

Chifeng Jilong Gold Mining Co., Ltd.
Announcement on the Renewal of the Appointment of
Audit Agency for 2024

The Board of Directors and all Director of the Company warrant that this announcement does not contain any false records, misleading statements or major omissions, and they will bear legal liabilities for the authenticity, accuracy and completeness of its contents.

Highlight of the Important Content:

- Name of the accounting firm to be renewed: Ernst & Young Huaming Accounting Firm (Special General Partnership)

1. The basic situation of the proposed accounting firm

(1) Basic information of the accounting firm

①Basic information: Ernst & Young Huaming Accounting Firm (Special General Partnership) (hereinafter referred to as "EY Huaming") was established in September 1992 and completed the localization transformation from a Sino-foreign cooperative limited liability firm to a special general partnership firm in August 2012. EY Huaming is headquartered in Beijing and its registered address is Room 0112, 17th floor, E&Y Building, Oriental Square, East Chang'an Avenue, Dongcheng District, Beijing. As of the end of 2022, it has 229 partners with Mr. Mao Anning as its Chief Partner. EY Huaming has always paid attention to talent training. By the end of 2022, there are 1,818 practicing certified public accountants, of whom over 1,500 people have experience in securities-related business and over 400 certified public accountants once signed the audit report of the securities service business. The total business revenue of EY Huaming in FY2021 was RMB5.49 billion, of which RMB5.282 billion (including

RMB2.27 billion from securities business) was from audit business. We provided annual report audit service to 116 A-share listed companies in FY2021, with total fees of RMB763 million. The main industries of these listed companies involved manufacturing, finance, wholesale and retail, information transmission, software and information technology services, real estate, etc. Our firm also had 3 clients of listed companies engaging in the same business with us.

② Investor protection ability: EY Huaming has good investor protection ability and has accrued occupational risk funds and purchased occupational insurance in accordance with relevant laws and regulations, covering Beijing head office and all branches. The accrued occupational risk fund and the cumulative compensation limit of the purchased occupational insurance exceeds RMB200 million. In the past three years, EY Huaming has not incurred any civil liability due to civil litigation related to professional conduct.

③ Integrity record: EY Huaming and its practitioners have not received any criminal penalties, administrative penalties, self-regulatory measures and disciplinary sanctions from self-regulatory organizations such as stock exchanges and industry associations for their professional conduct in the past three years. It received one warning letter from the securities regulatory authority, involving 2 employees. The aforementioned decision to issue a warning letter is a supervision and management measure, not an administrative punishment. It once received one written warning as self-disciplinary measures to two employees of the firm, with no penalties involved. According to the relevant laws and regulations, the supervision and management measures will not affect the continued undertaking or execution of securities service business and other businesses by EY Huaming.

(2) Project member information

1. Basic Information

Ms. He Xin, project partner, signatory certified public accountant. She became a certified public accountant in 2008, started to engage in the audit of listed companies

in 2006 and began to practice at EY Huaming in 2006 and commenced auditing service for our firm in 2022. She signed/reviewed a number of annual reports/internal control audits of listed companies in the past three years, covering industries including mining, electricity, heat production and supply

Mr. Zhang Yu, the signatory certified public accountant, became a certified public accountant in 2016, started to engage in the audit of listed companies in 2013, started to practice at EY Huaming in 2013, and started to provide audit services for the firm in 2022; he reviewed a number of annual reports/internal control audits of listed companies in the past three years, covering industries including mining, electricity, heat production and supply.

Mr. Xie Yanfeng, the project quality control reviewer, became a CPA in 2000, started to engage in the audit of listed companies in 2000, started to practice in EY Huaming in 2007, and started to provide audit services for the firm in 2022; he signed/reviewed the annual reports/internal control audits of a number of listed companies in the past three years, covering the industries of mining, electricity, manufacturing and life science.

2. Integrity records: E&Y Huaming and the above-mentioned relevant personnel, and have not been subject to criminal penalties in the past three years, and have not been subject to administrative penalties, supervision and management measures by the CSRC, its dispatched agencies, industry authorities, etc in the past three years., and have not been subject to self-regulatory measures and disciplinary sanctions by self-regulatory organizations such as stock exchanges and industry associations in the past three years.

3 Independence: EY Huaming and the above-mentioned project partners, signatory certified public accountants and project quality control reviewers have not violated the independence requirements of the Code of Professional Ethics for Chinese Certified Public Accountants.

(3) Audit fees

EY Huaming provided the company with financial and internal control audit services for 2023 with a fee of RMB 2.4 million. The specific audit fees for 2024 will be negotiated with the audit agency in accordance with the principle of fair and reasonable pricing in the market, according to the authorization of the company's general meeting of shareholders, and by the company's management according to various factors such as the company's business scale, industry and accounting complexity after taking into consideration the audit personnel to be allocated for the company's annual audit, the workload involved and the fee standards of the firm.

2. Procedures to be performed to renew the accounting firm

(1) The performance of duties by the Audit Committee

On the basis of careful investigation and evaluation of EY Huaming's professional competence, investor protection ability, independence and integrity, the Audit Committee of the Board of Directors of the Company believes that this firm has the necessary professional qualifications and capabilities to undertake the Company's financial audit business, and is competent for the Company's annual audit work; EY Huaming has fully purchased occupational insurance, which can cover civil liability caused by audit failure, and has investor protection capabilities. In the 2023 audit services provided to the company, EY Huaming was able to provide independent audit for the company in accordance with the practice standards of independence, fairness and objectivity. Accordingly, the Committee unanimously agreed to propose the appointment of EY Huaming as the Company's auditor for 2023 and agreed to refer the matter to the Board for consideration.

(2) The deliberation and voting by the board of directors

The 26th meeting of the 8th board of directors of the company deliberated and adopted the "Proposal on the Renewal of the Appointment of Audit Agency for 2024" by 10 votes in favor, 0 vote against and 0 abstentions. The Board of Directors agreed to appoint E&Y Huaming as the Company's financial and internal control auditor for 2024 and the term of appointment is one year.

(4) Effective Date

The renewal of the appointment of audit agency needs to be submitted to the company's general meeting of shareholders for deliberation, and will take effect from the date of deliberation and approval by the company's general meeting.

This is hereby announced.

Board of Directors

Chifeng Jilong Gold Mining Co., Ltd.

March 30, 2024