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**China Nonferrous Mining Corporation Limited**  
**中國有色礦業有限公司**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

(Stock Code: 01258)

**CONNECTED TRANSACTION  
IN RESPECT OF  
THE PURCHASE OF COPPER CATHODES BY A SUBSIDIARY**

**THE GCM COPPER CATHODES PURCHASE AGREEMENT**

On 11 September 2024, CNMHK, Huachin Leach and GCM entered into the GCM Copper Cathodes Purchase Agreement in respect of the purchase of high grade Copper Cathodes, pursuant to which CNMHK shall purchase a total of 3,644,442 mt of high grade copper cathodes from GCM at the total consideration of US\$30,745,059.38.

**LISTING RULES IMPLICATIONS**

Each of CNMHK and Huachin Leach is a subsidiary of the Company. GCM holds 45% of the shares in Kambove Mining, a subsidiary of the Company, and is therefore a connected person of the Company at the subsidiary level under the Listing Rules. Accordingly, the transaction contemplated under the GCM Copper Cathodes Purchase Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratio(s) in respect of the transaction contemplated under the GCM Copper Cathodes Purchase Agreement exceed 0.1% but all of them are less than 5%, such transaction is subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, and is exempt from the independent Shareholders' approval requirement.

**THE GCM COPPPER CATHODES PURCHASE AGREEMENT**

The key terms of the GCM Copper Cathodes Purchase Agreement are set forth below.

**Date**

11 September 2024

**Parties**

- (i) CNMHK
- (ii) Huachin Leach
- (iii) GCM

**Subject Matter**

Pursuant to the GCM Copper Cathodes Purchase Agreement, CNMHK agreed to purchase, and GCM agreed to sell, a total of 3,644.442 mt of high grade copper cathodes at the total consideration of US\$30,745,059.38.

**Duration**

From 11 September 2024 to 31 December 2024

**Pricing**

The price per each mt of the Copper Cathodes sold pursuant to the GCM Copper Cathodes Purchase Agreement shall be determined with reference to the average price of the Copper Cathodes over the agreed quotational period of August 2024 (i.e. US\$8,951.15 per each mt) based on the daily Cash Seller quotation for Grade A Copper in the London Metal Exchange less a discount of US\$515 per each mt after arm’s length negotiation of the parties. Accordingly, the total market value of the Copper Cathodes based on such quotation from the London Metal Exchange is approximately US\$32,621,947 before the discount.

**Payment**

The consideration of the GCM Copper Cathodes Purchase Agreement shall be payable by wire transfer by CNMHK to the designated accounts of GCM upon receipt of the relevant invoice.

**Delivery Term**

CNMHK shall appoint its carrier to despatch delivery trucks to the factory of Huachin Leach, which provides copper cathodes processing services for GCM, for the loading and transportation of goods within 10 days from the date on which the goods are made available by GCM.

## **REASONS FOR AND BENEFIT OF ENTERING INTO THE GCM COPPER CATHODES PURCHASE AGREEMENT**

The purchase of the Copper Cathodes under the GCM Copper Cathodes Purchase Agreement can meet the requirement of copper cathodes by CNMHK as a result of its rising demands of copper cathodes from its customers.

The Board considered that the entering into of the GCM Copper Cathodes Purchase Agreement is conducive to the Group, and is in line with the business and commercial objectives of the Group.

The GCM Copper Cathodes Purchase Agreement was negotiated and entered into individually on a one-off basis taking into account the recent requirements of the Copper Cathodes and the then market supply and demand of copper cathodes. As at the date of this announcement, the Group has no annual plan of purchasing copper cathodes from GCM. If the Group plans to enter into such transactions on a recurring basis with GCM in the future, the Company will comply with all applicable requirements under the Listing Rules in respect thereof.

The terms of the GCM Copper Cathodes Purchase Agreement were negotiated at arm's length and on a commercial basis between the parties thereof. The terms and pricing are consistent with market practice and is comparable with the market for copper cathodes of similar grade. The Directors (including the independent non-executive Directors) are of the view that the terms of the GCM Copper Cathodes Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms, and are fair and reasonable and in the interests of the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Each of CNMHK and Huachin Leach is a subsidiary of the Company. GCM holds 45% of the shares in Kambove Mining, a subsidiary of the Company, and is therefore a connected person of the Company at the subsidiary level under the Listing Rules. Accordingly, the transaction contemplated under the GCM Copper Cathodes Purchase Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratio(s) in respect of the transaction contemplated under the GCM Copper Cathodes Purchase Agreement exceed 0.1% but all of them are less than 5%, such transaction is subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, and is exempt from the independent Shareholders' approval requirement.

