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CHINA GOLD INTERNATIONAL RESOURCES CORP. LTD.

中國黃金國際資源有限公司

(a company incorporated under the laws of British Columbia, Canada with limited liability)

(Hong Kong Stock code: 2099)

(Toronto Stock code: CGG)

CONTINUING CONNECTED TRANSACTIONS AND MAJOR AND DISCLOSEABLE TRANSACTIONS

BACKGROUND

On May 26, 2017, the Company and China Gold Finance entered into the New Financial Services Agreement pursuant to which China Gold Finance agreed to satisfy the financial needs of the Company and its subsidiaries within the People's Republic of China by providing the certain functions performed by financial institutions on substantially the same terms as the Financial Services Agreement for a term of three years expiring on December 31, 2020. On May 29, 2017 the Company and China Gold Finance entered into an amendment agreement pursuant to which the parties agreed that the term of the New Financial Services Agreement would expire on June 30, 2020. All other terms of the New Financial Services Agreement remain unchanged and unamended.

Reference is made to the Announcement of the Company dated May 26, 2017 in respect of the Continuing Connected Transactions.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

Major Transactions

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the Deposit Services under the New Financial Services Agreement, when calculated on an aggregated basis as mentioned above, exceed 25%, the transactions contemplated under the Deposit Services under the New Financial Services Agreement on an aggregated basis constitute a major transaction for the Company and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

Since the remaining transactions contemplated under the New Financial Services Agreement are of a revenue nature in the ordinary and usual course of business of the Group, they are not subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

Continuing Connected Transactions

As at the Latest Practicable Date, China National Gold held approximately 39.3% of the 396,413,753 number of issued Shares through China National Gold Hong Kong Limited, its wholly-owned subsidiary, and thus is the

ultimate controlling shareholder of the Company. Accordingly, China National Gold is a connected person of the Company as defined under the Hong Kong Listing Rules.

The transactions contemplated under the Continuing Connected Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Hong Kong Listing Rules.

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the Deposit Service under the New Financial Services Agreement, when calculated on an aggregated basis as mentioned above, exceed 5% and the anticipated transaction amount exceeds HK\$10,000,000, the transactions contemplated under the Deposit Service under the New Financial Services Agreement are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

According to Rule 14A.90 of the Hong Kong Listing Rules, the Loan Service under the New Financial Services Agreement constitutes financial assistance to the Group, which as the Directors consider is on normal commercial terms and not secured by the assets of the Group, is fully exempt from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. In addition, given that all the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of each of the settlement service and other financial services under the New Financial Services Agreement does not exceed 0.1%, such settlement service and other financial services are fully exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules pursuant to Rule 14A.76(1)(a) of the Hong Kong Listing Rules.

The Company will also disclose the relevant details in the next published annual report of the Company in accordance with the relevant requirements as set out in Rule 14A.71 of the Hong Kong Listing Rules.

The Independent Board Committee comprised of all the independent non-executive Directors was established by the Company to consider the terms of the Continuing Connected Transactions and the transactions contemplated thereunder and to advise and make recommendations to the Independent Shareholders as to how to vote at the Meeting on the ordinary resolution(s) regarding the Continuing Connected Transactions and the transactions contemplated thereunder. The Independent Board Committee, having taken into account, among other things, the advice of TC Capital International Limited, as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders in this regard, considers that each of the Continuing Connected Transactions and the transactions contemplated thereunder have been entered into equitably, determined after arm's length negotiation and on normal commercial terms, are fair and reasonable that are in the interests of the Company and its Shareholders as a whole; and that the Group will remain able to operate independently of the controlling shareholders and its close associates. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions in respect of each of the Continuing Connected Transactions and the transactions contemplated thereunder at the Meeting.

GENERAL INFORMATION

The Company will convene the Meeting in Vancouver, Canada on June 28, 2017 Vancouver time (June 29, 2017 Hong Kong time) for the Independent Shareholders to consider and, if thought fit, approve, among other matters, each of the Continuing Connected Transactions and the transactions contemplated thereunder. China National Gold, the controlling shareholder of the Company, and its respective associates (as defined in the Hong Kong Listing Rules) will abstain from voting on the ordinary resolution(s) approving the Continuing Connected Transactions at the Meeting.

