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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 the Grant of Share Options to the Participants under the Incentive Scheme

Important notes:

- Grant Date of the Share Options: 8 December 2023
- Number of the Share Options granted: 42 million
- Exercise Price of the Share Options: RMB12.00 per A Share.

This announcement is made by Zijin Mining Group Co., Ltd.* (the “Company”) pursuant to Rules 17.06A, 17.06B and 17.06C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

References are made to (i) the announcement in relation to proposed adoptions of the Share Option Incentive Scheme for 2023 and the Employee Stock Ownership Scheme for 2023 (the “Announcement”) dated 14 November 2023; and (ii) the circular (the “Circular”) dated 22 November 2023 of the Company. Unless otherwise indicated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement and the Circular.

On 8 December 2023, the Company convened the seventeenth extraordinary meeting in 2023 of the eighth term of the Board, at which the proposal in relation to the grant of Share Options to the Participants under the Incentive Scheme was considered and approved. The Board agreed to grant Share Options to 13 Participants, and the Grant Date of the Share Options was determined to be 8 December 2023. Relevant matters are explained as follows:

I. Details of the grant of the Share Options under the Incentive Scheme

(I) The relevant review and approval procedures implemented

1. On 14 November 2023, the Company convened the sixteenth extraordinary meeting in 2023 of the eighth term of the Board, at which the proposal in relation to the Share Option Incentive Scheme for 2023 (Draft) and its summary of the Company, the proposal in relation to the Administrative Measures for Implementation of Appraisal for the Share Option Incentive Scheme for 2023 of the Company and the proposal to the shareholders' general meetings in relation to the authorisation to the Board of Directors to handle matters relating to the Share Option Incentive Scheme for 2023 of the Company were considered and approved. The

Independent Directors of the Company issued an independent opinion on the Incentive Scheme.

2. On 14 November 2023, the Company convened the fourth extraordinary meeting in 2023 of the eighth term of the Supervisory Committee, at which the proposal in relation to the Share Option Incentive Scheme for 2023 (Draft) and its summary of the Company, the proposal in relation to the Administrative Measures for Implementation of Appraisal for the Share Option Incentive Scheme for 2023 of the Company and the proposal in relation to the verification of the list of Participant of the Share Option Incentive Scheme for 2023 of the Company were considered and approved. The Supervisory Committee of the Company was of the view that the Incentive Scheme was beneficial to the sustainable development of the Company and there were no apparent prejudices to the interests of the Company and all Shareholders.

3. From 18 November 2023 to 1 December 2023, the Company publicised the proposed list of Participants to be granted internally. Upon the completion of the publicity period, the Supervisory Committee of the Company had not received any objections from the Company's employees regarding the Participants of the Share Option Incentive Scheme for 2023.

4. On 5 December 2023, the State-owned Assets Supervision and Administration Commission of the People's Government of Longyan City (the "SASAC of Longyan City") issued the Approval in relation to Implementation of the Share Option Incentive Scheme for 2023 of Zijin Mining Group Co., Ltd.* of the SASAC of Longyan City (Long Guo Zi [2023] No. 129), which agreed in principle the implementation of the Share Option Incentive Scheme for 2023 by the Company.

5. On 8 December 2023, the Company convened the first extraordinary general meeting in 2023, the second A Shareholders' class meeting in 2023 and the second H Shareholders' class meeting in 2023, at which the proposal in relation to the Share Option Incentive Scheme for 2023 (Draft) and its summary of the Company, the proposal in relation to the Administrative Measures for Implementation of Appraisal for the Share Option Incentive Scheme for 2023 of the Company and the proposal to the shareholders' general meetings in relation to the authorisation to the Board of Directors to handle matters relating to the Share Option Incentive Scheme for 2023 of the Company were considered and approved. Additionally, the Company issued the Self-inspection Report on Transactions of the Company's Shares by Persons with Inside Information Pursuant to the Share Option Incentive Scheme for 2023 of Zijin Mining Group Co., Ltd*.

