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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Wanguo Gold Group Limited (萬國黃金集團有限公司) (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or registered institution or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**Wanguo Gold Group Limited**

**萬國黃金集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3939)**

**PROPOSED ADOPTION OF THE 2024 SHARE AWARD SCHEME,  
PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME,  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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Unless the context otherwise requires, capitalised terms used in this cover shall have the same meanings as defined in this circular.

A letter from the Board is set out on pages 8 to 27 of this circular. A notice convening the EGM to be held at 1601-03, 16/F., YF Life Centre, 38 Gloucester Road, Wanchai, Hong Kong on Wednesday, 15 January 2025 at 10:00 am is set out on pages 8 to 27 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wgmine.com](http://www.wgmine.com)).

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM if you so wish and in such event, the form of proxy shall be deemed to be revoked.

23 December 2024

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“2024 Share Award Scheme”	the share award scheme proposed to be approved and adopted by the Shareholders at the EGM, a summary of the principal terms of which is set out in Appendix I to this circular;
“2024 Share Option Scheme”	the share option scheme proposed to be approved and adopted by the Shareholders at the EGM, a summary of the principal terms of which is set out in Appendix II to this circular;
“Actual Selling Price”	the actual price at which Award Shares are sold (net of brokerage, the Stock Exchange trading fee, SFC transaction levy, Financial Reporting Council transaction levy and any other applicable costs) on vesting of any Award pursuant to the 2024 Share Award Scheme or in the case of a vesting when there is an event of change in control or privatization of the Company, the consideration receivable under the related scheme or offer;
“Adoption Date”	the date on which the 2024 Share Option Scheme and/or the 2024 Share Award Scheme is conditionally adopted by ordinary resolutions of the Shareholders;
“Allotment Date”	means in respect of any particular grantee and a particular exercise by such grantee of the Option granted to such grantee, the date on which Shares are allotted to the grantee or his personal representative(s) (as the case may be) pursuant to the Option granted and exercised hereunder;
“Articles of Association”	the articles of association of the Company (as amended from time to time);
“associate(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Auditors”	means the auditors of the Company for the time being;

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## DEFINITIONS

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“Award(s)”	an award granted by the Board or its delegate(s) to an Eligible Participant, which may vest in the form of Award Shares or Actual Selling Price of the Award Shares in cash, as the Board or its delegate(s) may determine in accordance with the terms of the 2024 Share Award Scheme;
“Award Letter”	the letter issued by the Company to each Selected Participant in such form as determined from time to time by the Board or its delegate(s), specifying the date on which the grant of an Award is made to a Selected Participant (being the date of the Award Letter), the number of Award Shares, the vesting criteria and conditions, the vesting date and such other details as they may consider necessary;
“Award Period”	the period commencing on the Adoption Date, and ending on the business day immediately prior to the tenth (10th) anniversary of the Adoption Date;
“Award Share(s)”	the Shares as awarded by the Board pursuant to the 2024 Share Award Scheme;
“Board”	the board of Directors;
“business day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“chief executive”	shall have the meaning ascribed thereto under the Listing Rules;
“close associates”	shall have the meaning ascribed thereto under the Listing Rules;
“Company”	Wanguo Gold Group Limited (萬國黃金集團有限公司)(Stock code: 3939), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	shall have the meaning as defined under the Listing Rules;
“controlling shareholder(s)”	shall have the meaning as defined under the Listing Rules;

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## DEFINITIONS

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“core connected person”	shall have the meaning ascribed thereto under the Listing Rules;
“Director(s)”	The director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held at 1601-03, 16/F., YF Life Centre, 38 Gloucester Road, Wanchai, Hong Kong on Wednesday, 15 January 2025 at 10:00 am or any adjournment thereof, the notice convening the EGM is set out on pages 62 to 65 of this circular, or any adjournment thereof;
“EGM Notice”	the notice of EGM set out on pages 62 to 65 of this circular;
“Eligible Participant(s)”	means (a) the Employee Participants; and (b) the Service Providers;
“Employee Participant(s)”	any directors (including the independent non-executive Directors) and employees (whether full time or part time) of the Company or the Group (including persons who are granted Options or Awards under the 2024 Share Option Scheme or 2024 Share Award Scheme respectively as an inducement to enter into employment contracts with the Company or the Group);
“Excluded Participant(s)”	an individual who is a resident in a place where the grant, acceptance or vesting of an Award pursuant to the 2024 Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual;
“Grant Date”	the date on which the grant of an Offer or Award is made to an Eligible Participant, being the date of an Offer Letter or Award Letter;
“Group”	the Company and its Subsidiaries from time to time, and the expression "member(s) of the Group" shall be construed accordingly;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

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## DEFINITIONS

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“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Latest Practicable Date”	19 December 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Committee”	shall have the meaning ascribed thereto under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Main Board”	means the stock market operated by the Stock Exchange, which excludes GEM and the options market;
“Offer”	an offer for the grant of an Option made in accordance with the terms of the 2024 Share Option Scheme;
“Offer Date”	means the date of the Offer Letter, which date must be a business day, on which an Offer is made to an Eligible Participant;
“Offer Letter”	the letter issued by the Board to the Selected Participant pursuant to an Option granted under the 2024 Share Option Scheme containing terms and conditions of the Option;
“on-market”	the trading of Shares through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations;
“Option(s)”	option(s) to subscribe for Shares pursuant to the 2024 Share Option Scheme;
“Option Period”	means in respect of any particular Option, such period to be notified by the Board to each grantee in the Offer Letter during which the grantee may exercise such Option subject to the terms of the grant (including but not limited to the vesting period under the 2024 Share Option Scheme), the expiry date of such period not to exceed ten (10) years from the Offer Date;

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## DEFINITIONS

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“Option Price”	the price per Share payable on the exercise of an Option (in whole or in part) as determined by the Directors (which price may, if the Directors so determine, be set at different levels for different periods during the Option Period) provided always that it shall comply with the provisions of the 2024 Share Option Scheme;
“Related Income”	all cash income derived from the Award Shares (i.e. cash dividends declared and paid on the Award Shares) excluding any interest earned on such cash income and held on Trust for the benefit of the Selected Participant;
“Remuneration Committee”	the remuneration committee of the Company;
“Returned Shares”	such Award Shares that are not vested and/or are lapsed or forfeited in accordance with the terms of the 2024 Share Award Scheme, or such Shares being deemed to be Returned Shares under the rules of the 2024 Share Award Scheme;
“Returned Trust Funds”	all cash income derived from the Returned Shares (i.e. cash dividends declared and paid on the Returned Shares) or otherwise derived pursuant to the 2024 Share Award Scheme, in either case excluding any interest earned on such cash income and held on Trust for the purpose of the 2024 Share Award Scheme;
“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all Options and Awards to be granted under the 2024 Share Option Scheme, the 2024 Share Award Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue (excluding Treasury Shares, if any);
“Selected Participant”	any Eligible Participant who accepts the Offer or Award in accordance with the terms of the 2024 Share Option Scheme or 2024 Share Award Scheme respectively, or his personal representative;

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## DEFINITIONS

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“Service Provider(s)”	individuals or entities that provide services to any member of the Group on a continuing or recurring basis in its ordinary and usual course of business, with the aim of promoting the long-term growth of the Group, including technical experts who are engaged as consultants providing advisory services to the Group’s business or business development of any member of the Group in the business of mining, ore processing and sale of concentrates products, but excluding (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity;
“Service Provider Sublimit”	the total number of Shares which may be issued upon exercise of all Options to be granted to the Service Providers under the 2024 Share Option Scheme and any other schemes of the Group, which shall in aggregate not exceed 3% of the total number of Shares in issue (excluding Treasury Shares, if any) on the Adoption Date;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shares”	an ordinary share of HK\$0.1 each in the capital of the Company (or, if there has been a consolidation, reduction, re-classification, subdivision or reconstruction of the share capital of the Company, shares forming part of the equity share capital of the Company of such revised amount as shall result from such subdivision, consolidation, reduction, re-classification or reconstruction of such ordinary shares from time to time);
“Shareholders”	the shareholders of the Company from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	in relation to an Option, an amount equal to the Option Price multiplied by the relevant number of Shares in respect of which such Option is exercised;

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## DEFINITIONS

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“Subsidiary” or “Subsidiaries”	any subsidiary (as the term is defined in the Listing Rules) of the Company;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-Backs as approved by the Securities and Futures Commission of Hong Kong, as amended, modified or otherwise supplemented from time to time;
“Treasury Shares”	Shares repurchased and held by the Company in treasury (if any), as authorised by the laws and regulations of the Cayman Islands and/or the Articles of Association, or has the meaning as may be amended from time to time in accordance with the Listing Rules;
“Trust”	the trust constituted by the trust deed to be entered into between the Company and the Trustee, to service the 2024 Share Award Scheme;
“Trustee”	the trustee to be appointed by the Company for the purpose of the Trust; and
“%”	per cent.

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LETTER FROM THE BOARD

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**Wanguo Gold Group Limited**

**萬國黃金集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3939)**

*Executive Directors:*

Mr. Gao Mingqing

*(Chairman and Chief Executive Officer)*

Ms. Gao Jinzhu

Mr. Liu Zhichun

Mr. Wang Renxiang

*Registered Office:*

Harneys Fiduciary (Cayman) Limited

4<sup>th</sup> Floor, Harbour Place

103 South Church Street

P.O. Box 10240

Grand Cayman, KY1-1002

Cayman Islands

*Independent Non-executive Directors:*

Mr. Tsang Wai Hung

Mr. Wong Chi Ming Ming

Mr. Wang Xin

*Headquarter and principal place  
of business in the PRC:*

Xinzhuang Township, Yifeng County  
Jiangxi Province, PRC

*Principal place of business  
in Hong Kong:*

Unit 1, 28/F,

Singga Commercial Centre

144-151 Connaught Road West

Hong Kong

23 December 2024

*To the Shareholders,*

Dear Sir or Madam,

**PROPOSED ADOPTION OF THE 2024 SHARE AWARD SCHEME,  
PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME,  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to: (i) provide you with details of the proposed adoption of the 2024 Share Award Scheme; (ii) provide you with details of the proposed adoption of the 2024 Share Option Scheme; and (iii) give you notice of the EGM.

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## LETTER FROM THE BOARD

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### PROPOSED ADOPTION OF THE 2024 SHARE AWARD SCHEME

The Board is of the view that granting of the Award is an effective instrument to encourage, retain and attract talents of significant importance to the future business development of the Group. Therefore, the Company recognises the needs to have in place incentive mechanisms by way of share awards to support the long-term development of the Group. On 21 November 2024, the Board has resolved to propose the adoption of the 2024 Share Award Scheme. At the EGM, an ordinary resolution will be proposed for the Shareholders to consider, and if thought fit, to approve the adoption of the 2024 Share Award Scheme. The 2024 Share Award Scheme complies with the latest requirements under Chapter 17 of the Listing Rules.

As at the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the 2024 Share Award Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,083,827,200 Shares.

Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the Adoption Date, the maximum number of Shares which may be allotted and issued in respect of all Awards to be granted under the 2024 Share Award Scheme and any other share option scheme(s) of the Company and the awards to be granted under any share award scheme(s) of the Company that involve(s) the issuance of new Shares (if any), in aggregate will be 108,382,720 Shares, representing 10% of the Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date.

#### Condition precedent of the 2024 Share Award Scheme

The 2024 Share Award Scheme will take effect upon satisfaction of the following conditions:

- (i) the passing of ordinary resolution(s) by the Shareholders in the EGM to approve the adoption of the 2024 Share Award Scheme and to authorise the Board to grant Awards thereunder and to allot, issue and deal with Shares pursuant to the Awards granted under the 2024 Share Award Scheme; and
- (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, any Award Shares to be issued under the 2024 Share Award Scheme.

An application will be made to the Stock Exchange for the approval of the listing for, and permission to deal in, the Shares to be issued pursuant to the Award Shares granted under the 2024 Share Award Scheme.

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## LETTER FROM THE BOARD

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### **Explanation of the terms of the 2024 Share Award Scheme**

A summary of the principal terms of the rules of the 2024 Share Award Scheme is set out in Appendix I hereto.