The Independent Board Committee comprising of all the independent non-executive Directors has been established by the Company to consider the terms of the Continuing Connected Transactions and the transactions contemplated thereunder and to advise and make recommendations to the Independent Shareholders as to how to vote at the Meeting on the ordinary resolution(s) regarding the Continuing Connected Transactions and transactions contemplated thereunder. Mr. Ian He, Mr. Yunfei Chen, Mr. Gregory Hall and Mr. John King Burns, all being independent non-executive Directors, have been appointed by the Board to serve as members of the Independent Board Committee. None of the members of the Independent Board Committee has any material interest in the Continuing Connected Transactions and the transactions contemplated thereunder. TC Capital International Limited has been appointed as the Independent Financial

Adviser to advise the Independent Board Committee and Independent Shareholders in this regard.

DESPATCH OF INFORMATION CIRCULAR

An information circular containing, among other things, (i) the Continuing Connected Transactions and the transactions contemplated thereunder and the Caps thereunder, (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from TC Capital to the Independent Board Committee and the Independent Shareholders; (iv) a notice of the Meeting, and (v) other information required under the Hong Kong Listing Rules, will be dispatched to the Shareholders in due course.

CONTINUING CONNECTED TRANSACTIONS AND MAJOR AND DISCLOSEABLE TRANSACTIONS

New Financial Services Agreement

Inner Mongolia Pacific, Huatailong and China Gold Finance entered into a Financial Services Agreement on May 29, 2015 pursuant to which China Gold Finance agreed to satisfy the financial services needs of Inner Mongolia Pacific and Huatailong within the People's Republic of China by providing the certain functions performed by financial institutions offering flexibility and favourable terms for a term of three years. Please refer to the information circular of the Company dated May 29, 2015 for further details. On May 26, 2017, the Company and China Gold Finance entered into the New Financial Services Agreement pursuant to which China Gold Finance agreed to satisfy the financial needs of the Company and its subsidiaries (including but not limited to Inner Mongolia Pacific and Huatailong) within the People's Republic of China by providing the certain functions performed by financial institutions on substantially the same terms as the Financial Services Agreement for a term of three years expiring on December 31, 2020. As with the Financial Services Agreement, the daily maximum deposit balance (including accumulative settlement interest) under the New Financial Services Agreement shall not exceed RMB3 billion. Upon the effectiveness of the New Financial Services Agreement (following the approval of the Independent Shareholders) the parties have agreed to terminate the original Financial Services Agreement.

On May 29, 2017 the Company and China Gold Finance entered into an amendment to the New Financial Services Agreement to amend the term of the New Financial Services Agreement to expire on Jun 30, 2020. All other terms remain unchanged and unamended.

A. Key terms of the New Financial Services Agreement

- Date:** May 26, 2017 (as amended May 29, 2017)
- Parties:** (a) the Company, as the Recipient; and
(b) China Gold Finance, as the Provider
- Subject matter:** Financial Services provided by China Gold Finance to the Recipient and/or its controlling subsidiaries include deposits, loans, settlement services, financial advisory and other financial services within the People's Republic of China.
- Term:** From the date of the approval of the Financial Services Agreement by the Independent Shareholders at the Meeting to June 30, 2020.
- Description:** China Gold Finance will provide the financial services set out below. China Gold Finance undertakes to provide the Recipient with high quality and efficient financial services.

Deposit Service

China Gold Finance will accept deposits from the Recipients, up to a maximum amount of daily deposit balance (including accumulative settlement interest) not to exceed RMB3,000 million during the term of the Financial Services Agreement. Each of the deposit service, the loan service, the settlement service and other financial services mentioned above will be conducted separately and independently from one another, although the terms of these services are set out in the Financial Services Agreement as opposed to in separate agreements.

Further, no security over the Group's assets will be given in favour of China Gold Finance for each type of service to be provided under the Financial Services Agreement.

Loan Service

China Gold Finance will provide funds circulation services, such as loans and guarantees of financial obligations of the Recipients. The loans are to be provided on a similar basis as the Recipient and its subsidiaries are currently subject to in dealings with the major domestic commercial banks within the People's Republic of China. The Recipient and its subsidiaries will not grant any security interest over their assets for loans made under the Financial Services Agreement. In the event the Recipient is unable to repay any loans, China Gold Finance will have the only recourse under the contract to sue for damages for that particular loan. China Gold Finance will not have any recourse against the Recipient under such contracts that affect any deposits provided by the Group under the Financial Services Agreement (including but not limited to any right whatsoever relating to the control, offset or other disposal of such deposits).

