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Wanguo Gold Group Limited
萬國黃金集團有限公司

(formerly known as Wanguo International Mining Group Limited 萬國國際礦業集團有限公司)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3939)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

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The Board is pleased to announce that on 22 September 2024, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 165,600,000 Shares at the Subscription Price of HK\$8.33 per Subscription Share.

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 165,600,000 Shares, representing: (1) approximately 20.00% of the existing total number of issued Shares of 828,000,000 Shares as at the date of this announcement; and (2) approximately 15.28% of the enlarged total number of issued Shares of 1,083,827,200 Shares immediately following the Completion, assuming that there will be no change in the total number of issued Shares (other than the issue of the Subscription Shares) between the date of this announcement and the Completion.

The Subscription Price of HK\$8.33 per Subscription Share represents: (1) a discount of approximately 9.95% to the closing price of HK\$9.25 per Share as quoted on the Stock Exchange on the Last Trading Day; and (2) a discount of approximately 8.80% to the average closing price of HK\$9.134 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

The gross proceeds raised from the Subscription will be approximately HK\$1,379.4 million, and the net proceeds, after deduction of all relevant expenses, will be approximately HK\$1,379.1 million. Pursuant to the Subscription Agreement, 50% of the net proceeds will be used for funding of the project concerning the exploration and development of the Gold Ridge Mine (as defined in the 11 September Circular) in the Solomon Islands and the remaining 50% of the net proceeds will be used for general working capital of the Company, provided that the Company shall have the right to adjust the use of proceeds subject to applicable law and regulations.

Shareholders and potential investors should note that the Completion is subject to the fulfilment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

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THE SUBSCRIPTION AGREEMENT

Date: 22 September 2024
Parties: (1) the Company, as issuer
(2) Gold Mountains (H.K.) International Mining Company Limited,
as subscriber

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are Independent Third Parties. Based on the information provided to the Company by the Subscriber, the Subscriber is a wholly-owned subsidiary of Zijin Mining, a company listed on the Shanghai Stock Exchange (stock code: 601899) and the Stock Exchange (stock code: 2899), principally engaged in mining, production, refining and sales of copper, gold and other mineral resources. The Subscriber is principally engaged in

investment holding and trading business.

Subscription Shares

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 165,600,000 Shares, representing:

- (1) approximately 20.00% of the existing total number of issued Shares of 828,000,000 Shares as at the date of this announcement; and
- (2) approximately 15.28% of the enlarged total number of issued Shares of 1,083,827,200 Shares immediately following the Completion, assuming that there will be no change in the total number of issued Shares (other than the issue of the Subscription Shares) between the date of this announcement and the Completion.

The Subscription Shares have an aggregate nominal value of HK\$16,560,000, and the total consideration to be paid by the Subscriber is approximately HK\$1,379,448,000.

Subscription Price

The Subscription Price of HK\$8.33 per Subscription Share represents:

- (1) a discount of approximately 9.95% to the closing price of HK\$9.25 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (2) a discount of approximately 8.80% to the average closing price of HK\$9.134 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

After deducting the relevant expenses of the Subscription, the net Subscription Price per Subscription Share is approximately HK\$8.33.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the prevailing market price, the existing capital market conditions and the funding needs of the Group.

Ranking of the Subscription Shares

The Subscription Shares will be allotted and issued free from all encumbrances together with all rights attaching to them, and will rank *pari passu* with all other issued Shares in all respects among themselves and with all existing Shares in issue as at the date of the Completion.

Conditions Precedent

The Completion is conditional upon the fulfilment or waiver of the following conditions:

- (1) from the date of the Subscription Agreement until the Completion, the Company shall continue its normal business operations without undergoing any material adverse changes and there shall be no circumstances that could substantially affect the Subscription under the General Mandate;
- (2) the Subscriber has obtained the necessary approvals and consents from the relevant government authorities or regulatory bodies in relation to the Subscription (if required);
- (3) the Company and the Subscriber have complied with all internal legal and compliance procedures regarding the Subscription, including the respective board of directors' approval, and (if required) shareholders' approval;
- (4) the Company has completed all procedures and obtained the applicable government approvals concerning the Acquisition (as defined in the 11 September Circular) and the issuance of the Consideration Shares (as defined in the 11 September Circular) in full pursuant to the Specific Mandate (as defined in the 11 September Circular) as contemplated under the Acquisition (as defined in the 11 September Circular); and
- (5) the Subscription and the issuance and allotment of the Subscription Shares shall comply with the requirements under the Listing Rules, including obtaining the grant of the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares and all necessary approvals for the transactions contemplated under the Subscription Agreement.

It is agreed that items (2) to (5) of the conditions precedent cannot be waived.