The purpose of the 2024 Share Award Scheme is to recognise the contribution or future contribution of the Eligible Participants for their contribution to the Group by granting Awards to them as incentives or rewards and to attract, retain and motivate high-calibre Eligible Participants in line with the performance goals of the Group. The 2024 Share Award Scheme shall strengthen the many long-term relationships that the Eligible Participants may have with the Group.

The reason for adopting the 2024 Share Award Scheme in addition to the 2024 Share Option Scheme is to give the Company greater flexibility and increase the number of effective measures the Company may deploy to reward, retain and motivate its employees, as well as other Eligible Participants, in order to achieve better performance and further align the interests of the grantees with the interests of the Company and its Shareholders.

A Selected Participant under the 2024 Share Award Scheme may be required to pay a purchase price in favour of the Company as consideration for the grant. A grantee under the 2024 Share Option Scheme is required to pay the Subscription Price to subscribe for Shares on the exercise of an Option. Pursuant to the Rule 17.03E of the Listing Rules, the Subscription Price in respect of any particular Option shall not be less than the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the relevant Offer Date in respect of such Option, which must be a trading day; or (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) trading days immediately preceding relevant Offer Date in respect of such Option. Thus, for exercising the Options under the 2024 Share Option Scheme, the grantees under the 2024 Share Option Scheme must have immediately available funds for the payments of the Subscription Prices.

In addition, the values of the Options would be reduced or diminished if the market prices of the Shares decline and in that case, the Options may not provide effective incentive to the Option grantee. As such, the Directors believe that adopting the 2024 Share Award Scheme in addition to the 2024 Share Option Scheme will provide the Company with greater flexibility to reward, retain and motivate the employees as well as the other Eligible Participants, allow the Group to further strengthen its competitiveness in attracting and retaining superior talent and cultivating business relationships, and, consequently, to improve the performance and achieve growth for the Company. The Directors will take into consideration all relevant factors when considering whether to grant an Option or Award to the grantee and adopt what it considers to be the most effective means of achieving the purpose of the 2024 Share Award Scheme and the 2024 Share Option Scheme. The Directors consider that the adoption of the 2024 Share Award Scheme and the 2024 Share Option Scheme is in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### Eligible Participants

Eligible Participants under the 2024 Share Award Scheme include (i) the Employee Participants; and (ii) the Service Providers.

In determining the basis of eligibility of each Eligible Participant, the Board shall take into consideration matters including, but without limitation to: (a) the experience and qualification of the Eligible Participant in relation to the Group's business; (b) the length of service of the Eligible Participant with the Group (if the Eligible Participant is an Employee Participant); (c) technical expertise (if the Eligible Participant is a Service Provider); (d) the level of responsibilities assumed; and (e) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

In determining the basis of eligibility of the Service Providers (i.e. technical experts who specialize in geology, mining and prospecting asset evaluation, metallurgy and mining production and engaged as consultants providing advisory services to the Group's business or business development of any member of the Group in the business of mining, ore processing and sale of concentrates products), their eligibility will be considered on a case by case basis and the factors in assessing whether such Service Provider is eligible to participate in this Scheme include: (a) the individual performance of the relevant Service Providers; (b) the length of their business relationship with the Group; (c) whether the frequency of the services provided by a Service Provider is akin to that of its employees; (d) the materiality and nature of their business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (e) the background, credentials and mining experiences of the relevant Service Providers; (f) the positive impact brought to the Group's business development by the Service Provider; (g) quality of advice and reviews to the Group in respect of potential acquisition targets (if applicable); (h) level of participation in due diligences in respect of potential acquisition targets (if applicable); and (i) quality of advice to the Group's existing mines in respect of production, drillings and upgrade of resources and reserves (if applicable). The services that the Service Providers provide include: evaluating mining and prospecting assets, advising on mergers and acquisition potentials, and advising on mining production improvements.

In assessing whether the services provided by the Service Provider to the Group is on a continuing and recurring basis and in its ordinary and usual course of business, the Board will take into consideration (a) the length and type of services provided and the recurrences and regularity of such services including but not limited to the term of the contract of the Service Provider, whether the services are provided on a daily, weekly or monthly basis and the number of hours of services provided within the term; (b) the nature of the services provided to the Group by the Service Provider; and (c) whether such services form part of or are directly ancillary to the businesses conducted by the Group of which is in a revenue generating nature.

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## LETTER FROM THE BOARD

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Please see the section of “Eligible Participants” under “PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME” below for the discussions of the views of the Directors (including the independent non-executive Directors) in respect of the inclusion of the Service Providers as Eligible Participants under the 2024 Share Award Scheme.

### **Vesting period**

The vesting period for Awards under the 2024 Share Award Scheme shall not be less than twelve (12) months from the Grant Date.

To ensure the practicability of fully attaining the purpose of the 2024 Share Award Scheme, the Board is of the view that (i) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the Selected Participant, such as those set out in paragraph 12.1 of Appendix I to this circular; (ii) there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances as prescribed in paragraph 12.1 of Appendix I to this circular where justified; and (iii) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to the changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions, such as performance-based vesting conditions instead of time-based vesting criteria, depending on individual circumstances.

Hence, the Board and the Remuneration Committee are of the view that maintaining the ability to grant Awards with a shorter vesting period in the circumstances as prescribed in paragraph 12.1 of Appendix I to this circular is in line with the market practice and give the Company flexibility to provide a competitive remuneration package to reward exceptional performers with accelerated vesting or in exceptional circumstances as prescribed in paragraph 12.1 of Appendix I to this circular where justified and is appropriate and aligns with the purpose of the 2024 Share Award Scheme.

### **Maximum number of Shares subject to the 2024 Share Award Scheme**

The Scheme Mandate Limit is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2024 Share Award Scheme and any other share schemes of the Company, which shall not exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) on the Adoption Date. The Service Provider Sublimit, being a sublimit under the Scheme Mandate Limit, is the total number of Shares which may be issued in respect of all options and awards to be granted to the Service Providers under the 2024 Share Award Scheme and any other share schemes of the Company, which shall not exceed 3% of the total number of Shares in issue (excluding Treasury Shares, if any) on the Adoption Date.

As at the Latest Practicable Date, there were 1,083,827,200 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the Scheme Mandate Limit and the Service Provider Sublimit will be 108,382,720 and 32,514,816 Shares, respectively.

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## LETTER FROM THE BOARD

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The Service Provider Sublimit was determined after considering the potential dilution effect arising from grants of Awards to the Service Providers, the importance of striking a balance between achieving the purpose of the 2024 Share Award Scheme and protecting Shareholders from the dilution from granting a substantial amount of Awards to the Service Providers, the actual or expected increase in the Group's revenue or profits which is attributable to the Service Providers, the extent of use of Service Provider in the Group's business, and the relevance and significance of the Service Providers to the main business of the Group. Due to the business and operations of the Group, certain Service Providers may not be able to serve as full-time or part-time employees of the Group for the following reasons: (1) as they are very senior experts, they may rather be engaged as an expert consultant as opposed to be engaged as an employee; (2) their expert services are provided on as need basis and/or project basis, engaging as a consultant provides the flexibility in terms of time spent; and (3) engaging them as expert consultants provide the flexibility in setting the consultant fees which are not constrained by the Group's remuneration policies. Certain Service Providers are akin to the employees of the Group in terms of their roles and responsibilities and line of report. For instance, they report to the Chief Executive Officer and the Board directly. They also provide services to the Group on the core business development and on an ongoing basis under their service agreements with specific and recurring time commitments, which the Group considers they provide services on a continuing and recurring basis and in the Company's ordinary and usual course of business. Taking into account the fact that (i) the Service Provider Sublimit would not lead to an excessive dilution effect on the shareholdings of the existing Shareholders; and (ii) the 2024 Share Award Scheme can motivate the Service Provider(s) to provide reliable and high-quality services to the Group on a long-term basis which are conducive to the Group's development and success in the long run, while the Board does not have any plan to grant any Awards to any Service Providers as at the Latest Practicable Date, the Directors (including all the independent non-executive Directors) are of the view that such Service Provider Sublimit is appropriate and reasonable given the Company's business needs and the minimal potential dilution to the shareholding of public Shareholders following the exercise of the Awards to be granted to Service Providers under the Service Provider Sublimit of approximately 3% based on the number of issued Shares (excluding Treasury Shares, if any) as at the Latest Practicable Date, considering the fact that there is no other schemes involving the grant of share option or share awards to Service Providers, and such sublimit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the 2024 Share Award Scheme. As the mining industry is capital intensive and high risk at the early stage, it relies highly on the relevant experts' judgment based on geological information as well as assessment of operation possibility. To recruit or retain talent personnel with geological background and practical operation experience is important to support the growth strategy of the Group. Nevertheless, these candidates are limited in the market and the Board considered it is appropriate and reasonable to provide attractive package to recruit or retain them. This is also consistent with the overall objective of the 2024 Share Award Scheme in terms of recognising the contribution or future contribution of the Service Providers to the Group by granting Awards to them as incentives or rewards and to attract, retain and motivate high-calibre candidates in line with the performance goals of the Group.

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## LETTER FROM THE BOARD

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The Group is principally engaged in the business of mining, ore processing and sale of the concentrates products in the PRC and Solomons Islands. During the ordinary and usual course of business of the Group, the Group will from time to time require services from the Service Providers for its main business, including but not limited to (i) agents, consultants and advisors who provide advisory services, consultancy services and/or other professional services to the Group; and (ii) suppliers of equipment, materials, goods and services to the Group and contractors who support the Group's principal business activities in the mining industry and/or other principal business activity(ies) that may be carried out by the Group from time to time. All of such services are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group by introducing new customers or business opportunities to the Group and/or applying their specialised skills and/or knowledge in the abovementioned fields and they contribute to a substantial part of development and growth of the Group which would be taken into consideration when the Board considers a grant of Awards. It is expected that the Group's continued success will benefit from the different expertise that the Service Providers could provide to the Group. As such, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable considering the nature of the industry and the Group's business needs, and such a limit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the 2024 Share Award Scheme.

### **Performance targets and clawback mechanism**

The Board may at its discretion specify any conditions (including performance targets (if any)) which must be satisfied before the Award Shares may be vested in the Award Letter. Such performance targets may include, among others, financial targets and management targets, which shall be determined based on the (i) individual performance, (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Selected Participants.

There is a clawback mechanism under the 2024 Award Scheme. Any outstanding Award Shares not yet vested shall be immediately forfeited under certain circumstances specified in the 2024 Share Award Scheme, such as the Selected Participant is involved in serious misconduct, or a material misstatement in the Company's financial statements, or any other clawback event implicitly or explicitly characterised in the Award Letter occurs and/or any other event occurs as the Board may in its absolute discretion determines. For details of the circumstances in which Award Shares which are unvested shall be forfeited, please refer to paragraph 17 in the Appendix I to this circular.

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## LETTER FROM THE BOARD

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The Board is of the view that the aforementioned measures will provide the Board with increased flexibility in establishing the terms and conditions of the Award Shares for specific grant circumstances. This will enable the Board to offer meaningful incentives to attract and retain high-quality personnel who are beneficial to the development of the Group and contribute to the overall benefit of the Group and the Shareholders.

### **Basis of determination of the purchase price of the Award Shares**

The purchase price of the Award Shares (if any) shall be such price as determined by the Board, the committee of the Board, or person(s) to which the Board has delegated its authority from time to time based on considerations such as the prevailing closing price of the Shares, the purpose of the Award and the characteristics and profile of the Selected Participants.

None of the Directors is or will be a trustee of the 2024 Share Award Scheme nor has a direct or indirect interest in the trustee.

As at the Latest Practicable Date, the Board has no present intention to grant any Award to any of the Eligible Participants under the 2024 Share Award Scheme after its adoption.

As at the Latest Practicable Date, the Board has not identified any specific grantee or made any immediate plan to make grants of Awards. The Company may issue new Shares and/or utilise existing Treasury Shares (if any) to satisfy grants of the Awards under the 2024 Share Award Scheme to the extent permitted by the Listing Rules, all applicable laws and regulations and the Articles of Association. As at the Latest Practicable Date, the Company had not decided whether to use Treasury Shares for the 2024 Share Award Scheme, if applicable.

### **Document on display**

A copy of the rules of the 2024 Share Award Scheme will be published on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.wgmine.com](http://www.wgmine.com) for display for a period of not less than fourteen (14) days before the date of the EGM and the rules of the Shares Award Scheme will be made available for inspection at the EGM.