Settlement Service

China Gold Finance will provide settlement services such as collection, payment or internal settlement services.

Other Financial Services

China Gold Finance will provide financial advisory services, credit appraisal services and other services approved by the China Banking Regulatory Commission.

Payment terms:

Payment terms are determined as follows:

Deposit Service

Deposit interest rates will be higher of (i) the benchmark rates established by the Chinese central bank for the same period and the same type, (ii) the same type of deposit interest rate at the same period from the major domestic commercial banks, and (iii) the interest rate for deposits made by China National Gold or its subsidiaries at the same period. The benchmark rate applied in 2016 was 0.35%.

Loan Service

Loan interest rates will be the lower of (i) the benchmark rates established by the Chinese central bank for the same period and the same type of loan, (ii) the interest rate for the same type of loans at the same period from the major domestic commercial banks, and (iii) the interest rate for comparable loans made to China National Gold or its subsidiaries at the same period. The benchmark rate applied in 2016 was 4.35%.

Settlement Service

China Gold Finance will provide settlement services at a fee equal to the lower of (i) the fees publicly quoted by the major domestic commercial banks for the same type of services, and (ii) the fees charged to China National Gold or its subsidiaries by China Gold Finance for the same type of services. The benchmark rates to be applied are set by government regulation.

Other Financial Services

China Gold Finance will provide other financial services at a fee equal to the lower of (i) the fees publicly quoted by the major domestic commercial banks for the same type of services, and (ii) the fees charged to China National Gold or its subsidiaries by China Gold Finance for the same type of services. The benchmark rates to be applied are set by government regulation.

B. Proposed caps and basis of determination for caps under the New Financial Services Agreement

The following table sets out the proposed daily caps for the years indicated.

PERIOD	2018 YEAR	FINANCIAL	2019 YEAR	FINANCIAL	2020 YEAR	FINANCIAL
DAILY DEPOSIT BALANCE AND FEES	RMB 3 billion		RMB 3 billion		RMB 3 billion	

The Company's estimate that the daily caps for the maximum daily balance of the deposit for each of the three years ending December 31, 2020 is RMB3,000,000,000 after considering the current operations and development plan of the Recipient. After giving effect to the expansion of the Jiama Mine and factoring in possible acquisitions that the Company is pursuing, the Company anticipates its revenues, and therefore its overall cash flows, will increase which will generate more utilization under the New Financial Services Agreement. The Company has also taken into account its current and anticipated daily deposit balance for the Recipient and its subsidiaries under the current Financial Services Agreement. During the term of the Financial Services Agreement the utilization by the Company increased each year from 2015 to 2017, and the maximum daily deposit balance was approximately RMB 485 million. However, the Company is positioning itself for additional growth through the establishment of the proposed cap.

The proposed daily cap is based on deposit services plus anticipated settlement services. However, the Company expects that any settlement services provided will be in conjunction with deposits made under the Financial Services Agreement and can be included within the current cap. The Company agreed to pay settlement fees and other financial service fees under the New Financial Services Agreement as it was a windfall for the Company under the Financial Service Agreement currently in effect and was a loss incurred by China Gold Finance. Through independent negotiations the Company agreed to modify those payment terms for the New Financial Services Agreement.

C. Basis for the New Financial Services Agreement

In arriving at the reasons to enter the New Financial Services Agreement, the Company has considered the following factors:

- (a) the New Financial Services Agreement will enable all of the existing and potential new members of the Group to continue to utilize the financial services provided by China Gold Finance;
- (b) the interest rate payable for the Recipient's deposits with China Gold Finance shall not be lower than the interest rate payable by major domestic commercial banks in the PRC for comparable deposits and such interest shall be payable by China Gold Finance on a basis that is not less favourable to the Recipients than those of the major domestic commercial banks;
- (c) the interest rate to be charged for the loans to be provided by China Gold Finance to either Recipient shall not be higher than the rate charged by major domestic commercial banks in the PRC for comparable loans and such interest shall be payable on a basis that is not less favourable to the Recipients than those of the major domestic commercial banks;
- (d) the service fees charged for settlement services, financial and financing advisory services to be provided by China Gold Finance will be not higher than fees charged by major domestic commercial banks in the PRC for comparable services;
- (e) China Gold Finance shall ensure the prudent management of its business and the strict compliance with the risk control indicators for financial institutions issued by the China Banking Regulatory Commission ("**CBRC**");
- (f) China Gold Finance is required under the terms of the Financial Services Agreement to provide financial services at terms that are not inferior to the terms for the same type of services provided by

the major domestic commercial banks and by China Gold Finance to China National Gold and its subsidiaries;

