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**江西銅業股份有限公司**  
**JIANGXI COPPER COMPANY LIMITED**

*(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)*

(Stock Code: 0358)

**VOLUNTARY ANNOUNCEMENT**  
**PROVISION OF GUARANTEE**  
**BY CONTROLLING SHAREHOLDER**  
**FOR A JOINT VENTURE**

The Board and all members of the Board warrant the truthfulness, accuracy and completeness of the contents of this announcement and accept responsibility severally and jointly for the false statement, misleading representation or material omission therefrom.

This announcement is made by Jiangxi Copper Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

**I. THE GUARANTEE**

In order to propel the construction of the Baku Tower tungsten mine project in the Republic of Kazakhstan (the “**Baku Project**”), on 22 May 2020, Jiaxin International Resources Investment Limited (佳鑫國際資源投資有限公司) (“**Jiaxin International**”), a material joint venture of the Company, which is held as to 49% by Jiangxi Copper (Hong Kong) Investment Company Limited (江西銅業(香港)投資有限公司) (“**JCC Hong Kong**”), a wholly-owned subsidiary of the Company as borrower and the Offshore Banking Department of China Merchants Bank Company Limited (“**CMB Offshore Banking**”) as lender entered into an offshore credit agreement (the “**Offshore Credit Agreement**”).

As guarantee under the Offshore Credit Agreement, a guarantee cooperation agreement (the “**Guarantee Cooperation Agreement**”) was entered into between Jiangxi Copper Corporation Limited (“**JCC**”), the controlling shareholder of the Company and China Merchants Bank Company Limited (Nanchang Branch) (“**CMB Nanchang**”), pursuant to which CMB Nanchang agreed to provide cross-border financing bank guarantee for Jiaxin International for the loan under the Offshore Credit Agreement, and JCC agreed to provide counter-guarantee (the “**Guarantee**”) in the amount of €202,000,000 for the bank guarantee issued by CMB Nanchang.

## **II. IMPACT OF THE GUARANTEE ON THE COMPANY**

As JCC, the controlling shareholder of the Company, has provided guarantee for the credit facility of Jiaxin International, JCC Hong Kong, being one of the shareholders of Jiaxin International, is not required to provide any counter-guarantee such as mortgage and pledge, whilst other shareholders of Jiaxin International shall pledge their equity interests in Jiaxin International as guarantee for such credit facility.

The loan will be used by Jiaxin International for the construction of the Baku Project, which is in line with the strategic development of the Company and in the interests of its shareholders as a whole, and will not have adverse impact on the business performance of the Company.

## **III. INFORMATION OF THE PARTIES INVOLVED**

### **Information on Jiaxin International**

Jiaxin International is a limited company incorporated in Hong Kong with an issued share capital of HK\$7,650,000 and its registered office is situated at Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong. Jiaxin International is a material joint venture of the Company, which is held as to 49% by JCC Hong Kong, a wholly-owned subsidiary of the Company. It is principally engaged in the exploration, mining, beneficiation, smelting and processing of minerals such as tungsten metal.

Jiaxin International possesses the prospecting right of the tungsten mine in Baku Tower in the Republic of Kazakhstan which has approximately 284,900 tonnes of tungsten metal reserve.

## Information on JCC

JCC, the controlling shareholder of the Company, is a wholly state-owned enterprise of the People's Republic of China (the "PRC"), which is wholly owned and controlled by the State-owned Assets Supervision and Administration Commission of Jiangxi Province. JCC holds approximately 42.74% of the issued share capital of the Company. JCC is located in 15 Yejin Avenue, Guixi City, Jiangxi Province, PRC with a registered capital of RMB6,729,646,135.47. The legal representative of JCC is Mr. Long Ziping. JCC's principal business covers non-ferrous mines, non-metal mines, smelting and rolling processing of non-ferrous metal products, contracting of overseas non-ferrous industry projects and domestic international tender projects, export of the necessary equipment and materials for the abovementioned overseas projects, and assigning the necessary labour abroad for the implementation of the abovementioned overseas projects.

## IV. REQUIREMENTS OF THE SHANGHAI STOCK EXCHANGE

According to article 56 of the Shanghai Stock Exchange Implementation Guidelines for Connected Transactions of Listed Companies\* (《上海證券交易所上市公司關聯交易實施指引》), where a connected person provides financial assistance to the listed company, if the interest level of the financial assistance provided is not higher than the loan prime rate promulgated by the People's Bank of China for loans of the same term, and the listed company does not provide corresponding mortgage or guarantee for such financial assistance, the listed company could apply to the Shanghai Stock Exchange for such financial assistance exemption from approval and disclosure requirements for connected transactions.

As the Company does not provide counter-guarantee for the financial assistances provided by JCC pursuant to the Guarantee Cooperation Agreement and the Guarantee has not reached the threshold which requires approval of the board of directors of the Company (the "Board"), such financial assistance is exempt from the said approval and disclosure requirements for connected transactions.

## V. LISTING RULES IMPLICATIONS

As at the date hereof, JCC is the controlling shareholder of the Company, interested in approximately 42.74% of the issued share capital of the Company, and thus a connected person of the Company. Accordingly, the Guarantee constitutes a financial assistance from JCC to the Company.

As the Guarantee is not secured by any assets of the Group and is conducted on normal commercial terms or better, the Guarantee is fully exempt from shareholders' approval, annual review and all disclosure requirements pursuant to Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By Order of the Board  
**JIANGXI COPPER COMPANY LIMITED**  
**Long Ziping**  
*Chairman*

Nanchang, Jiangxi, the PRC, 22 May 2020

*As at the date of this announcement, the executive directors of the Company are Mr. Long Ziping, Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Dong Jiahui and Mr. Yu Tong; and the independent non-executive directors of the Company are Mr. Tu Shutian, Mr. Liu Erfei, Mr. Liu Xike and Mr. Zhu Xingwen.*

\* *For identification purpose only*