As at the Latest Practicable Date, the Board has not made any immediate plan to make grants of Awards to any Eligible Participants upon the 2024 Share Award Scheme being effective.

### **PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME**

An ordinary resolution will be proposed at the EGM for the Shareholders to consider, and if thought fit, to approve the adoption of the 2024 Share Option Scheme. The 2024 Share Option Scheme complies with the latest requirements under Chapter 17 of the Listing Rules.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the issued share capital of the Company comprised 1,083,827,200 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the Adoption Date, the maximum number of Shares which may be issued upon exercise of all options to be granted under the 2024 Share Option Scheme, and any other share option scheme(s) of the Company and the awards to be granted under the 2024 Share Award Scheme and any share award scheme(s) of the Company that involve(s) the issuance of new Shares (if any), in aggregate will be 108,382,720 Shares, representing 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date.

As at the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the 2024 Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

### **Conditions precedent of the 2024 Share Option Scheme**

The 2024 Share Option Scheme will take effect upon satisfaction of the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders in the EGM to approve the adoption of the 2024 Share Option Scheme and to authorise the Board to grant Options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of any Options granted under the 2024 Share Option Scheme; and
- (ii) the Listing Committee granting approval for the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options granted under the 2024 Share Option Scheme.

An application will be made to the Stock Exchange for the approval of the listing for, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the 2024 Share Option Scheme.

### **Explanation of the terms of the 2024 Share Option Scheme**

A summary of the principal terms of the 2024 Share Option Scheme is set out in Appendix II to this circular. This serves as a summary of the terms of the 2024 Share Option Scheme but does not constitute the full terms of the same.

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## LETTER FROM THE BOARD

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The purpose of the 2024 Share Option Scheme is to recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group, and to enable the Group to grant Options to Eligible Participants as incentives or rewards for their contributions to the Group with the view to achieving the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.

### **Eligible Participants**

Eligible Participants include (i) the Employee Participants, and (ii) the Service Providers.

In determining the basis of eligibility of each Eligible Participant, the Board will take into account (a) the experience and qualification of the Eligible Participant in relation to the Group's business; (b) the length of service of the Eligible Participant with the Group (if the Eligible Participant is an Employee Participant); (c) technical expertise (if the Eligible Participant is a Service Provider); (d) the level of responsibilities assumed; and (e) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

In determining the basis of eligibility of the Service Providers (i.e. technical experts who specialize in geology, mining and prospecting asset evaluation, metallurgy and mining production and engaged as consultants providing advisory services to the Group's business or business development of any member of the Group in the business of mining, ore processing and sale of concentrates products), their eligibility will be considered on a case by case basis and the factors in assessing whether such Service Provider is eligible to participate in this Scheme include: (a) the individual performance of the relevant Service Providers; (b) the length of their business relationship with the Group; (c) whether the frequency of the services provided by a Service Provider is akin to that of its employees; (d) the materiality and nature of their business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (e) the background, credentials and mining experiences of the relevant Service Providers; (f) the positive impact brought to the Group's business development by the Service Provider; (g) quality of advice and reviews to the Group in respect of potential acquisition targets (if applicable); (h) level of participation in due diligences in respect of potential acquisition targets (if applicable); and (i) quality of advice to the Group's existing mines in respect of production, drillings and upgrade of resources and reserves (if applicable). The services that the Service Providers provide include: evaluating mining and prospecting assets, advising on mergers and acquisition potentials, and advising on mining production improvements.

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## LETTER FROM THE BOARD

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In assessing whether the services provided by the Service Provider to the Group is on a continuing and recurring basis and in its ordinary and usual course of business, the Board will take into consideration (a) the length and type of services provided and the recurrences and regularity of such services including but not limited to the term of the contract of the Service Provider, whether the services are provided on a daily, weekly or monthly basis and the number of hours of services provided within the term; (b) the nature of the services provided to the Group by the Service Provider; and (c) whether such services form part of or are directly ancillary to the businesses conducted by the Group of which is in a revenue generating nature.

The Directors (including the independent non-executive Directors) are of the view that the categories of the Service Providers are in line with the business needs of the Group and that the criteria for their selection align with the purpose of the 2024 Share Option Scheme. Apart from the contributions from employees, the success of the Group might also come from the efforts and contributions from non-employees (including the Service Providers) who have contributed to the Group or may contribute to the Group. Grant of Options to the Service Providers would not only align the interest of the Group with such Eligible Participants, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in the business of the Group; and (ii) maintaining a stable and long term relationship with the Group. Through the grant of Options, the interest of such Eligible Participants will align with that of the Group in promoting the growth and development of the Group's business, which is desirable and necessary from a commercial perspective and helps maintain or enhance the competitiveness of the Group.

In respect of the Service Providers, the Group has, in its ordinary and usually course of business, always relied on the services of the Service Providers (including but not limited to suppliers, contractors, consultants, agents and advisors). For example, the Group consistently relies on contractors and suppliers for carrying out various mining projects. It is believed that the Group's success is attributable to the high quality of services provided by such individuals and entities even though they may not always be able to serve as full-time or part-time employees of the Group due to a variety of reasons. The Company appreciates the participation and contributions made by our business partners and would like to give them share-based incentives as and when appropriate so as to, among other things, motivate them to achieve higher performance target, provide higher quality of services, which will in turn further increase the Group's revenue. Moreover, the Group considers that attracting more of such business partners and exploring potential business opportunities with them would help to promote the corporate and brand image of the Group.

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## LETTER FROM THE BOARD

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The Directors (including the independent non-executive Directors) believe that, despite that the Company not having previously granted any share options or awarded shares to its Service Providers, for the reasons detailed in paragraphs (i) and (ii) below, it would be in the Company's interest to have the flexibility to grant Options and Awards to the Service Providers in recognition of their contribution to the Company where warranted. The Group has engaged the Service Providers to provide services according to its business needs in the past. The categories of Service Providers encompass industry experts with specialized skills and knowledge who provide advisory services to the Group and contractors/suppliers which provide services in connection with the Group's principal businesses. The Directors consider that these Service Providers provide services that are necessary to support the Group's ongoing development and operations in line with its business needs and incentivise performance and long term business relationships. The Directors will also impose appropriate vesting requirements and performance targets in any grant in such manner so as to align the interest of the Service Provider with that of the Group and to achieve the purpose of the 2024 Share Option Scheme and the 2024 Share Award Scheme. The Directors (including the independent non-executive Directors) are of the view that the inclusion of Service Providers as Eligible Participants, the criteria for of selection of the Eligible Participants, and the terms of the grants fair and reasonable and align with the purpose of the 2024 Share Option Scheme and the 2024 Share Award Scheme, based on the following reasons:

- (i) Despite the Service Providers will receive service fees in cash from the Group, it is essential to allow flexibility to provide equity-based payment as part of its payment options when appropriate, in order to align its interests and maintain business relationships with certain Service Providers given the unique challenges posed by the Group's business, including but not limited to, (i) the difficulty in finding and engaging experienced, qualified Service Providers such as contractors, suppliers, consultants, agents and advisers, (ii) the length time required to carry out and complete a single project, and (iii) the potential detrimental impact on the business that may arise due to a change of Service Provider(s) during the course of a project. In light of these challenges, the Board believes that it is in the Group's best interest to allow flexibility to pay service fees in a combination of cash and Options or grant Options or Awards as incentives to the Service Providers when deemed appropriate.

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## LETTER FROM THE BOARD

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- (ii) The Group has collaborated with Service Providers for advisory services to the Group's business or business development of any member of the Group in the business of mining, ore processing and sale of concentrates products. Furthermore, in view of the rapid change in market situation, the Group may require professional services to be provided by the Service Providers on a continuing or recurring basis to cope with its demand for initiatives, projects and focuses and to support its expansion plans from time to time. In such case, the Board will determine whether the Service Providers providing professional services are eligible to participate in the 2024 Share Option Scheme and the 2024 Share Award Scheme based on whether such professional services provided are in line with the Company's business need and the industry norm, desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group, having regard to the Group's principal business segments and focuses from time to time. Such Service Providers may not be able to serve as full-time or part-time employees, directors or officers of the Group due to a variety of reasons. For example, these Service Providers may be seasoned people in their own fields and professionals with extensive business connections which the Group may not be able to recruit them as employees, or they may prefer to be employed on self-employed basis or be engaged on contract basis which is in line with industry norm, and the Company may need to outsource such functions and procure services from suppliers, or is unable to turn to internal resources for these kind of specialised support due to various restraints. A sustainable and collaborative working relationship with these Service Providers is vital for the smooth and efficient business operation and the long-term development of the Group.

Recognising the contribution of the Service Providers as mentioned above may enhance their performance and further contribution to the Company which are essential to the sustainable and successful development of the Company. The adoption of the 2024 Share Option Scheme and the 2024 Share Award Scheme confers several advantages:

- (i) aligning the interests of the Services Providers and the Group by providing them the opportunity to partake in the Group's future prospects and benefit from additional rewards through their sustained and long-term contributions, as the success of the Group will directly impact the value of the Options and Awards (as the case may be) granted to such Service Providers;
- (ii) incentivising the Service Providers to provide high-quality services to the Group by linking their rewards to the Group's success, thereby encouraging optimal performance and efficiency;
- (iii) enhancing loyalty and foster long-term stable cooperation between the Group and the Service Providers; and

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## LETTER FROM THE BOARD

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- (iv) facilitating the Group's capacity to allocate its financial resources more efficiently, for instance, by preserving cash for other parts of the Group's business operations or investments while continuing to provide competitive incentives to attract and retain high-calibre Service Providers.

For the avoidance of doubt, Service Providers shall exclude placing agents or financial advisers providing advisory services to the Group for fundraising, merger or acquisitions and professional service providers such as auditors or valuers who provide assurance or are required to perform their services to the Group with impartiality and objectively.

As at the Latest Practicable Date, the Company had not formulated any concrete plan or present intention to grant any Options or Awards to the independent non-executive Directors under the 2024 Share Option Scheme and the 2024 Share Award Scheme. However, having considered that (i) equity-based remuneration continues to be an important means of ensuring alignment between the interests of shareholders and all Board members, including the independent non-executive Directors and (ii) it is common to include independent non-executive Directors as eligible persons of the share schemes among public companies, the Board believes the inclusion of independent non-executive Directors as participants of the 2024 Share Option Scheme and the 2024 Share Award Scheme and the flexibility to grant share options or awards to the independent non-executive Directors in addition to cash-based incentives will allow the Company to keep its remuneration package competitive in order to attract and retain talents.

The Company is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of the Options or Awards for the following reasons: (i) the independent non-executive Directors will continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) approval by independent Shareholders will be required if any Option or Award is to be granted to independent non-executive Directors or any of their respective associates would result in the total number of Shares issued and to be issued upon exercise of all the options or awards granted and to be granted under the 2024 Share Option Scheme and the 2024 Share Award Scheme to such person in the period of 12 months up to and including the date of the grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares, if any); and (iii) the Board will be mindful of the recommended best practice E.1.9 of the corporate governance code set out in Appendix C1 to the Listing Rules that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors.

For the avoidance of doubt, no grant of any Options or Awards by the Company shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or the Directors of any applicable securities laws and regulations in any jurisdiction.

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## LETTER FROM THE BOARD

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### **Maximum number of Shares subject to the 2024 Share Option Scheme**

The Scheme Mandate Limit is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2024 Share Option Scheme and any other share schemes of the Company, which shall not exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) on the Adoption Date. The Service Provider Sublimit, being a sublimit under the Scheme Mandate Limit, is the total number of Shares which may be issued in respect of all options and awards to be granted to the Service Providers under the 2024 Share Option Scheme and any other share schemes of the Company, which shall not exceed 3% of the total number of Shares in issue (excluding Treasury Shares, if any) on the Adoption Date.

As at the Latest Practicable Date, there were 1,083,827,200 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the Scheme Mandate Limit and the Service Provider Sublimit will be 108,382,720 and 32,514,816 Shares, respectively.

As at the Latest Practicable Date, the Board has not identified any specific grantee or made any immediate plan to make grants of Options. The Company may issue new Shares and/or utilise existing Treasury Shares (if any) to satisfy grants of the Options under the 2024 Share Option Scheme to the extent permitted by the Listing Rules, all applicable laws and regulations and the Articles of Association. As at the Latest Practicable Date, the Company had not decided whether to use Treasury Shares for the 2024 Share Option Scheme, if applicable.

