). Completion and return of the Form shall not preclude you from attending and voting at the EGM if you so wish.

LETTER FROM THE BOARD

4. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The chairman of the EGM shall therefore demand voting on the resolution set out in the notice of the EGM be taken by way of poll pursuant to Article 8.18 of the Articles of Association.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his/her/its name in the register of members. A Shareholder entitled to more than one vote needs not cast all his/her/its votes in the same manner.

5. RECOMMENDATIONS

Given that the purpose of the New Guarantees is to meet the business development needs and financing requirements of the Company's wholly-owned subsidiaries and non-wholly-owned subsidiaries and ensure the sustainable and steady development of its business, which is in line with the overall interests and development strategy of the Company and its subsidiaries. Moreover, the guaranteed companies are all wholly-owned subsidiaries and non-wholly-owned subsidiaries of the Company, over which the Company is able to exercise effective control in respect of the risks and major decisions on daily operating activities such as operational management, finance, investment and financing, and the Company has the ability to fully understand and monitor the operating activities of the guaranteed companies without any prejudice to the interests of the Company and the Shareholders as a whole. As such, the Board recommends the Shareholders to vote in favour of the above resolution.

Yours faithfully,
By order of the Board
Zhaojin Mining Industry Company Limited*
Jiang Guipeng
Chairman

Zhaoyuan, the PRC, 31 October 2023

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING



ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

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

(Stock Code: 1818)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 first extraordinary general meeting (the “EGM”) of Zhaojin Mining Industry Company Limited (the “**Company**”) will be held at the Company’s conference room at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the People’s Republic of China (the “**PRC**”) at 9:00 a.m. on Thursday, 16 November 2023 for the following purpose:

ORDINARY RESOLUTION

To consider and approve the Company’s provision of (i) guarantees for the financing provided by Finance Company to 11 wholly-owned subsidiaries or non-wholly-owned subsidiaries of the Company, including Gansu Zhaojin Smelting, Xinjiang Xingta and Jintingling Mining (the “**First Guarantee**”), with the proposed guarantee amount not exceeding RMB1,500 million, representing approximately 7.48% of the latest audited net assets of the Company; and (ii) provide guarantees for the financing provided by external financial institutions to three non-wholly-owned subsidiaries of the Company, namely Zhaojin Baiyun, Gansu Zhaojin Smelting and Ruihai Mining (the “**Second Guarantee**”, together with the First Guarantee, collectively the “**New Guarantees**”), with the proposed guarantee amount not exceeding RMB4,718.5 million, representing approximately 23.54% of the latest audited net assets of the Company. The proposed guarantee amount of the New Guarantees will not exceed RMB6,218.5 million in aggregate, representing approximately 31.02% of the latest audited net assets of the Company.

By order of the Board

Zhaojin Mining Industry Company Limited*

Jiang Guipeng

Chairman

Zhaoyuan, the PRC, 31 October 2023

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Unless otherwise defined, capitalized terms used in this document shall have the same meanings as defined in the circular of the Company dated 31 October 2023.
2. In order to determine the Shareholders who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 10 November 2023 to Thursday, 16 November 2023 (both days inclusive), during which period no transfer of shares can be registered. In order to ensure the entitlement to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged, no later than 4:30 p.m. on Thursday, 9 November 2023, with (i) the Company's share registrar for H Shares in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares); or (ii) the registered address of the Company in the PRC at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC (for holders of Domestic Shares).
3. Shareholders whose names appear on the register of members on 16 November 2023 are entitled to attend and vote at the EGM (or any adjourned meetings).
4. If a Shareholder appoints more than one proxy to attend the meeting, its proxy can only vote by poll.
5. Holders of H Shares who have the right to attend and vote at the EGM are entitled to appoint one or more proxies (whether or not a Shareholder) in writing to attend and vote at the EGM on his/her/its behalf. For those Shareholders who appoint more than one proxy, such proxies can only exercise their voting rights by way of poll. Shareholders who intend to appoint one or more proxies should first read the circular.
6. If a proxy is appointed to attend the EGM on behalf of a Shareholder, the proxy must produce proof of identity and the authorization instrument with the date of issue and duly signed by the proxy or its legal personal representative, and in the case of legal representatives of legal person Shareholders, such legal representatives must produce proof of identity and effective document to identify its identity as legal representative. If a legal person Shareholder appoints a company representative other than its legal representative to attend the EGM, such representative must produce proof of identity and the authorization instrument bearing the company chop of the legal person Shareholder and duly authorised by its legal representative.
7. If the proxy form is signed by a person under a power of attorney or other authority, such power of attorney or other authority must be notially certified. In order to be valid, the notially certified copy of such power of attorney or other authority under which it is signed together with the proxy form must be deposited no later than 9:00 a.m. on Wednesday, 15 November 2023, at (i) the Company's share registrar for H Shares in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares); or (ii) the registered address of the Company in the PRC at No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC (for holders of Domestic Shares).
8. The EGM is expected to be held for less than half a day. Shareholders and their proxies who attend the meeting shall arrange for their own transportation and accommodation at their own expenses.

The registered address of the Company in the PRC is as follows:

No. 118 Wenquan Road, Zhaoyuan City, Shandong Province, the PRC

Tel: (86 535) 8256086

Fax: (86 535) 8227541

Postal code: 265400

NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, members of the Board comprise:

Executive Directors: Mr. Jiang Guipeng, Mr. Duan Lei, Mr. Wang Ligang and Mr. Chen Lunan

Non-executive Directors: Mr. Long Yi, Mr. Li Guanghui and Mr. Luan Wenjin

Independent non-executive Directors: Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo, Mr. Wei Junhao and Mr. Shen Shifu