The Company and the Subscriber shall use their best endeavours to procure the fulfilment of all the conditions above before the Long Stop Date. In the event that any of the conditions precedent under the Subscription Agreement set out above are not satisfied or waived in accordance with the Subscription Agreement by the Long Stop Date (or such later date as the Company and the Subscriber shall agree), the rights and obligations of the Company and the Subscriber thereunder shall forthwith cease to be of any effect and terminate save for accrued rights and obligations of the Company and the Subscriber under the Subscription Agreement.

Completion

The Completion is expected to take place on the Completion Date, i.e. within 5 Business Days upon the Company's full receipt of the payment of the consideration for the Subscription which is within 5 Business Days from the conditions precedent to the Subscription being satisfied (or waived in accordance with the terms of the Subscription Agreement), and in any event not later than the Long Stop Date (or such later date as the Company and the Subscriber shall agree).

At the Completion, the Company will allot and issue 165,600,000 Shares to the Subscriber. Immediately upon the Completion, the Subscriber will become a substantial shareholder of the Company. Such Shares to be held by the Subscriber are not subject to any lock-up restrictions.

Nomination of Director

Pursuant to the Subscription Agreement, when the Subscriber remains to be a substantial shareholder of the Company, the Subscriber shall have the right to nominate candidate(s) to be put forward to the Board and the nomination committee of the Company for appointment as a Director (other than an independent non-executive Director), subject to the compliance with applicable laws and regulations (including but not limited to the Listing Rules and the articles of association of the Company).

GENERAL MANDATE

The Subscription Shares will be allotted and issued pursuant to the General Mandate, which has been granted to the Directors to allot and issue up to 165,600,000 Shares, being 20% of the total number of issued Shares as at the date of the AGM.

As at the date of this announcement, the Company has not allotted and issued any Shares under the General Mandate, and the remaining balance of the General Mandate is 165,600,000 Shares. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares is not subject to the approval of the Shareholders.

APPLICATION FOR LISTING OF THE SUBSCRIPTION SHARES

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 828,000,000 Shares in issue. Set out below is a table showing the shareholding structure of the Company (i) as at the

date of this announcement; and (ii) immediately after the Completion and the allotment and issue of the Consideration Shares (as defined in the 11 September Circular) in full as contemplated under the Acquisition (as defined in the 11 September Circular), assuming that there will be no change in the total number of issued Shares (other than the issue of the Subscription Shares and the Consideration Shares (as defined in the 11 September Circular)) between the date of this announcement and the Completion:

Name of Shareholder	As at the date of this Announcement		Immediately after the Completion and the allotment and issue of the Consideration Shares (as defined in the 11 September Circular) in full as contemplated under the Acquisition (as defined in the 11 September Circular)	
	Number of Shares	Approximate % shareholding	Number of Shares	Approximate % shareholding
Victor Soar Investments Limited ⁽¹⁾	281,400,000	33.99	281,400,000	25.96
Achieve Ample Investments Limited ⁽²⁾	138,600,000	16.74	138,600,000	12.79
Shandong Humon Mining Development Limited ⁽³⁾	172,814,000	20.87	172,814,000	15.94
Subscriber and its associates ⁽⁴⁾	6,300,000	0.76	171,900,000	15.86
Other public Shareholders ⁽⁵⁾	228,886,000	27.64	319,113,200	29.45
Total	828,000,000	100.00	1,083,827,200	100.00

Notes:

- Victor Soar Investments Limited is wholly owned and controlled by Mr. Gao Mingqing, the Chairman and an executive Director.
- Achieve Ample Investments limited is wholly owned and controlled by Ms. Gao Jinzhu.
- Shandong Humon Mining Development Limited is a wholly-owned subsidiary of Hong Kong Humon International Logistics Limited (香港恆邦國際物流有限公司), which in turn is wholly-owned by Shandong Humon Smelting Co., Ltd., a company listed on Shenzhen Stock Exchange with stock code: 002237.

Shandong Humon Smelting Co., Ltd is owned as to 44.48% by Jiangxi Copper Company Limited, a company listed on both Shanghai Stock Exchange and Hong Kong Stock Exchange with stock code: 600362 and 358 respectively, which in turn is owned as to 43.72% by Jiangxi Copper Corporation Limited.
- Zijin Global Fund, being an entity controlled by Zijin Mining, holds 6,300,000 Shares.

5. Upon completion of the Acquisition (as defined in the 11 September Circular), Golden Crane and Prominence Investment (each as defined in the 11 September Circular) will respectively hold 72,154,986 and 18,072,214 Shares, representing approximately 6.66% and 1.67% shareholding in the Company.

USE OF PROCEEDS AND REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The gross proceeds raised from the Subscription will be approximately HK\$1,379.4 million, and the net proceeds, after deduction of all relevant expenses, will be approximately HK\$1,379.1 million.