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## LETTER FROM THE BOARD

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The Service Provider Sublimit was determined after considering the potential dilution effect arising from grants of Options to the Service Providers, the importance of striking a balance between achieving the purpose of the 2024 Share Option Scheme and protecting Shareholders from the dilution from granting a substantial amount of Options to the Service Providers, the actual or expected increase in the Group's revenue or profits which is attributable to the Service Providers, the extent of use of Service Provider in the Group's business, and the relevance and significance of the Service Providers to the main business of the Group. Due to the business and operations of the Group, certain Service Providers may not be able to serve as full-time or part-time employees of the Group for the following reasons: (1) as they are very senior experts, they may rather be engaged as an expert consultant as opposed to be engaged as an employee; (2) their expert services are provided on as need basis and/or project basis, engaging as a consultant provides the flexibility in terms of time spent; and (3) engaging them as expert consultants provide the flexibility in setting the consultant fees which are not constraint by our Group's remuneration policies. Certain Service Providers are akin to the employees of the Group in terms of their roles and responsibilities and line of report. For instance, they report to the Chief Executive Officer and the Board directly. They also provide services to the Group on the core business development and on an ongoing basis under their service agreements with specific and recurring time commitments, which the Group considers they provide services on a continuing and recurring basis and in the Company's ordinary and usual course of business. Taking into account the fact that (i) the Service Provider Sublimit would not lead to an excessive dilution effect on the shareholdings of the existing Shareholders; and (ii) the 2024 Share Option Scheme can motivate the Service Provider(s) to provide reliable and high-quality services to the Group on a long-term basis which are conducive to the Group's development and success in the long run, while the Board does not have any plan to grant any Options to any Service Providers as at the Latest Practicable Date, the Directors (including all the independent non-executive Directors) are of the view that such Service Provider Sublimit is appropriate and reasonable given the Company's business needs and the minimal potential dilution to the shareholding of public Shareholders following the exercise of the Options to be granted to Service Providers under the Service Provider Sublimit of approximately 3% based on the number of issued Shares (excluding Treasury Shares, if any) as at the Latest Practicable Date, considering the fact that there is no other schemes involving the grant of share option or share awards to Service Providers, and such sublimit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the 2024 Share Option Scheme. As the mining industry is capital intensive and high risk at the early stage, it relies highly on the relevant experts' judgment based on geological information as well as assessment of operation possibility. To recruit or retain talent personnel with geological background and practical operation experience is important to support the growth strategy of the Group. Nevertheless, these candidates are limited in the market and the Board considered it is appropriate and reasonable to provide attractive package to recruit or retain them. This is also consistent with the overall objective of the 2024 Share Option Scheme in terms of recognising the contribution or future contribution of the Service Providers to the Group by granting Options to them as incentives or rewards and to attract, retain and motivate high-calibre candidates in line with the performance goals of the Group.

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## LETTER FROM THE BOARD

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The Group is principally engaged in the business of mining, ore processing and sale of the concentrates products in the PRC. During the ordinary and usual course of business of the Group, the Group will from time to time require services from the Service Providers for its main business, including but not limited to (i) agents, consultants and advisors who provide advisory services, consultancy services and/or other professional services to the Group; and (ii) suppliers of equipment, materials, goods and services to the Group and contractors who support the Group's principal business activities in the mining industry and/or other principal business activity(ies) that may be carried out by the Group from time to time. All of such services are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group by introducing new customers or business opportunities to the Group and/or applying their specialised skills and/or knowledge in the abovementioned fields and they contribute to a substantial part of development and growth of the Group which would be taken into consideration when the Board considers a grant of Options. It is expected that the Group's continued success will benefit from the different expertise that the Service Providers could provide to the Group. As such, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable considering the nature of the industry and the Group's business needs, and such a limit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the 2024 Share Option Scheme.

### **Performance targets and clawback mechanism**

Save as determined by the Board and provided in the Offer Letter, the 2024 Share Option Scheme does not stipulate any performance target that the grantee is required to achieve before the relevant Option can be exercised. However, the 2024 Share Option Scheme gives the Board discretion to impose such conditions on the Options where appropriate. The Directors consider that it may not always be appropriate to impose such conditions particularly when one of the purpose of granting the Options is to remunerate or compensate Eligible Participants for past contributions. The Directors consider it more beneficial to the Company to retain the flexibility to determine whether such condition are appropriate in light of the particular circumstances of each grant.

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## LETTER FROM THE BOARD

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There is a clawback mechanism under the 2024 Option Scheme. Upon the occurrence of the events including the grantee being involved in serious misconduct, a material misstatement in the Company's financial statements, and any other clawback event implicitly or explicitly characterised in the Offer Letter occurs and/or any other event occurs as the Board may in its absolute discretion determines, the Board may clawback such number of Options (to the extent not being exercised) granted or extend the vesting period (regardless of whether the initial vesting date has occurred) in relation to all or any of the Options (to the extent not being exercised) to such longer period. The Options that are clawed back shall be regarded as cancelled accordingly. The Board is of the view that with such clawback mechanism in place, the Company would be able to claw back the equity incentives granted to the grantees culpable of misconduct, which is in line with the purpose of the 2024 Share Option Scheme and the interest of the Shareholders in general. The Directors believe that the 2024 Share Option Scheme will provide the Board with flexibility in determining the applicable performance targets and any other conditions to which the specific grant of Options may be subject on a case-by-case basis, and thus will place the Group in a better position to attract human resources that are valuable to the long-term growth and development of the Group.

### **Vesting period**

The vesting period for an Option shall not be less than 12 months, save where the Board or (where the arrangements relate to grants of Options to the Directors and senior management of the Company) Remuneration Committee determines a shorter vesting period under the circumstances more particularly described in Appendix II to this circular. Such circumstances may (i) provide flexibility to grant Options as part of competitive terms to induce valuable talents to join the Group (paragraphs 5.2(a) of Appendix II); (ii) reward past contribution which may otherwise be neglected due to administrative or technical reasons (paragraphs 5.2(b) and (d) of Appendix II); (iii) reward exceptional performers with accelerated vesting (paragraphs 5.2(e) and (f) of Appendix II); and (iv) to motivate exceptional performers based on performance metrics rather than time (paragraph 5.2(c) of Appendix II). As there are certain instances where a strict 12-month vesting requirement would not work or would not be fair to the grantees, to ensure the practicability in fully attaining the purpose of the 2024 Share Option Scheme, there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances as prescribed in Appendix II to this circular where justified and the Company should be allowed discretion to formulate its own talent recruitment and retention strategies in response to the changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances. The Board and the Remuneration Committee are of the view that such arrangements are appropriate because they are in line with the requirements under the Listing Rules and market practice, and give the Company flexibility to provide a competitive remuneration package to reward exceptional performers with accelerated vesting or in exceptional circumstances as prescribed in Appendix II to this circular where justified, which is in line with the purpose of the 2024 Share Option Scheme.

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## LETTER FROM THE BOARD

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### **Basis of determination of the Subscription Price**

The Board will also determine the Subscription Price in respect of any Option pursuant to the terms of the 2024 Share Option Scheme, which shall be at least the highest of: (i) the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the Offer Date; (ii) the average closing price per Share as stated in the Stock Exchange's daily quotations sheet for the five (5) business days immediately preceding the Offer Date; or (iii) the nominal value of a Share. The Directors consider that such basis will serve to preserve the value of the Company and encourage the Eligible Participants to acquire proprietary interests in the Company.

Based on the above, the Board considers that the adoption of the 2024 Share Option Scheme is in the interests of the Company and the Shareholders as a whole and would enable the purpose of the 2024 Share Option Scheme to be achieved.

A summary of the principal terms of the 2024 Share Option Scheme is set out in Appendix II to this circular.

The 2024 Share Option Scheme does not have a trustee and hence none of the Directors is and will be a trustee of the 2024 Share Option Scheme.

As at the Latest Practicable Date, the Board has no present intention to grant any Options to any of the Eligible Participants under the 2024 Share Option Scheme after its adoption.

### **Document on display**

A copy of the rules of the 2024 Share Option Scheme will be published on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.wgmine.com](http://www.wgmine.com) for display for a period of not less than fourteen (14) days before the date of the EGM and the rules of the 2024 Shares Option Scheme will be made available for inspection at the EGM.

### **CLOSURE OF REGISTER OF MEMBERS**

The forthcoming EGM is scheduled to be held on Wednesday, 15 January 2025. To determine the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 10 January 2025 to Wednesday, 15 January 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the EGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 pm on Thursday, 9 January 2025.

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## LETTER FROM THE BOARD

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### EGM

The notice convening the EGM to be held at 1601-03, 16/F., YF Life Centre, 38 Gloucester Road, Wanchai, Hong Kong on Wednesday, 15 January 2025 at 10:00 am is set out on pages 62 to 65 of this circular. A form of proxy for use by Shareholders at the EGM is enclosed with this circular. Whether or not you intend to attend and vote at the EGM in person, you are requested to complete and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event no less than 48 hours before the time appointed for the holding of the EGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the EGM or any adjourned meeting thereof (as the case may be) should you so desire and in such event, the form of proxy shall be deemed to be revoked.

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions as set out in the notice convening the EGM will be voted by poll and, after being verified by the scrutineer, the results of the poll will be published in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATIONS

The Directors consider that the proposals for the proposed adoption of the 2024 Share Award Scheme and the proposed adoption of the 2024 Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM and as set out in the EGM Notice.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
By order of the Board  
**Wanguo Gold Group Limited**  
**Gao Mingqing**  
*Chairman*

*The following is a summary of the principal rules of the 2024 Share Award Scheme but does not form part of, nor was it intended to be, part of the 2024 Shares Award Scheme nor should it be taken as affecting the interpretation of the 2024 Share Award Scheme.*

**1. ELIGIBLE PARTICIPANTS TO THE 2024 SHARE AWARD SCHEME**

- 1.1. Eligible Participants are (i) the Employee Participants (including the independent non-executive Directors); and (ii) the Service Providers. In determining the basis of eligibility of each Eligible Participant, the Board will take into account (a) the experience and qualification of the Eligible Participant in relation to the Group's business; (b) the length of service of the Eligible Participant with the Group (if the Eligible Participant is an Employee Participant); (c) technical expertise (if the Eligible Participant is a Service Provider); (d) the level of responsibilities assumed; and (e) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.
  
- 1.2. For Service Providers (i.e. technical experts who specialize in geology, mining and prospecting asset evaluation, metallurgy and mining production and engaged as consultants providing advisory services to the Group's business or business development of any member of the Group in the business of mining, ore processing and sale of concentrates products), their eligibility will be considered on a case by case basis and the factors in assessing whether such Service Provider is eligible to participate in this Scheme include: (a) the individual performance of the relevant Service Providers; (b) the length of their business relationship with the Group; (c) whether the frequency of the services provided by a Service Provider is akin to that of its employees; (d) the materiality and nature of their business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (e) the background, credentials and mining experiences of the relevant Service Providers; (f) the positive impact brought to the Group's business development by the Service Provider; (g) quality of advice and reviews to the Group in respect of potential acquisition targets (if applicable); (h) level of participation in due diligences in respect of potential acquisition targets (if applicable); and (i) quality of advice to the Group's existing mines in respect of production, drillings and upgrade of resources and reserves (if applicable). The services that the Service Providers provide include: evaluating mining and prospecting assets, advising on mergers and acquisition potentials, and advising on mining production improvements. In assessing whether the services provided by the Service Provider to the Group is on a continuing and recurring basis and in its ordinary and usual course of business, the Board will take into consideration (a) the length and type of services provided and the recurrences and regularity of such services including but not limited to the term of the contract of the Service Provider, whether the services are provided on a daily, weekly or monthly basis and the number of hours of services provided within the term; (b) the nature of the services provided

to the Group by the Service Provider; and (c) whether such services form part of or are directly ancillary to the businesses conducted by the Group of which is in a revenue generating nature.

- 1.3. However, no individual who is a resident in a place where the grant, acceptance or vesting of an Award pursuant to the 2024 Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the 2024 Share Award Scheme.