6. In accordance with the authorisation granted to the Board under the proposal to the shareholders' general meetings in relation to the authorisation to the Board of Directors to handle matters relating to the Share Option Incentive Scheme for 2023 of the Company considered and approved at the first extraordinary general meeting in 2023, the second A Shareholders' class meeting in 2023 and the second H Shareholders' class meeting in 2023, the Company convened the seventeenth extraordinary meeting in 2023 of the eighth term of the Board on 8 December 2023, at which the proposal in relation to the grant of Share Options to the Participants under the Incentive Scheme was considered and approved. The Independent Directors of the Company issued an independent opinion on matters relating to the grant.

7. On 8 December 2023, the Company convened the fifth extraordinary meeting in 2023 of the eighth term of the Supervisory Committee, at which the proposal in relation to the grant of Share Options to the Participants under the Incentive Scheme was considered and approved. The Supervisory Committee reviewed

the list of Participants on the Grant Date and the granting arrangement under the Incentive Scheme and issued its verification opinion.

(II) The Board's explanation on whether the conditions of grant have been satisfied

Pursuant to the stipulations of the Measures for the Administration of Equity Incentives of Listed Companies (the "Administrative Measures") and the Share Option Incentive Scheme for 2023 (Draft) of the Company (the "Draft of the Incentive Scheme") in relation to the conditions of grant, the conditions of grant of the Share Options to the Participants are as follows:

1. There is no occurrence of any of the followings on the Company:

- (1) issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's financial accounting report for the most recent accounting year;
- (2) issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's internal control over financial reporting for the most recent accounting year;
- (3) failure to carry out profit distribution in accordance with the laws and regulations, the Articles of Association or public undertakings during the most recent 36 months after listing;
- (4) prohibition from implementation of any equity incentives by applicable laws and regulations; or
- (5) any other circumstances as prescribed by the CSRC.

2. There is no occurrence of any of the followings on the Participants:

- (1) being deemed as an inappropriate candidate by the stock exchanges in the PRC in the most recent 12 months;
- (2) being deemed as an inappropriate candidate by the CSRC or any of its dispatch agencies in the most recent 12 months;
- (3) being imposed with administrative penalties or market access restrictions by the CSRC or any of its dispatch agencies due to material breach of laws and regulations in the most recent 12 months;
- (4) being prohibited from acting as a director or a senior management of a company under the Company Law of the PRC (the "Company Law");
- (5) being prohibited from participating in any equity incentives of a listed company under laws and regulations; or
- (6) any other circumstances as prescribed by the CSRC.

Upon careful review, the Board is of the view that neither of the abovementioned conditions have occurred to the Company nor the Participants being granted the Share Options, and the conditions of grant of the Incentive Scheme have been satisfied. The Board agreed to grant the Share Options to the Participants who satisfied the conditions of grant.

(III) Details relating to the grant of Share Options

1. Grant Date: 8 December 2023

2. Exercise Price: RMB12.00 per A Share

3. Source of the underlying Shares: the ordinary Shares (A Shares) denominated in Renminbi issued

specifically by the Company to the Participants.

4. The total number of Participants under the Incentive Scheme is 13, the number of underlying Shares involved in the aggregated number of the Share Options granted under the Incentive Scheme is 42 million. No further grant of Share Options will be made under the Incentive Scheme. The specific allocation of the Share Options is set out in the table below:

| Name | Position | Number of Share Options granted (million) | Approximate proportion to the total number of Share Options granted | Approximate proportion to the prevailing total share capital of the Company |
|----------------|--------------------------------------|---|---|---|
| Chen Jinghe | Chairman | 6.00 | 14.29% | 0.02% |
| Zou Laichang | Vice-chairman and president | 5.10 | 12.14% | 0.02% |
| Lin Hongfu | Director and standing vice-president | 3.00 | 7.14% | 0.01% |
| Lin Hongying | Director and vice-president | 3.00 | 7.14% | 0.01% |
| Xie Xionghui | Director and vice-president | 3.00 | 7.14% | 0.01% |
| Wu Jianhui | Director and vice-president | 3.00 | 7.14% | 0.01% |
| Shen Shaoyang | Vice-president | 2.70 | 6.43% | 0.01% |
| Long Yi | Vice-president | 2.70 | 6.43% | 0.01% |
| Que Chaoyang | Vice-president | 2.70 | 6.43% | 0.01% |
| Wu Honghui | Financial controller | 2.70 | 6.43% | 0.01% |
| Zheng Youcheng | Secretary to the Board | 2.70 | 6.43% | 0.01% |
| Wang Chun | Vice-president | 2.70 | 6.43% | 0.01% |
| Liao Yuanhang | Vice-president | 2.70 | 6.43% | 0.01% |
| Total | | 42.00 | 100.00% | 0.16% |

Notes: 1. Any discrepancies between the last digits of the total number and those of the sum of individual items in the above table are due to rounding.

2. The abovementioned “total share capital” is the total number of Shares of the Company as at the announcement date of the Draft of the Incentive Scheme, i.e., 26,326,571,240.

5. The Validity Period, Vesting Period and the details of the exercising arrangement under the Incentive Scheme:

(1) Validity Period

The Validity Period of the Incentive Scheme shall commence from the Grant Date of the Share Options to the date on which the exercise or cancellation of all the Share Options are completed, and shall not exceed 60 months.

(2) Vesting Period

The Vesting Period of the Share Options shall be the period between the Grant Date and the first Exercise Date of the Share Options. The Vesting Period under the Incentive Scheme shall be 24 months from the Grant Date of the Share Options.

(3) Exercise Date

After the corresponding Exercise Conditions have been satisfied, the Share Options can be exercised pursuant to the exercising arrangement under the Incentive Scheme. An Exercise Date shall be a trading day and shall not fall within any of the following periods:

- ① within 30 days prior to the publication of annual and interim reports of the Company. Where there are any delays in the publication of such reports due to special circumstances, the period shall be 30 days prior to the original scheduled publication date to the day before the actual publication date;
- ② within 10 days prior to the publication of the Company’s quarterly reports, estimated operating results announcements or preliminary operating results announcements;
- ③ the period from the date of occurrence of any significant events which may have a material impact on the trading prices of the Company’s Shares and their derivatives or the date on which the relevant decision-making procedures begin to the disclosure date in accordance with laws; and
- ④ other periods as stipulated by the CSRC and the Shanghai Stock Exchange.

Performance appraisal requirements at company and individual levels

The appraisal period for the Incentive Scheme is the three accounting years from 2024 to 2026. Appraisal shall be conducted for each accounting year. Performance appraisal targets for the Share Options granted at company and individual levels for each year are set out below:

| Exercise Period | Performance appraisal targets |
|------------------------|---|
| First Exercise Period | (1) On the basis of the operating results for 2022, the growth rate of operating income for 2024 shall not be lower than 10% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (2) the return on net assets ratio for 2024 shall not be lower than 12% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (3) debt-to-asset ratio as at the end of 2024 shall not be higher than 65%; and (4) performance appraisal results of such Participant for 2024 shall be grade B or above. |
| Second Exercise Period | (1) On the basis of the operating results for 2022, the growth rate of operating income for 2025 shall not be lower than 15% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (2) the return on net assets ratio for 2025 shall not be lower than 12% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (3) debt-to-asset ratio as at the end of 2025 shall not be higher than 65%; and (4) performance appraisal results of such Participant for 2025 shall be grade B or above. |

| | |
|-----------------------|--|
| Third Exercise Period | <p>(1) On the basis of the operating results for 2022, the growth rate of operating income for 2026 shall not be lower than 20% as well as the industry average level or the 75th percentile of the benchmarking enterprises;</p> <p>(2) the return on net assets ratio for 2026 shall not be lower than 12% as well as the industry average level or the 75th percentile of the benchmarking enterprises;</p> <p>(3) debt-to-asset ratio as at the end of 2026 shall not be higher than 65%; and</p> <p>(4) performance appraisal results of such Participant for 2026 shall be grade B or above.</p> |
|-----------------------|--|