None of the Directors had a material interest in the transaction contemplated under the GCM Copper Cathodes Purchase Agreement or was required to abstain from voting on the relevant resolutions of the Board.

## **INFORMATION ON THE COMPANY AND CNMHK**

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in exploration of copper and cobalt, mining, ore processing, leaching, smelting and sales of copper cathodes, blister copper and copper anodes, cobalt contained in cobalt hydroxide, sulfuric acid and liquid sulfur dioxide.

CNMHK is a company incorporated in Hong Kong on 6 October 2015, and is a non-wholly owned subsidiary of the Company. CNMHK is owned as to 70% by the Company and 30% by Hong Kong Zhongfei Mining Investment Limited (“**Hong Kong Zhongfei**”). Hong Kong Zhongfei is owned as to approximately 73.26%, 15.70% and 12.04% by Hongkong Yisen Investment Co., Limited (“**Hongkong Yisen Investment**”), Mr. Guangchen LUO and Mr. Yingtao CHENG, respectively. Hongkong Yisen Investment is wholly owned by Mr. Xi YI. CNMHK is principally engaged in the sale of metals and copper.

## **INFORMATION ON HUACHIN LEACH**

Huachin Leach, incorporated in accordance with the laws of the DRC, is principally engaged in the production and sales in relation to cathode copper. As of the date of this announcement, Huachin Leach is a subsidiary of the Company which is owned as to 62.5%, 32.5% and 5% by the Company through CNMHK, Huachin SARL and the individual shareholder Chebib Moukachar, respectively. Huachin SARL is wholly-owned by Mr. Siu Kam NG. Mr. Siu Kam NG is a director of Huachin Leach. Mr. Siu Kam NG is therefore a connected person of the Company at the subsidiary level. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed above, Mr. Chebie Moukachar is otherwise an Independent Third Party.

## **INFORMATION ON GCM**

GCM is a one-person joint-stock company incorporated in the DRC in accordance with the DRC laws. It is wholly owned by the DRC government and its principal activity is mining investment and development. Except the shareholding in Kambove Mining, GCM and its ultimate beneficial owner are Independent Third Parties.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“CNMHK”	China Nonferrous Mining Hong Kong Holdings Limited, an investment holding company incorporated in Hong Kong on 6 October 2015 with limited liability under the Companies Ordinance, a directly controlling subsidiary of the Company
“Company”	China Nonferrous Mining Corporation Limited (中國有色礦業有限公司), a company incorporated in Hong Kong with limited liability, whose shares are listed on the Stock Exchange
“Companies Ordinance”	the Companies Ordinance, Cap. 622 of the laws of Hong Kong
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Copper Cathodes”	a total of 3,644.442 mt of high grade copper cathodes having been processed by Huachin Leach
“Director(s)”	director(s) of the Company
“DRC”	the Democratic Republic of Congo
“GCM”	La Generale des Carrieres et des Mines SA, a one-person joint-stock company incorporated in the DRC in accordance with the DRC laws, which is a state-owned enterprise of the DRC
“GCM Copper Cathodes Purchase Agreement”	the agreement dated 11 September 2024 entered into by and among CNMHK, Huachin Leach and GCM in relation to the sale and purchase of the Copper Cathodes
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Huachin Leach”	Huachin Metal Leach SA (中色華鑫濕法冶煉股份有限公司*), a company incorporated under the laws of the DRC and a subsidiary of the Company
“Huachin SARL”	Huachin SARL (華鑫有限責任公司*), a company incorporated in accordance with the DRC laws
“Independent Third Party(ies)”	party(ies) independent of the Company and the connected persons of the Company
“Kambove Mining”	Kambove Mining SAS, a subsidiary of the Company incorporated in the DRC owned as to 55% by the Company and as to 45% by GCM, which is principally engaged in the exploration and mining of copper and cobalt mines and the production of cathode copper and cobalt hydroxide
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“London Metal Exchange”	the London Metal Exchange, a futures exchange for options and futures contracts on base and other metals
“mt”	metric tonne
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan Region of China
“Shareholders”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“US\$”	United States dollars, the current lawful currency of the United States of America

“%”

per cent

By Order of the Board  
**China Nonferrous Mining Corporation Limited**  
**Chaoran ZHU and Man Yi WONG**  
*Joint Company Secretaries*

11 September 2024

*As at the date of this announcement, the Board comprises Mr. He YANG as an executive Director; Mr. Yaoyu TAN and Ms. Yani GONG as non-executive Directors; and Mr. Dingfan QIU, Mr. Guangfu GAO and Mr. Huanfei GUAN as independent non-executive Directors.*

\* *Translation for reference purposes only*