## **2. PURPOSES AND OBJECTIVES OF THE 2024 SHARE AWARD SCHEME**

- 2.1. The purposes of the 2024 Share Award Scheme are to recognise the contribution or future contribution of the Eligible Participants for their contribution to the Group by granting Awards to them as incentives or rewards; and to attract, retain and motivate high-calibre Eligible Participants in line with the performance goals of the Group. The 2024 Share Award Scheme shall strengthen the many long-term relationships that the Eligible Participants may have with the Group.

## **3. AWARDS**

- 3.1. An Award gives a Selected Participant a conditional right, when the Award Shares vest, to obtain the Award Shares or, at the determination of the Board or its delegate(s), it is not practicable for the Selected Participant to receive the Award in Shares solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or its delegate(s) will direct and procure the Trustee to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds in cash arising from such sale based on the Actual Selling Price of such Award Shares and Related Income derived from such Award Shares; or to receive the Treasury Shares on behalf of the relevant beneficiary for the Award Shares (as the case may be).
- 3.2. For the avoidance of doubt, the Board at its discretion may from time to time determine that any dividends declared and paid by the Company in relation to the Award Shares would be paid to the Selected Participants even though the Award Shares have not yet vested.

#### 4. GRANT OF AWARD

- 4.1. The Board or the committee of the Board or person(s) to which the Board has delegated its authority, may, from time to time, select any Eligible Participant to be a Selected Participant and grant an Award to such Selected Participant (in the case of the Board's delegate(s), to any Selected Participant other than a Director or an office of the Company) by way of an Award Letter. The Award Letter will specify the Grant Date, the number of Award Shares underlying the Award, the vesting criteria and conditions (including but not limited to performance target(s), if any), the purchase price of the Award Shares (if any) and the vesting date and such other details (including the clawback mechanism for the Company to recover or withhold the Award Shares) as the Board or its delegate(s) may consider necessary. Upon receipt of the Award Letter, the Selected Participants are required to confirm their acceptance of the Award by returning to the Company a notice of acceptance duly executed by them within 10 business days after the Grant Date (the "**Acceptance Period**") together with a payment (if any) in favour of the Company as consideration for the grant thereof as the Board may determine. If the Selected Participant fails to return the notice of acceptance upon the expiration of the Acceptance Period to the Company, the Award automatically lapses forthwith and the Shares pursuant to the Award will become Returned Shares.
- 4.2. No Award Shares shall be granted to any Eligible Participant if such grant of Award Shares to such person would result in the number of Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and options lapsed) in accordance with the terms of the 2024 Share Award Scheme and other share scheme(s) adopted by the Company to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding Treasury Shares, if any), unless:
- (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by resolution of the Shareholders in general meeting, at which such person and his/her close associates (as defined under the Listing Rules) (or his/her associates if such person is a connected person) shall abstain from voting;
  - (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules; and

- (c) the number and terms of such Award Share are fixed before the general meeting of the Company at which the same are approved.
- 4.3. Each grant of an Award to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of an Award). In addition:
- (a) where any grant of Award Shares to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all award shares granted (excluding any award shares lapsed) in accordance with the terms of the 2024 Share Award Scheme and other share award scheme(s) of the Company (if any) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of the Shares in issue (excluding Treasury Shares, if any) as at the date of such grant, such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules; or
  - (b) where any grant of Award Shares to an independent non-executive Director or a substantial shareholder of the Company, or any of its respective associates, would result in Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and options lapsed) in accordance with the terms of the 2024 Share Award Scheme and other share scheme(s) adopted by the Company to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding Treasury Shares, if any) as at the date of such grant, such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.
- 4.4. In the circumstances described in **Paragraphs 4.3(a) and 4.3(b)** above, the Company must send a circular to the Shareholders. The Selected Participants, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

**5. RESTRICTIONS ON GRANTS AND TIMING OF GRANTS**

5.1. No Award shall be made to Selected Participants pursuant to **Paragraph 4** and no directions or recommendation shall be given to the Trustee with respect to a grant of an Award under the 2024 Share Award Scheme:

after inside information has come to the Company's knowledge until (and including) the trading day on which it has announced the information. In particular, no Awards shall be granted during the period commencing one month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules);

and ending on the date of results announcement, no Awards may be granted; nor should any Award be made to any Eligible Participant during any other periods of time stipulated by the relevant sections of the Listing Rules from time to time in relation to any restriction on the time of grant of awards.

**6. MAXIMUM NUMBER OF SHARES TO BE GRANTED**

6.1. The total number of Shares which may be issued in respect of all options and awards to be granted under the 2024 Share Award Scheme and other share schemes of the Company must not in aggregate exceed 108,328,720, representing 10% (or such other percentage which may be specified by the Stock Exchange from time to time) of the total number of Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date or the relevant date of approval of the refreshment of the Scheme Mandate Limit.

6.2. For the purposes of calculating the Scheme Mandate Limit, Shares which are the subject matter of any options or awards that have already lapsed in accordance with the terms of the relevant share scheme(s) of the Company will not be regarded as utilised.

6.3. The Scheme Mandate Limit may be refreshed by ordinary resolution of the Shareholders in general meeting every three years from the date of the Shareholders' approval for the last refreshment (or the Adoption Date), provided that:

- (a) the Scheme Mandate Limit and the Service Provider Sublimit so refreshed shall not exceed 10% (or such other percentage as may be specified by the Stock Exchange from time to time) and 3%, respectively, of the total number of issued Shares (excluding Treasury Shares, if any) as at the date of such Shareholders' approval of the refreshment of the Scheme Mandate Limit;
  - (b) for the purpose of calculating the Scheme Mandate Limit, options or awards lapsed will not be regarded as utilized and options or awards cancelled will be regarded as utilised; and
  - (c) a circular regarding the proposed refreshment of the Scheme Mandate Limit has to be dispatched to the Shareholders in a manner complying with, and containing the matters specified in, Chapter 17 of the Listing Rules.
- 6.4. Further to the requirements set out under above, any refreshment of the Scheme Mandate Limit within three years from the date of the Shareholders' approval for the last refreshment (or the Adoption Date) must be approved by the Shareholders in general meeting subject to the following provisions:
- (a) any controlling shareholder and their associates (or if there are no controlling shareholder, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting;
  - (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules; and
  - (c) the requirements under sub-paragraphs (a) and (b) above do not apply if the refreshment is made immediately after an issue of Shares by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the Shares in issue, excluding Treasury Shares, if any) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of the Shares, rounded to the nearest whole Share.

- 6.5. The Company may seek separate approval from the Shareholders in general meeting for granting awards which will result in the Scheme Mandate Limit or the Service Provider Sublimit (or so refreshed) being exceeded, provided that:
- (a) the grant is only to Eligible Participants specifically identified by the Company before the approval is sought; and
  - (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules and any other applicable laws and rules.
- 6.6. If the Company conducts any share consolidation or subdivision after the Scheme Mandate Limit has been approved in the general meeting, the maximum number of Shares that may be issued by the Company pursuant to the 2024 Share Award Scheme and all other share schemes of the Company under the utilised Scheme Mandate Limit as a percentage of the total number of issued Shares (excluding Treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

## **7. PURCHASE PRICE OF SHARE AWARD**

- 7.1. The purchase price of the Award Shares (if any) shall be such price as determined by the Board, the committee of the Board, or person(s) to which the Board has delegated its authority from time to time based on considerations such as the prevailing closing price of the Shares, the purpose of the Award and the characteristics and profile of the Selected Participants.

## **8. RIGHTS ATTACHED TO THE AWARD**

- 8.1. Save that the Board at its discretion may from time to time determine that any dividends declared and paid by the Company in relation to the Award Shares would be paid to the Selected Participants even though the Award Shares have not yet vested, the Selected Participant only has a contingent interest in the Award Shares underlying an Award unless and until such Award Shares are actually transferred to the Selected Participant, nor does he/she have any rights to any cash or non-cash income until the Award Shares and Related Income vest.

- 8.2. Neither the Selected Participant nor the Trustee may exercise the voting rights in respect of any Shares held under the Trust (including but not limited to the Award Shares, any Returned Shares, any bonus Shares and any scrip Shares). In particular, the Trustee holding unvested Shares under the 2024 Share Award Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.
- 8.3. In the event the Company undertakes an open offer of new securities, the Trustee shall not subscribe for any new Shares. In the event of a rights issue, the Trustee shall seek instruction from the Company on the steps or actions to be taken in relation to the nil-paid rights allotted to it.
- 8.4. In the event the Company issues bonus warrants in respect of any Shares which are held by the Trustee, the Trustee shall not, unless otherwise instructed by the Company, subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants, and shall sell the bonus warrants created and granted to it, and the net proceeds of sale of such bonus warrants shall be held as Returned Trust Funds.
- 8.5. In the event the Company undertakes a scrip dividend scheme, the Trustee shall elect to receive the cash component, unless otherwise instructed by the Company, which shall be treated as Related Income (for the cash income derived from Award Shares) or Returned Trust Funds (for the cash income derived from Returned Shares).

## **9. RIGHTS ATTACHED TO THE SHARES**

- 9.1. Any Award Shares transferred to a Selected Participant in respect of any Awards will be subject to all the provisions of the Articles of Association and will form a single class with the fully paid Shares in issue on the relevant date.

**10. ISSUE OF SHARES AND/OR TRANSFER OF FUNDS TO THE TRUSTEE**

10.1. The Company shall, as soon as reasonably practicable, for the purposes of satisfying the Awards, (i) issue and allot Shares to the Selected Participant (if there is no vesting period) or the Trustee under the Scheme Mandate Limit granted or to be granted by the Shareholders at general meetings of the Company from time to time for future awards and/or (ii) transfer to the Trustee the necessary funds and instruct the Trustee to acquire Shares through on-market transactions at the prevailing market price, or receive the Treasury Shares on behalf of the relevant Beneficiary for the Award Shares (as the case may be). The Trustee shall hold the Award Shares and Related Income derived from such Award Shares on trust for the Selected Participant until the end of the relevant vesting period. When the Selected Participant has satisfied all vesting conditions specified by the Board at the time of making the Award and become entitled to the Award Shares, the Trustee shall transfer the relevant Award Shares and Related Income derived from such Award Shares to the Selected Participants.

**11. ASSIGNMENT OF AWARDS**

11.1. Any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made. Unless a waiver is granted by the Stock Exchange or otherwise permitted or required under the applicable laws and regulations, any Award shall not be assignable or transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

**12. VESTING OF AWARDS**

12.1. Subject to the Listing Rules, the Board or the committee of the Board or person(s) to which the Board delegated its authority may from time to time while the 2024 Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested hereunder. The vesting date in respect of any Award shall be not less than 12 months from the Grant Date, provided that for Employee Participants, the vesting date may be less than 12 months from the Grant Date (including on the Grant Date) in the following circumstances where:

- (a) grants of “make whole” Awards to new joiners to replace share awards or options they forfeited when leaving their previous employers;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;

- (c) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Award would have been granted;
- (d) grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months;
- (e) grants with a total vesting and holding period of more than twelve (12) months;  
or
- (f) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

12.2. Within a reasonable time period as agreed between the Trustee and the Board from time to time prior to any vesting date, the Board or its delegate(s) shall send to the relevant Selected Participant a vesting notice.

### **13. PERFORMANCE TARGET**

13.1. Subject to the rules of the 2024 Share Award Scheme, the Listing Rules and any applicable laws and regulations, the Board or the committee of the Board or person(s) to which the Board has delegated its authority shall have the power from time to time to establish and administer performance targets (if any) that must be fulfilled by a Selected Participant before any of the Awards may be vested to such Selected Participants under such Awards. Such performance targets shall include, among others, financial targets and management targets which shall be determined based on the (i) individual performance, (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Selected Participants. For example, performance targets may be set in terms of sales, revenue, cash flow, cash collection, return on investment, commencement and completion of projects, customer satisfaction metrics or such other parameters or matters relevant to the roles and responsibilities of the relevant Selected Participant. The finance department of the Company shall be responsible for compiling a performance appraisal report on statistics relating Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance appraisal results and the individual performance appraisal results, which will be submitted to the Board or such committee of the Board or person(s) delegated with its authority, for consideration and approval. For the avoidance of doubt, an Award Share shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Award Letter.