Notes: 1. Return on net assets ratio refers to the weighted average return on net assets after deduction of audited non-recurring profit or loss. The calculation of the abovementioned appraisal indicators shall exclude the incentive costs incurred by the implementation of the Incentive Scheme;

2. During the Validity Period of the Incentive Scheme, in case of issuance of new Shares, rights issue or other events that would result in a change in the Company's net assets, the changes in net assets and income arising therefrom shall be excluded during the appraisal.

The Share Options granted are subject to the clawback mechanism in the events that, among others:

(i) during each Exercise Period, if the Company's performance level for that period fails to meet the performance appraisal targets, all the Share Options held by the Participants corresponding to the appraisal year planned to be exercised shall not be exercised and shall be cancelled by the Company; and

(ii) if the Share Options held by the Participants planned to be exercised during the period cannot be exercised or cannot be fully exercised due to the reason of individual's appraisal, the Share Options which fail to satisfy the Exercise Conditions cannot be deferred and shall be cancelled by the Company on a uniform basis.

For further details, please refer to "Appendix I - Share Option Incentive Scheme for 2023 (Draft) - Chapter XIII Methods of handling unusual changes to the Company and the Participants" in the Circular published by the Company dated 22 November 2023.

(4) Exercising arrangement

The Share Options to be granted under the Incentive Scheme can be exercised by three batches after 24 months from the Grant Date of the Share Options. The exercising arrangement of the Share Options to be granted are set out in the table below:

| Exercising arrangement | Exercise Period | Proportion to be exercised |
|------------------------|---|----------------------------|
| First Exercise Period | Commencing from the first trading day after expiry of the 24-month period from the Grant Date and ending on the last trading day of the 36-month period from the Grant Date | 1/3 |
| Second Exercise Period | Commencing from the first trading day after expiry of the 36-month period from the Grant Date and ending on the last trading day of the 48-month period from the Grant Date | 1/3 |
| Third Exercise Period | Commencing from the first trading day after expiry of the 48-month period from the Grant Date and ending on the last | 1/3 |

| | | |
|--|--|--|
| | trading day of the 60-month period from the Grant Date | |
|--|--|--|

Upon the Exercise Conditions of the Share Options are satisfied, the Company shall deal with the exercise of the Share Options which satisfied the Exercise Conditions for the Participants during the Exercise Periods.

For the Share Options which the Exercise Conditions for such period are not satisfied, they cannot be exercised or deferred to the subsequent period to be exercised, and the Share Options for such period shall be cancelled by the Company. After all the Exercise Periods of the Share Options end, the Share Options held by the Participants which have not been exercised shall not be exercised and shall be cancelled by the Company.

The market price of the A Shares on the Grant Date is RMB11.67 per A Share.

II. Verification of the list of Participants of the Supervisory Committee

Pursuant to the relevant provisions of the Company Law, the Securities Law of the PRC, Administrative Measures, Trial Measures on Implementation of Equity Incentive Schemes by State-owned Listed Companies (Domestic) and the Notice on Issues concerning Regulating the Implementation of the Equity Incentive System of State-owned Listed Companies, other relevant laws, regulations, regulatory documents, the Articles of Association of Zijin Mining Group Co., Ltd.* and the Draft of the Incentive Scheme, the Supervisory Committee has reviewed the list of Participants on the Grant Date, the granting arrangement of the Share Option Incentive Scheme for 2023 of the Company and other relevant matters. The verification opinion was issued as follows:

(I) The list of Participants to be granted the Share Options is consistent with the Participants stipulated in the Draft of the Incentive Scheme, which has been considered and approved in the first extraordinary general meeting in 2023, the second A Shareholders' class meeting in 2023 and the second H Shareholders' class meeting in 2023 of the Company.