- (g) China National Gold has excellent credibility in the gold industry and also has a very good financial history;
- (h) the Group has a long term cooperative relationship with China National Gold;
- (i) China Gold Finance is regulated by the CBRC and must adhere to the relevant rules, regulations and measures formulated and promulgated thereunder and other applicable PRC laws and regulations issued by the central government or local governments at the provincial, autonomous regional and municipal levels of the PRC from time to time;
- (j) China Gold Finance has been in operation since 2015 and has established a good track record of performance under the financial services agreement currently in effect;
- (k) the New Financial Services Agreement will not cause significant financial impact to the Company or its subsidiaries.

D. Internal Control Measures

In order to secure the Shareholders' interests and ensure the terms of the New Financial Services Agreement and the transactions contemplated thereunder and the Cap are on normal commercial terms or terms not more favourable than those available to independent third parties, the Company has adopted certain internal control measures.

The Company's accounting group continuously monitors prevailing benchmark rates for deposits and short term loans rates established by major domestic commercial banks within the PRC to ensure that pricing under the New Financial Services Agreement is consistent with the procedures set out in the Financial Services Agreement.

The Company also reconciles the amount of all daily deposits and short term loans under the New Financial Services Agreement on a monthly and quarterly basis to ensure that such amounts are within the cap.

E. Reasons for and benefits of the New Financial Services Agreement

The reasons for and benefits of the Financial Services Agreement mainly include:

- (a) The rates on loans, guarantees and deposits to be offered by China Gold Finance to the Recipient's will be equal to or more favourable than those offered by major domestic commercial banks in the PRC.
- (b) The settlement service and other financial services will be provided under the Financial Services Agreement at fees that are equal to or more favourable than those offered by major domestic commercial banks in the PRC so notwithstanding that such services were previously provided for no fee the net benefit to the Company is still maintained and the overall terms considered favourable.
- (c) China Gold Finance will be regulated by the CBRC and provides its services in accordance with the rules and operational requirements of these regulatory authorities. In addition, capital risks are reduced through the introduction of the risk control measures stipulated in the Financial Services Agreement.
- (d) The Recipient is expected to benefit from the China Gold Finance's better understanding of the operations of the Recipient which will allow more expedient and efficient services than those rendered by other major domestic commercial banks. For example, in the event that the Recipient considers that it necessary to obtain a loan and guarantee from China Gold Finance in view of its business and financial needs, it is expected that the time required for the examination and approval of the loans and guarantee to be provided by China Gold Finance will be shorter than that required by other major domestic commercial banks.

- (e) Pursuant to the relevant regulations of the CBRC, the customers of China Gold Finance are limited to entities affiliated with China National Gold and its subsidiaries, thereby reducing the risks that China Gold Finance may otherwise be exposed to if its customers include other entities unrelated to China National Gold.
- (f) China National Gold, being the largest gold producer in China and 100% owned by the Chinese central government, has good credibility in the industry. This lends assurance to the Company that risks it may face conducting business with China National Gold (including China Gold Finance) would be low.
- (g) The terms under the Financial Services Agreement are fair, reasonable and beneficial to the Company;
- (h) The Directors (including the independent non-executive Directors) considers that the terms of the Financial Services Agreement and the daily caps in respect of the maximum daily balance of deposit and the maximum fees (where applicable) payable for other financial services under the Financial Services Agreement are fair and reasonable and are entered into on normal commercial terms, and on terms no less favourable than those available to independent third parties under the prevailing local market conditions, in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE COMPANY