- 13.2. Any grant of Awards to an independent non-executive Director is not subject to any performance targets, as the vesting of the Awards under the 2024 Share Award Scheme forms part of the remuneration package of the independent non-executive directors.

#### **14. ADJUSTMENT**

- 14.1. In the event of any alteration in the capital structure of the Company following the commencement of the 2024 Share Award Scheme from any issue of shares in or other securities of the Company by way of subdivision, consolidation or reduction of the share capital or any capitalisation issue or right issue which the Board considers an adjustment as necessary under this paragraph, corresponding changes will be made to the number of outstanding Award Shares that have been granted provided that the adjustments shall be made in such manner as the Board or its delegate(s) determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2024 Share Award Scheme for the Selected Participants. All fractional Shares (if any) arising out of such alteration in the capital structure of the Company in respect of the Award Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant vesting date. The Trustee shall hold Returned Shares to be applied in accordance with the provisions of the rules of the 2024 Share Award Scheme for the purpose of the 2024 Share Award Scheme.
- 14.2. Any adjustments made under the foregoing paragraph must give a Selected Participant the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value (if any). The issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or auditors of the Company must confirm to the Directors in writing that the adjustment satisfy the requirements of the relevant provision of the Listing Rules.

#### **15. CESSATION AS AN ELIGIBLE PERSON**

- 15.1. If there is a change in position(s) or duty(ies) of the Selected Participant's employment or contractual engagement with the Group and such Selected Participant is still regarded as an Eligible Participant, any outstanding Award Shares and Related Income not yet vested shall continue to vest in accordance with the vesting dates set out in the Award Letter, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

- 15.2. If a Selected Participant ceases to be an Eligible Participant by reason of (i) retirement of the Selected Participant at his/her normal retirement age as specified in his/her terms of employment or contractual engagement with the Group or as prescribed by statute; or (ii) his/her job-related permanent physical or mental disablement or job-related death, any outstanding Award Shares and Related Income not yet vested shall continue to vest in accordance with the vesting dates set out in the Award Letter, unless the Board or its delegate(s) determines otherwise at their absolute discretion.
- 15.3. If a Selected Participant ceases to be an Eligible Participant by reason of (i) death of the Selected Participant; (ii) termination of the Selected Participant's employment or contractual engagement with the Group by reason of his/her permanent physical or mental disablement; (iii) termination of the Selected Participant's employment or early termination of the contractual engagement with the Group by reasons of misconduct or otherwise pursuant to law or employment or engagement contract; (iv) termination of the Selected Participant's employment or contractual engagement with the Group by reason of redundancy or unsatisfactory performance; (v) resignation of the Selected Participant's employment; (vi) winding up of any member of the Group in which the Selected Participant is employed or is contractually engaged; (vii) end of the term of the Selected Participant's contract for provision of services, goods or otherwise with the Group; or (viii) end of the term of the contract of the Selected Participant's engagement with the Group as contractual staff, any outstanding Award Shares and Related Income not yet vested shall immediately lapse, unless the Board or its delegate(s) determines otherwise at their absolute discretion.
- 15.4. If a Selected Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his/her creditors generally, any outstanding Award Shares and Related Income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion.
- 15.5. If a Selected Participant is not in good standing or is subject to disciplinary action, performance review or internal investigation by reasons of unsatisfactory performance or misbehaviour or non-compliance with its terms of employment or contractual engagement with the Group or otherwise and such Selected Participant is still regarded as an Eligible Participant, any outstanding Award Shares and Related Income not yet vested shall immediately lapse, unless the Board or its delegate(s) determines otherwise at their absolute discretion.
- 15.6. If a Selected Participant ceases to be an Eligible Participant for reasons other than those stated above, any outstanding Award Shares and Related Income not yet vested shall immediately lapse, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

**16. LAPSE OF AWARDS**

16.1. An Award shall lapse automatically on the earliest of:

- (a) unless the Board or its delegate(s) determines otherwise at their absolute discretion, the date on which the Selected Participant ceases to be an Eligible Participant in accordance with **Paragraphs 15.3 to 15.6** above;
- (b) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company;
- (c) a Selected Participant is found to be an Excluded Participant; or
- (d) a Selected Participant fails to return duly executed transfer documents prescribed by the Board and/or the Trustee for the relevant Award Shares within the stipulated period.

In the event of lapse of any Award, the Award or the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and all the Award Shares or the relevant Award Shares shall not vest on the relevant vesting date but shall become Returned Shares for the purposes of the 2024 Share Award Scheme.

**17. CLAWBACK MECHANISM**

17.1. Notwithstanding the terms and conditions of this Scheme, the Board has the authority to provide that any Award shall be subject to a clawback if any of the following events shall occur: (a) the grantee is involved in serious misconduct; (b) a material misstatement in the Company's financial statements; (c) any other clawback event implicitly or explicitly characterised in the Award Letter occurs and/or any other event occurs as the Board may in its absolute discretion determines, any outstanding Award Shares and Related Income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

**18. CANCELLATION OF AWARDS**

18.1. The Board in its sole discretion may cancel an Award Share granted but remained unvested with the approval of the Selected Participant of such Award Share in certain circumstances, including where it is necessary to comply with the laws in the jurisdictions in which the Eligible Participants and the Company are subject to, or in order to comply with the requirements of any securities exchange.

18.2. Award Shares may be granted to an Eligible Participant in place of his/her cancelled Award Shares provided that there are available Scheme Mandate Limit approved by the Shareholders as referred to in Rule 17.03B or Rule 17.03C of the Listing Rules. The Award Shares cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

#### **19. ALTERATION OF THE 2024 SHARE AWARD SCHEME**

19.1. The Directors may from time to time in their absolute discretion alter the definition of “Eligible Participant(s)” and “Award Period” and the provisions in **Paragraphs 1, 2, 4, 6, 7, 8, 11 to 22** of this appendix which are of a material nature or provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Selected Participants or prospective Selected Participants provided that approval from the Shareholders in general meeting (with the Selected Participants and their associates abstaining from voting) has been obtained. Save for the above, the Board or its delegate(s) may alter the terms of the 2024 Share Award Scheme without the approval of the Shareholders in a general meeting. No such alteration shall operate to affect adversely the terms of issue of any Award Shares granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such majority of the Selected Participants as would be required of the Shareholders under the constitutional documents for the time being of the Company for a variation of the rights attached to the Shares.

19.2. Any change to the authority of the Board to alter the terms of the 2024 Share Award Scheme shall not be valid unless approved by the Shareholders in general meeting.

19.3. Any change to the terms of Award Shares granted to a Selected Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) if the initial grant of the Award Shares requires such approval (except where the alterations take effect automatically under the existing provisions of the 2024 Share Award Scheme).

19.4. The amended terms of the 2024 Share Award Scheme and/or the Award Shares must comply with the relevant requirements of Chapter 17 of the Listing Rules.

**20. TERMINATION**

20.1. The 2024 Share Award Scheme shall terminate on the earlier of (i) the falling on the tenth (10th) anniversary date of the Adoption Date; and (ii) such date of early determination as determined by resolution in general meeting or the Board. In such event, no further Awards may be offered or granted but in all other respects the terms of the 2024 Share Award Scheme shall remain in full force and effect in respect of Awards which are granted during the term of the 2024 Share Award Scheme which remain unvested or which have vested but have not yet been exercised immediately prior to the termination of the 2024 Share Award Scheme.

**21. ADMINISTRATION OF THE 2024 SHARE AWARD SCHEME**

21.1. The Board shall have the power to administer the 2024 Share Award Scheme, including the power from time to time to (i) construe and interpret the rules of the 2024 Share Award Scheme and the terms of the Awards granted under the Share Award Scheme; (ii) to make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the 2024 Share Award Scheme, provided that they are not inconsistent with the rules of the 2024 Share Award Scheme; (iii) decide how the vesting of the Award Shares will be settled; (iv) grant Awards to those Eligible Participants whom it shall select from time to time; (v) determine the terms and conditions of the Awards; (vi) determine the commencement or termination date of an Eligible Participant's employment with any member of the Group; (vii) establish and administer performance targets (if any) that must be duly fulfilled by a Selected Participants under such Awards; (viii) approve the Award Letter; (ix) instruct the Trustee to apply any Returned Trust Funds to satisfy any fees payable to the Trustee; and (x) take such other steps or actions to give effect to the terms and intent of the rules of the 2024 Share Award Scheme.

21.2. The Board may delegate the authority to administer the 2024 Share Award Scheme to a committee of the Board or other person(s) as deemed appropriate at the sole discretion of the Board. The Board or its delegate(s) may also appoint one or more independent third-party contractors to assist in the administration of the 2024 Share Award Scheme as they think fit.

**22. DURATION**

22.1. Subject to any early termination as may be determined by the Board or by resolutions of Shareholders in general meeting, the 2024 Share Award Scheme shall be valid and effective for (i) a term of ten (10) years commencing on the date on which the 2024 Share Award Scheme is adopted by the Company (after which no further Awards will be granted); and (ii) thereafter for so long as there are any non-vested Award Shares prior to the expiration of the 2024 Share Award Scheme.

**23. CONDITIONS OF THE 2024 SHARE AWARD SCHEME**

23.1. The 2024 Share Award Scheme is conditional upon the passing of ordinary resolution(s) by the Shareholders at a general meeting of the Company to (i) approve and adopt the 2024 Share Award Scheme; (ii) authorise the Board to grant Award Shares under the 2024 Share Award Scheme; (iii) authorise the Board to allot and issue Shares in respect of any Award Shares to be granted pursuant to the 2024 Share Award Scheme; and (iv) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Shares on the Stock Exchange which may be issued by the Company in respect of all Award Shares to be granted in accordance with the terms and conditions of the 2024 Share Award Scheme.

**24. MISCELLANEOUS**

24.1. Should there be any discrepancy between English and Chinese versions, the English version shall prevail.

24.2. In this 2024 Share Award Scheme, where applicable, references to Shares to satisfy the grant of Award Shares shall include Treasury Shares, and references to the issue and purchase of Shares shall include the transfer of Treasury Shares (as the case may be, and to the extent permissible by applicable laws and regulations, including the Listing Rules).

*The following is a summary of the principal rules of the 2024 Share Option Scheme but does not form part of, nor was it intended to be, part of the 2024 Shares Option Scheme nor should it be taken as affecting the interpretation of the 2024 Share Option Scheme.*

## **1. PURPOSES AND OBJECTIVES OF THE 2024 SHARE OPTION SCHEME**

- 1.1. The purposes of the 2024 Share Option Scheme are to recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group, and to enable the Group to grant Options to the Eligible Participants as incentives or rewards for their contributions to the Group with the view to achieving the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.

## **2. LIFE OF THE 2024 SHARE OPTION SCHEME**

- 2.1. Subject to **Paragraphs 26 and 27**, the 2024 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which period no further Options will be offered or granted but the provisions of the 2024 Share Option Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of the 2024 Share Option Scheme.

## **3. PARTICIPANTS OF THE 2024 SHARE OPTION SCHEME AND ELIGIBILITY CRITERIA**

- 3.1. The Eligible Participants of the 2024 Share Option Scheme to whom Options may be granted by the Board shall include (i) the Employee Participants (including the independent non-executive Directors); and (ii) the Service Providers.
- 3.2. In determining the basis of eligibility of each Eligible Participant, the Board will take into account (a) the experience and qualification of the Eligible Participant in relation to the Group's business; (b) the length of service of the Eligible Participant with the Group (if the Eligible Participant is an Employee Participant); (c) technical expertise (if the Eligible Participant is a Service Provider); (d) the level of responsibilities assumed; and (e) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

3.3. For Service Providers (i.e. technical experts who specialize in geology, mining and prospecting asset evaluation, metallurgy and mining production and engaged as consultants providing advisory services to the Group's business or business development of any member of the Group in the business of mining, ore processing and sale of concentrates products), the factors in assessing whether such Service Provider is eligible to participate in the 2024 Share Option Scheme include, in particular: (a) the individual performance of the relevant Service Providers; (b) the length of their business relationship with the Group; (c) whether the frequency of the services provided by a Service Provider is akin to that of its employees; (d) the materiality and nature of their business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (e) the background, credentials and mining experiences of the relevant Service Providers; (f) the positive impact brought to the Group's business development by the Service Provider; (g) quality of advice and reviews to the Group in respect of potential acquisition targets; (h) participation in due diligences in respect of potential acquisition targets (if applicable); and (i) quality of advice to the Group's existing mines in respect of production, drillings and upgrade of resources and reserves; and (j) such other factors as the Board may at its discretion considers appropriate. For the avoidance of doubt, Service Providers shall exclude placing agents or financial advisers providing advisory services to the Group for fundraising, merger or acquisitions and professional service providers such as auditors or valuers who provide assurance or are required to perform their services to the Group with impartiality and objectivity. The services that the Service Providers provide include: evaluating mining and prospecting assets, advising on mergers and acquisition potentials, and advising on mining production improvements. In assessing whether the services provided by the Service Provider to the Group is on a continuing and recurring basis and in its ordinary and usual course of business, the Board will take into consideration (a) the length and type of services provided and the recurrences and regularity of such services including but not limited to the term of the contract of the Service Provider, whether the services are provided on a daily, weekly or monthly basis and the number of hours of services provided within the term; (b) the nature of the services provided to the Group by the Service Provider; and (c) whether such services form part of or are directly ancillary to the businesses conducted by the Group of which is in a revenue generating nature.