(II) The Participants to be granted the Share Options all have the qualifications of employment under the Company Law, Administrative Measures and other laws, regulations and regulatory documents. There is no occurrence of the circumstances specified in article 8 of the Administrative Measures which prohibit any persons from becoming the Participants under the Incentive Scheme.

(III) The Participants under the Incentive Scheme do not include the independent Directors, the Supervisors and any Shareholders or actual controllers, whether individually or jointly, holding more than 5% of the Shares, or their respective spouses, parents and children.

In summary, the Supervisory Committee is of the view that the eligibility of the Participants to be granted the Share Options is lawful and valid, and they meet the conditions of being granted the Share Options. It was agreed that the Grant Date was determined to be 8 December 2023, on which 42 million Share Options were granted to 13 Participants who met the conditions at the Grant Price of RMB12.00 per A Share.

III. Explanation on trading of the Company's Shares by the Directors and senior management who participate in the Incentive Scheme within six months before the Grant Date

Upon the self-inspection of the Company, there is no occurrence of the Directors and senior management who participate in the Incentive Scheme on the trading of the Company's Shares with access to inside information within six months before the Grant Date.

IV. Impact on the Company's operating capacity and financial position after the grant of the Share Options

The Company determined the final costs of the Share Options under the Incentive Scheme in accordance with the fair value of the Share Options as at the Grant Date by using relevant valuation tools. Such costs will be recognised throughout the implementation of the Incentive Scheme based on the respective periods. The incentive costs incurred by the Incentive Scheme shall be recognised in the recurring profit or loss.

On 8 December 2023, the Company granted the Share Options to the Participants. Pursuant to the requirements of the Chinese accounting standards, the impact of the Share Options to be granted under the Incentive Scheme on the accounting costs for each period is set out in the table below:

| Number of Share Options granted (million) | Amount of costs to be amortised (RMB million) | 2023 (RMB million) | 2024 (RMB million) | 2025 (RMB million) | 2026 (RMB million) | 2027 (RMB million) |
|--|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| 42.00 | 63.3542 | 1.3747 | 21.3082 | 20.8267 | 13.3977 | 6.4469 |

Note: The impact of the abovementioned items to the operating results of the Company is subject to the amounts published in the annual audit reports issued by the accounting firm.

Based on the current information, without taking into account the positive impact of the Incentive Scheme on the operating results of the Company, the Company estimates that the amortisation of the costs of the Incentive Scheme will have an impact on the net profit of each year during the Validity Period, yet the effect will not be substantial. Taking into consideration the positive impact of the Incentive Scheme generated to the Company's operation and development, such as motivating the management team and the core team, improving the operational efficiency and reducing the operating costs, it is expected that the benefits generated from the improved operating results of the Company bring by the Incentive Scheme will exceed the increase in the costs incurred.

V. Conclusion of the legal opinion

In the legal opinion issued for the matters of grant under the Share Option Incentive Scheme of the Company, Fujian Zenith Law Firm is of the view that: as at the date of issue of the legal opinion, the necessary approvals and authorisations at the current stage for the grant under the Incentive Scheme of the Company have been obtained. The conditions of grant stipulated under the Incentive Scheme of the Company have been satisfied. The Board's determination under the Incentive Scheme including the Grant Date and the Participants granted complies with the Administrative Measures, Trial Measures and relevant laws, rules, regulatory documents as well as the stipulations of the Draft of the Incentive Scheme. The Grant shall be subject to the information disclosure obligations and the handling of registration of the Share Options granted.

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 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

8 December 2023, Fujian, the PRC

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