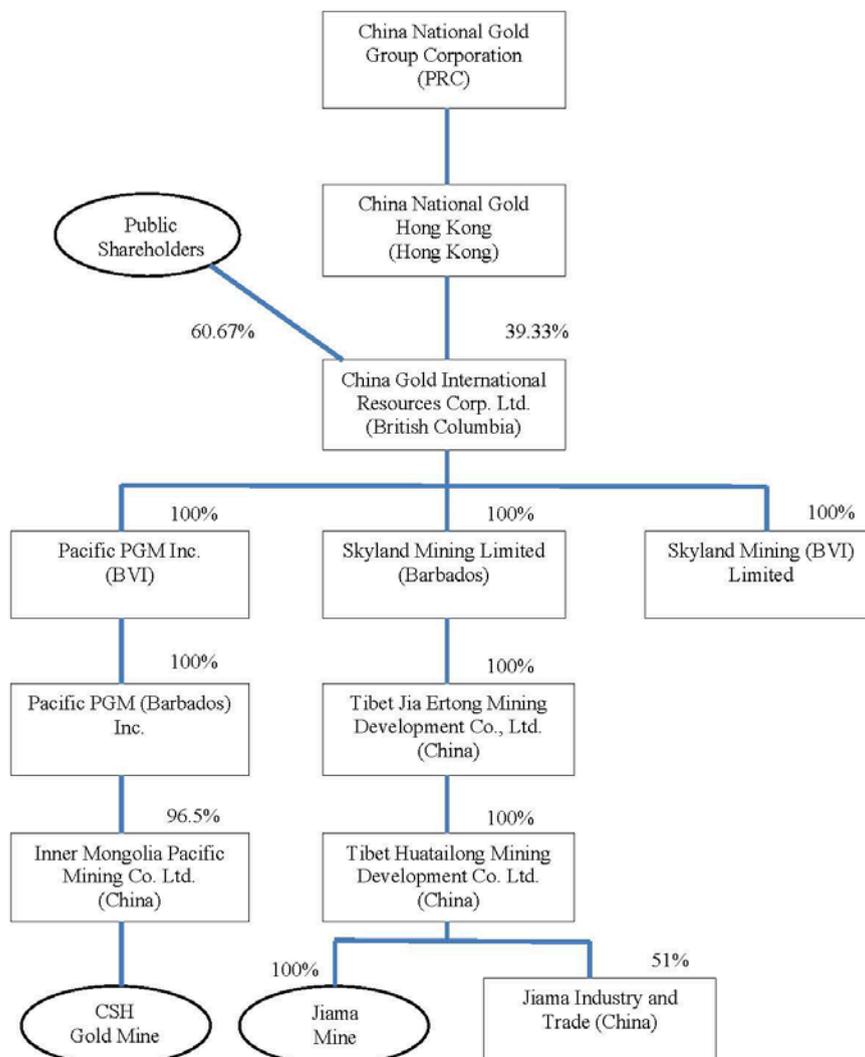
The Company is a gold and base metal mining company based in Vancouver, Canada. Its principal properties are located in Inner Mongolia, China and in the Tibet Autonomous Region, China. The Company commenced gold production at the Inner Mongolia mine in July 2007 and commenced commercial gold production on July 1, 2008. The Company also commenced commercial production of copper, molybdenum, gold, silver, lead and zinc at the Tibet mine in December 2010.

INFORMATION ABOUT CHINA NATIONAL GOLD

China National Gold is the only enterprise directly supervised by the State Council of the PRC that focuses on the exploration, mining, processing, smelting, refining and sales of gold. It also operates other nonferrous mineral assets related businesses. The predecessor of China National Gold was China National Gold Corporation, which was established in 1979 and headquartered in Beijing. China National Gold was the largest gold producer in China in 2016 by gold output, according to the China Gold Association. It is also the only enterprise in the gold industry in China that explores, produces and processes gold with a grade of Au99999.

China National Gold is the controlling shareholder of the Company, holding 39.3% of the issued and outstanding shares of the Company. Therefore, China National Gold is a connected person of the Company for the purpose of Chapter 14A of the Hong Kong Listing Rules.

The following chart illustrates the relationship between the Company and China National Gold.



INFORMATION ABOUT CHINA GOLD FINANCE

China Gold Finance obtained approval for establishment from the CBRC on August 18, 2014. China Gold Finance obtained the Financial License granted by CBRC's Beijing office on May 12, 2015. The principal operations of China Gold Finance include: providing financial and financing advisory, assisting its members in collecting and making transaction payments; handling entrusted loan and entrusted investments among its members; handling bill acceptance and discounting affairs for its members; conducting internal financial transfers between members the corresponding settlement, clearing design; absorbing deposits from its members; providing loans and finance lease to its members; and engaging in inter-bank borrowings.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

Major and Disclosebale Transactions

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the Deposit Service under the New Financial Services Agreement, when calculated on an aggregated basis, exceed 25%, the transactions contemplated under the Deposit Service under the New Financial Services Agreement on an aggregated basis constitute a major transaction for the Company and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

Since the remaining transactions contemplated under the New Financial Services Agreement are of a revenue nature in the ordinary and usual course of business of the Group, they are not subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

Continuing Connected Transactions

As at the Latest Practicable Date, China National Gold held approximately 39.3% of the issued share capital of the Company through China National Gold Hong Kong Limited, its wholly-owned subsidiary, and thus is the ultimate controlling shareholder of the Company. Accordingly, China National Gold is a connected person of the Company as defined under the Hong Kong Listing Rules. The transactions contemplated under the Continuing Connected Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Hong Kong Listing Rules.