**4. OFFER AND GRANT OF OPTIONS**

- 4.1. On and subject to the terms of the 2024 Share Option Scheme and only when in compliance with the Listing Rules applicable from time to time, the Board shall be entitled but shall not be bound at any time and from time to time within ten (10) years from the Adoption Date to make an Offer to any Eligible Participant as the Board may at its absolute discretion select to take up Options to subscribe for such number of Shares, being a board lot for dealing in Shares on the Main Board or an integral multiple thereof, as the Board may determine, at the Subscription Price. Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (including, without limitation, any minimum period for which an Option must be held before it can be exercised, any performance targets which must be achieved before an Option can be exercised, and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances) as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the 2024 Share Option Scheme.
- 4.2. Subject to the rules of the 2024 Share Option Scheme, the Listing Rules and any applicable laws and regulations, the Board or the committee of the Board or person(s) to which the Board has delegated its authority shall have the power from time to time to establish and administer performance targets (if any) that must be fulfilled by a Selected Participant before any of the Options may be vested to such Selected Participants under such grant of Options. Such performance targets shall include, among others, financial targets and management targets which shall be determined based on the (i) individual performance, (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Selected Participants. For example, performance targets may be set in terms of sales, revenue, cash flow, cash collection, return on investment, commencement and completion of projects, customer satisfaction metrics or such other parameters or matters relevant to the roles and responsibilities of the relevant Selected Participant. The finance department of the Company shall be responsible for compiling a performance appraisal report on statistics relating Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance appraisal results and the individual performance appraisal results, which will be submitted to the Board or such committee of the Board or person(s) delegated with its authority, for consideration and approval. For the avoidance of doubt, unless stated in the relevant Offer Letter, the Options shall not be subject to any performance targets, criteria or conditions.

- 4.3. Any grant of Options to an independent non-executive Director is not subject to any performance targets, as the vesting of the Options under the 2024 Share Option Scheme forms part of the remuneration package of the independent non-executive directors.

## **5. VESTING PERIOD**

- 5.1. Save in the circumstances prescribed in **Paragraph 5.2** below, an Option must be held by the grantee for at least twelve (12) months before the Option can be exercised.

- 5.2. Where the grantee is an Employee Participant who is a Director or senior management of the Company the Remuneration Committee or where the grantee is an Employee Participant who is not a Director or senior management of the Company the Board shall have the authority to determine a shorter vesting period under any of the following circumstances:

- (a) grants of “make-whole” Options to new joiners to replace the awards or options they forfeited when leaving the previous employer;
- (b) grants to a grantee whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants with performance-based vesting conditions in lieu of time-based vesting criteria;
- (d) grants that are made in batches during a year for administrative and compliance reasons. They may include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;
- (e) grants with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; and
- (f) grants of Options with a total vesting and holding period of more than 12 months.

## **6. CLAWBACK MECHANISM**

- 6.1. If any of the following events shall occur during an Option Period:

- (a) the grantee is involved in serious misconduct;
- (b) a material misstatement in the Company’s financial statements;

- (c) any other clawback event implicitly or explicitly characterised in the Offer Letter occurs and/or any other event occurs as the Board may in its absolute discretion determines,

the Board may, (but is not obliged to) by notice in writing to the grantee concerned: (i) clawback such number of Options (to the extent not being exercised) granted as the Board may consider appropriate; or (ii) extend the vesting period (regardless of whether the initial vesting date has occurred, if applicable) in relation to all or any of the Options (to the extent not being exercised) to such longer period as the Board may consider appropriate. The Options that are clawed back pursuant to this paragraph shall be regarded as cancelled and the Options so cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit (as defined below), as the case may be) and the Service Provider Sublimit (or the Refreshed Service Provider Sublimit (as defined below), as the case may be).

## **7. SUBSCRIPTION PRICE**

7.1. The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to the terms of the 2024 Share Option Scheme, be a price notified by the Board to each grantee and shall be at least the highest of:

- (a) the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the Offer Date;
- (b) the average closing price per Share as stated in the Stock Exchange's daily quotations sheets for the five (5) business days immediately preceding the Offer Date; and
- (c) the nominal value of a Share.

## **8. RESTRICTION ON THE TIME OF GRANT OF OPTION**

8.1. Any Offer must not be made after inside information has come to the Company's knowledge until (and including) the trading day after such inside information has been announced in accordance with the relevant requirements of the Listing Rules and, in particular, no Eligible Participant shall be granted an Option during the period commencing one (1) month immediately before the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's result for any year, half-year or quarterly or any other interim period (whether or not required under the Listing Rules); and

(b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of announcement for such results. For the avoidance of doubt, no Options shall be granted as mentioned above during any period of delay in publishing a results announcement.

## **9. ACCEPTANCE OF OFFERS**

9.1. An Offer shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than fourteen (14) days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth (10th) anniversary of the Adoption Date or after the 2024 Share Option Scheme has been terminated in accordance with the provisions of the 2024 Share Option Scheme.

9.2. An Offer shall be deemed to have been accepted and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect with retrospective effect from the Offer Date when the duplicate letter comprising acceptance of the Offer, duly signed by the grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a remittance/payment in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company.

## **10. MAXIMUM OF SHARES AVAILABLE FOR SUBSCRIPTION**

10.1. (a) The total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company must not, in aggregate, exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date unless shareholders' approval has been obtained pursuant to **Paragraphs 10.1(c) and 10.1(d)** or **Paragraph 10.1(e)** below. Options or awards lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

- (b) (i) Subject to **paragraph 10.1(a)**, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company to the Service Providers must not, in aggregate, exceed 3% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date unless shareholders' approval has been obtained pursuant to **Paragraphs 10.1(c)** and **10.1(d)** below. Options or awards lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Service Provider Sublimit.
- (c) The Company may seek approval by the Shareholders in general meeting for "refreshing" the Scheme Mandate Limit (and the Service Provider Sublimit) after three (3) years from date of Shareholders' approval for the last refreshment (or the Adoption Date). Any "refreshment" within any three (3) year period must be approved by the Shareholders subject to the following provisions:
- (i) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder of the Company, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under **sub-paragraphs (i)** and **(ii)** of this **Paragraph 10(c)** do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit (as a percentage of total number of Shares in issue (excluding Treasury Shares, if any)) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

- (d) The total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company under the Scheme Mandate Limit and the Service Provider Sublimit as “refreshed” must not, in aggregate, exceed 10 % and 3% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the date of approval of the refreshed Scheme Mandate Limit (the “**Refreshed Scheme Mandate Limit**”) and the refreshed Service Provider Sublimit (the “**Refreshed Service Provider Sublimit**”) respectively. The Company must send a circular to the Shareholders containing the number of options and awards that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the “refreshment”. Options previously granted under the 2024 Share Option Scheme and any other share schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the 2024 Share Option Scheme or any other share schemes of the Company and exercised Options) will not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit and the Refreshed Service Provider Sublimit. Options or awards lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Refreshed Scheme Mandate Limit and the Refreshed Service Provider Sublimit.
- (e) The Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) provided that the Options in excess of the Scheme Mandate Limit, the Refreshed Scheme Mandate Limit, the Service Provider Sublimit or the Refreshed Service Provider Sublimit (as the case may be) are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to its shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each such Eligible Participant, and the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Eligible Participant must be fixed before Shareholders’ approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

- (f) If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the share schemes of the Company under the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) as a percentage of the total number of issued Shares (excluding Treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

## **11. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT**

11.1. Where any grant of Options to an Eligible Participant would result in the total number of Shares issued and to be issued in respect of all Options granted under the 2024 Share Option Scheme and all options and awards granted under any other share schemes of the Company to such Eligible Participant (excluding any options or awards lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share schemes of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the date of such grant, such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. A circular must be sent by the Company to the Shareholders disclosing the identity of the Eligible Participant, the number and terms of the Options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the purpose of granting Options to the Eligible Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to such Eligible Participant must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

## **12. GRANTS OF OPTIONS TO CERTAIN CONNECTED PERSONS**

12.1. Any grant of Options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee).

12.2. Where Options are proposed to be granted to an independent non-executive Director or a substantial shareholder of the Company, or any of its respective associates, and the proposed grant of Options would result in the total number of Shares issued and to be issued in respect of all Options granted under the 2024 Share Option Scheme and all options and awards granted under any other share schemes of the Company (excluding any options and awards lapsed in accordance with the terms of the 2024 Share Option Scheme or any other share schemes of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of Shares in issue (excluding Treasury Shares, if any) on the Offer Date, such further grant of Options must be approved by the Shareholders taken on a poll in general meeting. In addition, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting (except that any such person may vote against the proposed grant provided that his/her intention to do so has been stated in the relevant circular to the shareholders of the Company). The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules. A circular to the Shareholders must be prepared and sent by the Company. Any change in the terms of Options granted to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in the manner set out in this paragraph if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the 2024 Share Option Scheme).

### 13. TIME OF EXERCISE OF OPTION

13.1. An Option may be exercised in accordance with the terms of the 2024 Share Option Scheme at any time during a period to be notified by the Board subject to the terms of grant (including but not limited to the vesting period set out in **Paragraph 5**), the expiry date of such period not to exceed ten (10) years from the Offer Date.

### 14. RIGHTS ARE PERSONAL TO GRANTEE

14.1. An Option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or equitable) in favour of any third party over or in relation to any Option or attempt to do so, unless a waiver is granted by the Stock Exchange. Any breach of this **Paragraph 14.1** by the grantee shall entitle the Company to cancel any outstanding Option or any part thereof granted to such grantee to the extent not already exercised without incurring any liability on the part of the Company.

**15. RIGHTS ON CEASING EMPLOYMENT**

15.1. In the event that the grantee ceases to be an Eligible Participant for any reason other than his death or the termination of his employment, directorship, appointment or engagement on one or more of the grounds specified in **Paragraph 21.1(d)** or his resignation provided in **Paragraph 21.1(e)**, the grantee may exercise the Option in accordance with the provisions of the 2024 Share Option Scheme up to his entitlement at the date of cessation, and such Option (to the extent not already exercised) shall lapse on the date of cessation of such employment or directorship. The date of cessation as aforesaid shall be the last working day with the Company or the relevant subsidiary whether salary or compensation is paid in lieu of notice or not, or the last day of office or appointment as Director, or the last date of appointment or engagement as consultant or adviser to the Company or the relevant subsidiary, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or the board of Directors or governing body of the relevant subsidiary shall be conclusive.

**16. RIGHTS ON DEATH**

16.1. In the event that the grantee (being an individual) ceases to be an Eligible Participant by reason of death and none of the events which would be a ground for termination of his employment, directorship, appointment or engagement under **Paragraph 21.1(d)** arises, the personal representative(s) of the grantee shall be entitled within a period of twelve (12) months after the date of death (or such longer period as the Board may determine or, if any of the events referred to in **Paragraphs 18, 19 and 20** occurs during such period, his personal representative(s) may exercise the Option pursuant to **Paragraphs 18, 19 and 20** within such period) to exercise the Option up to the entitlement of such grantee as at the date of death (to the extent which has become exercisable but not already exercised).

