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## **SHANDONG GOLD MINING CO., LTD.**

### **山東黃金礦業股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1787)**

## **ANNOUNCEMENT**

### **1) RESIGNATION OF DIRECTOR**

### **2) PROPOSED ELECTION OF AN EXECUTIVE DIRECTOR**

### **3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

#### **RESIGNATION OF DIRECTOR**

The board of directors (the “Board”) of Shandong Gold Mining Co., Ltd. (the “Company”) received the resignation letter from Mr. Chen Daojiang. Mr. Chen Daojiang applied to resign as the director of the Company (the “Director”) and member of the Strategy Committee of the Company due to work arrangements. In accordance with the relevant requirements of the Company Law of the People's Republic of China and the articles of association of the Company (the “Articles of Association”), Mr. Chen Daojiang's resignation took effect upon the day which his resignation letter was delivered to the Board.

Mr. Chen Daojiang has confirmed that he has no disagreement with the Board and the Supervisory Board of the Company and does not have any matters in relation to his resignation that should be brought to the attention of the shareholders of the Company (the “Shareholders”).

The Board would like to express its sincere gratitude to Mr. Chen Daojiang for his excellent contribution to the sustainable development of the Company, enhancement of risk control, protection of legitimate interests of the Shareholders and promotion of scientific decision-making of the Board during his tenure of office as the Director and member of the Strategy Committee of the Board.

## PROPOSED ELECTION OF AN EXECUTIVE DIRECTOR

The Board intended to propose Mr. Li Tao to be elected as a candidate for the executive Director of the fifth session of the Board. His term of office shall be effective from the date of approval by election at the 2019 first extraordinary general meeting and end on the expiry of the term of the fifth session of the Board. Except for the independent executive directors, the Company does not pay directors' emoluments to the Directors.

**Li Tao(李濤)**, Male, Chinese, born in October 1960. He obtained a bachelor's degree, and he is a mine construction and geological exploration senior engineer. He was an assistant to mine manager, a deputy mine manager, a deputy general engineer, a deputy general manager, an executive deputy general manager to Shandong Jinzhon Group, a vice chairman, a general manager and secretary to CPC Committee of Chifeng Chaihulanzi Gold Mining Co., Ltd., the chairman of Shandong Gold Jinchuang Group, the chairman of Shandong Gold Guilaizhuang Mining Co., Ltd., the chairman of Shandong Gold Mining (Laizhou) Co., Ltd., an assistant to general manager, a deputy general manager, committee member of the party committee, a secretary to CPC Committee of Qilu Mining Business Department of the Company. He currently serves as a deputy general manager of the Company.

As of the date of this announcement, Mr. Li was interested in 131,818 Shares under the Phase One Employee Shareholding Scheme of Shandong Gold Mining Co., Ltd. established by us with approval from the Shareholders' general meeting of our Company in May 2015, representing approximately 0.0071% of our total share capital.

As of the date of this announcement, save as disclosed above, Mr. Li Tao confirms that he: (i) does not have any relationship with any other Directors, Supervisors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Limited Rules")) of the Company; (ii) does not hold any other positions in the Company or other members of the Group; (iii) did not hold any directorships in any other listed companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (iv) does not have or is not deemed to have any interest within the meaning of Part XV of the SFO (Chapter 571 of the Laws of Hong Kong) in any shares or underlying shares of the Company or its associated corporations; and (v) has no other matters in relation to their appointment that need to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Li Tao has not entered into any service contracts with the Company which are not determinable by the Company within one year without payment of compensation (other than statutory compensation).

In accordance with the Articles of Association, the ordinary resolution in respect of proposal to elect Mr. Li Tao as an executive Director shall be effective upon approval by the Shareholders of the Company at the general meeting. A circular containing the details of the above resolution and the notice of the extraordinary general meeting of the Company, will be despatched to the Shareholders of the Company in due course.

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

The Board announced that in order to improve the level of the standardized operation of the Company, the Company proposed to amend certain provisions of the Articles of Association in accordance with the requirements of the laws and regulations such as the Company Law of the PRC and the Securities Law of the PRC and the actual situation of the Company. The proposed amendments to the Articles of Association are as follows:

- 1. Existing Article 100 (i):** Where the shareholders' general meeting is convened by the board of directors, the chairman of the board of directors shall act as the chairman of the meeting and preside over the meeting. In the event that the chairman of the board of directors is unable or fails to perform his/her duties, half or more of the directors shall designate a director to act as the chairman and preside over the meeting.

**Proposed to amend as:** Where the shareholders' general meeting is convened by the board of directors, the chairman of the board of directors shall act as the chairman of the meeting and preside over the meeting. In the event that the chairman of the board of directors is unable or fails to perform his/her duties, the vice chairman shall act as the chairman and preside over the meeting. In the event that the vice chairman of the board of directors is unable or fails to perform his/her duties, half or more of the directors shall designate a director to act as the chairman and preside over the meeting.

- 2. Existing Article 149:** The Board shall comprise 9 directors and shall have one Chairman without any vice chairman. More than one third of the members of the Board shall be independent non-executive directors and at least one of the independent non-executive directors must have appropriate professional qualifications that meet the regulatory requirements or possesses appropriate accounting or related financial management expertise.

**Proposed to amend as:** The Board shall comprise 9 directors and shall have one chairman and one vice chairman. More than one third of the members of the Board shall be independent non-executive directors and at least one of the independent non-executive directors must have appropriate professional qualifications that meet the regulatory requirements or possesses appropriate accounting or related financial management expertise.

3. **Existing Article 155:** The board of directors has one chairman who shall be elected by the board of directors with more than half of all directors.

**Proposed to amend as:** The board of directors has one chairman and one vice chairman who shall be elected by the board of directors with more than half of all directors.

4. **Existing Article 157:** Where the chairman is unable to or does not perform the duty, a director nominated by more than half of the directors shall perform the duty.

**Proposed to amend as:** Where the chairman is unable to or does not perform the duty, the vice chairman shall perform the duty, where the vice chairman is unable to or does not perform the duty, a director nominated by more than half of the directors shall perform the duty.

5. **Existing Article 173 (IV):** to make recommendations to the board of directors on the candidates for directors and managers, and provide advice to the board of directors on the appointment or re-appointment of directors and succession plan for directors, in particular the chairman of the board of directors and the general manager.

**Proposed to amend as:** to make recommendations to the board of directors on the candidates for directors and managers, and provide advice to the board of directors on the appointment or re-appointment of directors and succession plan for directors, in particular the chairman of the board of directors, the vice chairman and the general manager.

The English version of the Articles of Association is an unofficial translation of the Chinese version. In the event of any inconsistency, the Chinese version shall prevail.

In accordance with the Articles of Association, the special resolution in respect of proposal to amend the Articles of Association shall be effective upon approval by the Shareholders of the Company at the general meeting. A circular containing the

detailsof the above resolution and the notice of the extraordinary general meeting, will be despatched to the Shareholders of the Company in due course.

By order of the Board  
**Shandong Gold Mining Co., Ltd.**  
**Li Guohong**  
*Chairman*

Jinan, the People's Republic of China, 29 November 2018

*As at the date of this announcement, the executive directors of the Company are Mr. Wang Peiyue and Mr. Tang Qi; the non-executive directors of the Company are Mr. Li Guohong, Mr. Wang Lijun and Ms. Wang Xiaoling; and the independent non-executive directors of the Company are Mr. Gao Yongtao, Ms. Hui Wing and Mr. Lu Bin.*