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the Deposit Service under the New Financial Services Agreement, when calculated on an aggregated basis as mentioned above, exceed 5% and the anticipated transaction amount exceeds HK\$10,000,000, the transactions contemplated under the Deposit Service under the New Financial Services Agreement are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Further, as one or more applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of each of the other Continuing Connected Transactions (other than the Loans Service, the settlement service and other financial services under the New Financial Services Agreement) exceed 5% and the anticipated transaction amount exceeds HK\$10,000,000, the transactions contemplated under each of such Continuing Connected Transactions are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

According to Rule 14A.90 of the Hong Kong Listing Rules, the Loan Service under the New Financial Services Agreement constitutes financial assistance to the Group, which as the Directors consider is on normal commercial terms and not secured by the assets of the Group, is fully exempt from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. In addition, given that all the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of each of the settlement service and other financial services under the New Financial Services Agreement does not exceed 0.1%, such settlement service and other financial services are fully exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules pursuant to Rule 14A.76(1)(a) of the Hong Kong Listing Rules.

Each of Mr. Xin Song (Chairman and executive Director), Mr. Bing Liu (executive Director), Mr. Lianzhong Sun (non-executive Director) and Mr. Liangyou Jiang (executive Director) are considered to have a conflict of interest in the transactions contemplated under the Continuing Connected Transactions due to their senior management positions held in China National Gold. All of them abstained from voting on the relevant resolutions at the Board meeting to approve the Continuing Connected Transactions. All the remaining Directors have confirmed at such Board meeting that they have no material interest in the transactions contemplated under the Continuing Connected Transactions.

GENERAL INFORMATION

The Company will convene the Meeting in Vancouver, Canada on June 28, 2017 Vancouver time (June 29, 2017 Hong Kong time) for the Independent Shareholders to consider and, if thought fit, approve, among other matters, the Continuing Connected Transactions and the transactions contemplated thereunder. China National Gold, the controlling shareholder of the Company, and its respective associates (as defined in the Hong Kong Listing Rules) will abstain from voting on the ordinary resolution(s) approving the Continuing Connected Transactions at the Meeting.

The Independent Board Committee comprising of all the independent non-executive Directors has been established by the Company to consider the terms of the Continuing Connected Transactions and the transactions contemplated thereunder and to advise and make recommendations to the Independent Shareholders as to how to vote at the Meeting on the ordinary resolution(s) regarding the Continuing Connected Transactions and transactions contemplated thereunder. Mr. Ian He, Mr. Yunfei Chen, Mr.

Gregory Hall and Mr. John King Burns, all being independent non-executive Directors, have been appointed by the Board to serve as members of the Independent Board Committee. None of the members of the Independent Board Committee has any material interest in the Continuing Connected Transactions and the transactions contemplated thereunder. TC Capital International Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders in this regard.

DESPATCH OF INFORMATION CIRCULAR

An information circular containing, among other things, (i) the Continuing Connected Transactions and the transactions contemplated thereunder, (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from TC Capital to the Independent Board Committee and the Independent Shareholders; (iv) a notice of the Meeting, and (v) other information required under the Hong Kong Listing Rules, will be dispatched to the Shareholders in due course.