**17. RIGHTS ON WINDING UP OF A GRANTEE**

17.1. If a grantee (being a corporation) commences winding up by whatever means, whether voluntarily or not, or suffers a change in its constitution, management, Directors, shareholding or beneficial ownership which in the opinion of the Board is material, the Option (to the extent not already exercised) shall lapse on the date of the commencement of winding up of the grantee or on the date of notification by the Company that the said change in constitution, management, Directors, shareholding or beneficial shareholding is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence.

**18. RIGHTS ON A GENERAL OFFER**

18.1. If a general or partial offer (whether by takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror), the Company shall use all its reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the grantee shall, notwithstanding any other terms on which his Options were granted, be entitled to exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in accordance with the relevant provisions of **the 2024 Share Option Scheme** at any time within one (1) month after the date on which such offer becomes or is declared unconditional, or within one (1) month after the record date for entitlements under the scheme of arrangement, as the case may be;

**19. RIGHTS ON WINDING UP**

19.1. In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as it dispatches such notice of the proposed general meeting to each Shareholder give notice thereof to all grantees (or their personal representatives), who may, by notice in writing to the Company (such notice to be received by the Company not later than five (5) business days prior to the proposed general meeting) accompanied by remittances/ payments for the full amount of the aggregate Subscription Price for the Shares in respect of which the notices are given, exercise the Options (to the extent which have become exercisable but not already exercised) either to their full extent or to the extent specified in such notices and the Company shall, as soon as possible and in any event no later than the business day immediately prior to the date of the proposed general meeting, allot and issue such number of Shares to such grantees which fall to be issued on such exercise, credited as fully paid up and register such grantees as holders thereof. Any Options shall, to the extent they have not been so exercised, lapse and determine.

**20. RIGHTS ON A COMPROMISE OR SCHEME OF ARRANGEMENT**

20.1. If, pursuant to the laws of the Cayman Islands or other applicable law, a compromise or arrangement between the Company and its members and/or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all grantees (or to their personal representatives) on the same day as it gives notice to the members or creditors of the Company summoning a meeting to consider such a compromise or arrangement. Upon receipt of the notice, the grantees may, during the period commencing on the date of the notice and ending on the earlier of (i) two (2) calendar months after the date of the notice; and (ii) the day immediately preceding the date on which such compromise or arrangement is sanctioned by the court, exercise their Options (to the extent which have become exercisable but not already exercised), conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. The Company may require the grantees to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the grantees in the same position as nearly as would have been the case had such Shares been subject to the compromise or arrangement. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been so exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court) the rights of grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the 2024 Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension.

**21. LAPSE OF OPTION**

21.1. The right to exercise an Option shall lapse automatically and become not exercisable (to the extent not already exercised) immediately upon the earliest of:–

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in **Paragraphs 15, 16, 17, 18, 19 and 20**;
- (c) subject to **Paragraph 19**, the date of the commencement of the winding-up of the Company;

- (d) the date on which the relevant grantee ceases to be an Eligible Participant by reason of the termination of the employment, directorship, appointment or engagement of such grantee on any one or more of the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or other contracts or agreements of the grantee with the Company or the relevant subsidiary for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the grantee with the Company or the relevant subsidiary. A resolution of the Board or the board of directors or governing body of the relevant Subsidiary to the effect that the employment, directorship, appointment or engagement of a grantee has or has not been terminated on one or more of the grounds specified in this **paragraph 21.1(d)** shall be conclusive;
- (e) the date on which the resignation of the grantee is received by the Company or the relevant subsidiary (as the case may be); or
- (f) the date on which the grantee commits a breach of **Paragraph 14**.

## 22. RANKING OF SHARES

22.1. The Share(s) to be issued and allotted upon the exercise of an Option will be subject to all the provisions of the Articles of Association for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the “**Exercise Date**”) and accordingly will entitle the holders to participate in all dividends or other distributions declared, paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. The Options shall not carry any voting, dividend, transfer or other rights until the name of the grantee has been duly entered onto the register of members of the Company as the holder of a Share issued upon the exercise of an Option.

**23. REORGANISATION OF CAPITAL STRUCTURE**

23.1 In the event of any alteration in the capital structure of the Company by way of capitalisation issue, rights issue, sub-division or consolidation of the Shares or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), the Company shall instruct the Auditors or independent financial adviser to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular grantee, to:–

- (a) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (b) the Subscription Price of any unexercised Options;

and an adjustment as so certified by the Auditors or the independent financial adviser shall be made, provided that:–

- (i) no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (ii) such adjustments shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which the grantee was entitled before such adjustments;
- (iii) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment,

and in each case, any adjustment must be made in compliance with the Listing Rules (including, without limitation, Chapter 17 thereof) and any guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, the auditors or an independent financial adviser to be appointed by the Company must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules or the relevant guidance or interpretation thereof.

**24. ALTERATION TO THE 2024 SHARE OPTION SCHEME AND THE TERMS OF  
OPTIONS GRANTED UNDER THE 2024 SHARE OPTION SCHEME**

24.1. Subject to the Listing Rules, all provisions of the 2024 Share Option Scheme may be altered from time to time in any respect by a resolution of the Board provided that:–

- (a) any alterations of the terms and conditions of the 2024 Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by the Shareholders in general meeting;
- (b) any change to the terms of Options granted to an Eligible Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the 2024 Share Option Scheme;
- (c) the amended terms of the 2024 Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules; and
- (d) any change to the authority of the Board to alter the terms of the 2024 Share Option Scheme must be approved by the Shareholders in general meeting.

**25. CANCELLATION OF OPTIONS GRANTED**

25.1. Any Option granted but not exercised may be cancelled in whole or in part and at any time:

- (a) if agreed between the Company and the relevant grantee; or
- (b) if the Board offers to grant to the grantee replacement Options of equivalent value of the Options being cancelled; or
- (c) if the Company pays or procures to be paid to the grantee an amount equal to the cash value of the Options being cancelled as at the date of cancellation as determined by the Board by reference to the difference between the closing price of a Share as stated on the Stock Exchange's daily quotations sheet on the date of cancellation and the Subscription Price, provided that new Options may be issued to a grantee in place of his cancelled Options only if there is available Scheme Mandate Limit or Refreshed Scheme Mandate Limit (or, where the grantee is a Service Provider, the Service Provider Sublimit or the Refreshed Service Provider

Sublimit). The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) (and the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be)).

## **26. TERMINATION**

26.1. The Company may by ordinary resolution in general meeting or the Board may at any time terminate the operation of the 2024 Share Option Scheme and in such event no further Options shall be offered but the provisions of the 2024 Share Option Scheme shall remain in all other respects in full force and effect in respect of any Options granted prior thereto but not yet exercised or in respect of which Shares are not yet issued to the grantees at the time of termination. Upon such termination, details of the Options granted (including Options exercised or outstanding) and (if applicable) Options that become void or non-exercisable as a result of such termination shall be disclosed in the circular to the Shareholders seeking approval of the first new scheme to be established or refreshment of scheme mandate limit under any other existing share scheme of the Company after such termination.

## **27. CONDITIONS OF THE 2024 SHARE OPTION SCHEME**

27.1. The 2024 Share Option Scheme shall take effect subject to the fulfilment of the conditions set out as follows:–

- (a) the passing of the necessary resolution by the Shareholders to approve and adopt the 2024 Share Option Scheme with the Scheme Mandate Limit, and to authorise the Board to grant the Options thereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options, or transfer Treasury Shares (as the case may be), under the 2024 Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares that may be issued by the Company pursuant to the exercise of the Options which may be granted under the 2024 Share Option Scheme.

**28. MISCELLANEOUS**

28.1. Should there be any discrepancy between English and Chinese versions, the English version shall prevail.

28.2. In this 2024 Share Option Scheme, where applicable, references to Shares to satisfy the grant of Options shall include Treasury Shares, and references to the issue of Shares shall include the transfer of Treasury Shares (as the case may be, and to the extent permissible by applicable laws and regulations, including the Listing Rules).

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## NOTICE OF EGM

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### Wanguo Gold Group Limited 萬國黃金集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 3939)**

#### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the “EGM”) of Wanguo Gold Group Limited 萬國黃金集團有限公司 (the “**Company**”) will be held at 1601-03, 16/F., YF Life Centre, 38 Gloucester Road, Wanchai, Hong Kong on Wednesday, 15 January 2025 at 10:00 am to consider and, if thought fit, to pass with or without amendments, the following resolutions:

#### ORDINARY RESOLUTIONS

1. **“THAT:**

- 1.1. To approve and adopt the rules of the share award scheme of the Company, a copy of which marked “A” is produced to the meeting and for the purpose of identification signed by the chairman of this meeting thereof (the “**2024 Share Award Scheme**”), subject to and conditional upon the Listing Committee (the “**Listing Committee**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval to the listing of and permission to deal in the ordinary shares of the Company (or such shares as shall result from a capitalization issue, rights issue, subdivision, consolidation, re-classification, reconstruction or reduction of share capital of the Company from time to time) (the “**Share(s)**”) to be issued pursuant to the vesting or exercise of any awards granted under the 2024 Share Award Scheme;

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## NOTICE OF EGM

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- 1.2. To authorise the board of directors of the Company (the “**Board**”) to grant awards of Shares pursuant to the 2024 Share Award Scheme and to allot and issue Shares, direct and procure the professional trustee to be appointed by the Company to (i) assist with the administration, exercise and vesting of awarded Shares; and (ii) transfer Shares and otherwise deal with Shares granted pursuant to the 2024 Share Award Scheme as and when they vest or are exercised (as the case may be) and subject to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”); and
  - 1.3. To authorise the Board to modify and/or amend the 2024 Share Award Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2024 Share Award Scheme relating to modification and/or amendment and the requirements of the Listing Rules.”
2. “**THAT:**
- 2.1. To approve and adopt the rules of the share option scheme of the Company, a copy of which marked “**B**” is produced to the meeting and for the purpose of identification signed by the chairman of this meeting thereof (the “**2024 Share Option Scheme**”), subject to and conditional upon the Listing Committee granting approval to the listing of and permission to deal in the Shares which may fall to be allotted and issued pursuant to the exercise of any options which may be granted under the 2024 Share Option Scheme;
  - 2.2. To authorise the Board to administer the 2024 Share Option Scheme under which share options will be granted to the eligible participants (as defined in the 2024 Share Option Scheme) who are eligible under the 2024 Share Option Scheme to subscribe for Shares, including but not limited to determining and granting the options in accordance with the terms of the 2024 Share Option Scheme and the requirement of the Listing Rules; and
  - 2.3. To authorise the Board to modify and/or amend the 2024 Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2024 Share Option Scheme relating to modification and/or amendment and the requirements of the Listing Rules.”

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## NOTICE OF EGM

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3. “**THAT** the Scheme Mandate Limit (as defined in the 2024 Share Award Scheme and the 2024 Share Option Scheme) on the total number of Shares that may be issued in respect of all options and awards to be granted to the eligible participants under all the share schemes of the Company (i.e., 10% of the Shares in issue (excluding Treasury Shares, if any) as at the date of passing of this resolution) be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the directors of the Company may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit.”
  
4. “**THAT** the Service Provider Sublimit (as defined in the 2024 Share Option Scheme and 2024 Share Award Scheme) on the total number of Shares that may be issued in respect of all options and awards to be granted to service providers under all the share schemes of the Company (i.e. 3% of the Shares in issue (excluding Treasury Shares, if any) as at the date of passing of this resolution) be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the directors of the Company may consider necessary, desirable or expedient to effect and implement the Service Provider Sublimit.”

By Order of the Board  
**Wanguo Gold Group Limited**  
**Gao Mingqing**  
*Chairman*

Hong Kong, 23 December 2024

*Notes:*

- (1) Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the EGM. A proxy need not be a member of the Company.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised on its behalf.
- (3) Where there are joint registered holders of any shares, any one of such persons may vote at the above EGM (or any adjournment thereof), either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of the Company in respect of such share shall alone be entitled to vote in respect thereof.

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## NOTICE OF EGM

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- (4) In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (5) Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (6) The transfer books and Register of Members of the Company will be closed from Friday, 10 January 2025 to Wednesday, 15 January 2025, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the EGM, all duly completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 pm on Thursday, 9 January 2025.
- (7) A form of proxy for use by shareholders at the EGM is enclosed.

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