Pursuant to the Subscription Agreement, 50% of the net proceeds will be used for funding of the project concerning the exploration and development of the Gold Ridge Mine (as defined in the 11 September Circular) in the Solomon Islands and the remaining 50% of the net proceeds will be used for general working capital of the Company, provided that the Company shall have the right to adjust the use of proceeds subject to applicable law and regulations.

Zijin Mining is a sizeable multinational mining group dedicated to the exploration and development of copper, gold, zinc, lithium, silver, molybdenum and other metallic mineral resources globally, the research, design and application of mining engineering, etc., providing the materials that improve standards of living in a low carbon future. The cooperation with Zijin Mining not only provides funding to accelerate the development of the Group's Gold Ridge Project (as defined in the 11 September Circular) located in the Solomon Islands, but also facilitates the sharing of experiences and provides support in mining technology and mine operation overseas.

The Board is of the view that the terms of the Subscription Agreement and the transactions contemplated thereunder are on normal commercial terms agreed upon after arm's length negotiations between the Company and the Subscriber, are fair and reasonable and that entering into the Subscription Agreement is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company intends to issue and allot 90,227,000 Shares pursuant to the Specific Mandate (as defined in the 11 September Circular) proposed to be sought in the EGM at an issue price of HK\$8.12 per Share pursuant to the sale and purchase agreement dated 9 August 2024 entered into between the Company and Golden Crane Holdings Limited and Prominence Investment Holding Company Limited, respectively, in relation to the acquisition of the Sale Shares (as defined in the 11 September Circular) by the Company therefrom as disclosed in the announcement of the Company dated 9 August 2024 and the 11 September Circular. As the EGM is scheduled to be held on 4

October 2024, as at the date of this announcement, the Company has not issued and allotted the said 90,227,000 Shares. For the avoidance of doubt, no proceeds will be raised from the above issuance of Shares.

Save as disclosed above, the Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

INFORMATION OF THE COMPANY

The Company is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code: 3939) and is an investment holding company whose subsidiaries are principally engaged in the business of mining, ore processing and sale of concentrates products in the PRC and Solomon Islands.

Shareholders and potential investors should note that the Completion is subject to the fulfilment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“11 September Circular”	the circular of the Company dated 11 September 2024 in relation to, among others, the acquisition by the Company for 20.22% of the shares in AXF Gold Ridge Pty Ltd. by issuance of 90,227,200 Shares as consideration shares to Golden Crane Holdings Limited and Prominence Investment Holding Company Limited as vendors
“AGM”	the annual general meeting of the Company held on 7 June 2024
“Board”	the board of Directors
“Business Day”	a day on which banks are open for business in Hong Kong (other than a Saturday, Sunday or a public holiday or a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in

Hong Kong at any time between 9:00 am and 5:00 pm)

“Company”	Wanguo Gold Group Limited (萬國黃金集團有限公司), (formerly known as Wanguo International Mining Group Limited (萬國國際礦業集團有限公司)), a company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Subscription
“Completion Date”	within 5 Business Days upon the Company’s full receipt of the payment of the consideration for the Subscription by the Subscriber to the Company’s designated bank account which is within 5 Business Days from the conditions precedent to the Subscription being satisfied (or waived in accordance with the terms of the Subscription Agreement), and in any event not later than the Long Stop Date (or such later date as the Company and the Subscriber shall agree)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held on 4 October 2024
“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and connected persons of the Company
“Last Trading Day”	20 September 2024, being the last trading day of the Shares immediately prior to the entering into of the Subscription Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date falling 60 Business Days from the date of the Subscription Agreement or such later date as the Company and the Subscriber shall agree
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Share(s)”	ordinary shares with nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber” or “Gold Mountains”	Gold Mountains (H.K.) International Mining Company Limited (金山(香港)國際礦業有限公司), a company incorporated in Hong Kong, being a wholly-owned subsidiary of Zijin Mining

“Subscription”	subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 22 September 2024 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	HK\$8.33 per Subscription Share
“Subscription Shares”	an aggregate of 165,600,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Zijin Mining”	Zijin Mining Group Co., Ltd.* (紫金礦業集團股份有限公司), a company incorporated in the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601899) and the Stock Exchange (stock code: 2899)
“%”	per cent.

By order of the Board
Wanguo Gold Group Limited
Gao Mingqing
Chairman

Hong Kong, 22 September 2024

** For identification purposes only*

As at the date of this announcement, the Board comprises Mr. Gao Mingqing (Chairman), Mr. Li Feilong, Mr. Liu Zhichun, Mr. Wang Renxiang and Ms. Wang Nan as executive Directors; and Mr. Tsang Wai Hung, Mr. Wong Chi Ming and Mr. Wang Xin as independent non-executive Directors.