DEFINITIONS

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

“AGM” or the “Meeting”	The annual general meeting and special meeting of the Company to be held on Wednesday, June 28, 2017 at 9:00 am in Vancouver, British Columbia, Canada (Thursday, June 29, 2017 Hong Kong time), to consider and, if appropriate, to approve the matters set out in this information circular, or any adjournment thereof;
“Board”	The board of Directors;
“Caps”	with respect to the relevant Continuing Connected Transactions, the various annual caps of such transactions individually or in the aggregate (as the case may be), as set out in this Announcement;
“Cdn”	Canadian dollars, the lawful currency of Canada;
“China Gold Finance”	China Gold Group Finance Co. Ltd., a subsidiary of China National Gold existing under the laws of PRC;
“China National Gold”	China National Gold Group Corporation, the ultimate controlling shareholder of the Company currently holding approximately 39.3% of the issued share capital of the Company through China National Gold Hong Kong Limited, its wholly-owned subsidiary;
“CNGGHK”	China National Gold Group Hong Kong Limited
“Company”	China Gold International Resources Corp. Ltd., a limited liability company incorporated under the laws of British Columbia, Canada with its Shares listed on both the Hong Kong Stock Exchange and the Toronto Stock Exchange;
“connected person(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Continuing Connected Transactions”	the transactions contemplated under the New Financial Services Agreement, the Caps thereunder (where applicable), and the transactions contemplated thereunder, which constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules;

“CSH Mine”	Chang Shan Hao mine, a gold mine located in Wulate Zhong Qi in Inner Mongolia, in which the Company holds a 96.5% interest through Pacific PGM (Barbados) Inc., its wholly-owned subsidiary incorporated in Barbados;
“Directors”, each a “Director”	The directors of the Company;
“Group”	The Company and its subsidiaries (as defined under the Hong Kong Listing Rules);
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Huatailong”	Tibet Huatailong Mining Development Co., Ltd., a limited liability company incorporated in the PRC which owns and operates the Jiama Mine, in which the Company holds a 100% interest through Skyland Mining Limited and Tibet Jia Ertong Mining Development Co., Ltd., its wholly-owned subsidiaries;
“Independent Board Committee”	an independent committee of the Board comprising all of the independent non-executive Directors;
“Independent Financial Adviser” or “TC Capital”	TC Capital International Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) of the regulatory activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Continuing Connected Transactions;
“Independent Shareholders”	The Shareholders (other than China National Gold and any of its associates) who do not have a material interest in the transactions contemplated under the Continuing Connected Transactions, and are not required to abstain from voting at the Meeting to approve the Continuing Connected Transactions, the Caps thereunder, and the transactions contemplated thereunder;
“Inner Mongolia”	Inner Mongolia Autonomous Region of the PRC;
“Inner Mongolia Pacific”	Inner Mongolia Pacific Mining Co. Limited, a cooperative joint venture company incorporated in the PRC which owns and operates the CSH Mine and in which the Company holds a 96.5% interest through Pacific PGM (Barbados) Inc., its wholly-owned subsidiary incorporated in Barbados;
“Jiama Mine”	Jiama Copper-Gold Polymetallic Mine located in Tibet, China. Jiama hosts a large scale copper-gold polymetallic deposit consisting of copper, gold, molybdenum, silver, lead and zinc. It is owned and operated by the Group through the Company’s indirect wholly-owned subsidiary Huatailong;
“Latest Practicable Date”	May 29, 2017, being the latest practicable date before this Announcement;

“New Financial Services Agreement”	the financial services agreement dated May 26, 2017 (as amended on May 29, 2017) between China Gold Finance and the Company pursuant to which China Gold Finance will provide financial services and banking services;
“PRC”	The People’s Republic of China, excluding, for the purpose of this information circular only, Hong Kong, Macau Special Administrative Region of the PRC, and Taiwan;
“Provider”	with respect to the New Financial Services Agreement, China Gold Finance as the provider of financial services and banking services;
“Recipient”	with respect to the New Financial Services Agreement, the Company or its subsidiaries as the recipient of financial services and banking services;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	Securities and Futures Ordinance(Cap. 571,Laws of Hong Kong);
“Shareholder(s)”	holder(s) of Share(s);
“Share(s)”	share(s) of the Company;
“Toronto Stock Exchange” or “TSX”	The Toronto Stock Exchange of Toronto, Canada;
“US\$”	United States dollars, the lawful currency of the United States of America;
“Zhongjin Gold Corporation”	Zhongjin Gold Corporation Limited is a limited liability company incorporated in the PRC with its shares listed on the Shanghai Stock Exchange; and China National Gold holds approximately 50% of its issued shares; and
“%”	percent.

By order of the Board
**China Gold International Resources Corp.
Ltd.**
Mr. Song, Xin
Chairman

Hong Kong, May 29, 2017

As of the date of this announcement, the executive directors of the Company are Xin Song, Bing Liu and Liangyou Jiang, the non-executive directors of the Company are Lianzhong Sun and Xiangdong Jiang and the independent non-executive directors are Ian He, Yunfei Chen, Gregory Hall and John King Burns.