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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)

RENEWAL OF EXISTING CONNECTED TRANSACTIONS

The Board is pleased to announce that on or about December 18, 2018:

1. A four (4) month term extension supplemental loan agreement has been entered into extending the original Loan Agreement entered into on December 18, 2017 between Inner Mongolia Pacific Mining Co. Ltd. ("IMP"), a cooperative joint venture company in which the Company holds a 96.5% interests and China National Gold Group Finance Company Ltd. ("China Gold Finance"); and
2. A one (1) year term extension supplemental deposit services agreement extending the original Deposit Services Agreement entered into on December 18, 2017 between the Company and China Gold Finance.

BACKGROUND

Reference is made to the announcement of the Company dated 19 December 2017 in relation to, among other things, the Deposit Services Agreement entered into between the Company and China Gold Finance and the Loan Agreement entered into between IMP and China Gold Finance.

The Board is pleased to announce that IMP and China Gold Finance have entered into a supplementary Loan Agreement to extend the Loan Agreement for an additional four (4) month term, and the Company and China Gold Finance have entered into a supplementary Deposit Services Agreement to extend the Deposit Services Agreement for a one (1) year term, all other terms and conditions of each of the Loan Agreement and the Deposit Services Agreement remain the same.

THE CONTINUING CONNECTED TRANSACTIONS

A. Loan Agreement

Date:

On or about 18 December 2018, IMP and China Gold Finance entered into a supplemental agreement to renew the term of the Loan Agreement for a further four (4) months to expire 30 April 2019.

Transaction Nature:

China Gold Finance will continue to provide financial assistance to be used towards daily operation working capital on an as needed basis; pursuant to the terms set out in the Loan Agreement.

Term:

IMP and China Gold Finance will enter into the Loan Agreement on the same basis, terms and conditions provided in the original Loan Agreement, with the exception of the Term which will be extended to expire 30 April 2019.

A. Deposit Services Agreement

Date:

On or about 18 December 2018, the Company and China Gold Finance entered into a supplemental agreement to renew the term of the Deposit Services Agreement for a further one (1) year term commencing 1 January 2019 through 31 December 2019.

Transaction Nature:

China Gold Finance will accept deposits from existing and potential new members of the Group to utilize the deposit services provided by China Gold Finance, up to a maximum amount of daily deposit balance (including interest) not exceeding RMB100 million during the term of the Deposit Services Agreement.

Term:

The Company and China Gold Finance will enter into the supplemental deposit services agreement on the same basis, terms and conditions provided in the original Deposit Services Agreement, with the exception of the Term which will be extended to commence 1 January 2019 through 31 December 2019.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the Latest Practicable Date, China National Gold held approximately 39.3% of the 396,413,753 issued Shares of the Company through CNGGHK, its wholly-owned subsidiary, and thus is the ultimate controlling shareholder of the Company. China National Gold holds a 51% interest in China Gold Finance and therefore, China Gold Finance is a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules.

Deposit Services Agreement:

The deposit services are a continuing connected transaction being the provision of financial assistance by the Group to a connected person of the Company. As at least one of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the Deposit Services Agreement is greater than 0.1%, but all of the applicable percentage ratios are less than 5%, the transactions contemplated under the Deposit Services Agreement are subject to reporting and announcement requirements, but exempt from independent shareholders' approval requirements under the Hong Kong Listing Rules.

Loan Agreement:

The Loan Agreement constitutes a connected transaction, being the financial assistance by a connected person of the Company to the Group. As the Directors (including the independent non-executive Directors) consider the Loan to be on normal commercial terms, and as it is not secured by the assets of the Group, it is fully exempt pursuant to Rule 14A.90 of the Hong Kong Listing Rules from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

MANAGEMENT OF CONFLICTS

Each of Mr. Xin Song, Mr. Liangyou Jiang, Mr. Yongqing Teng and Ms. Fuzhen Kang are considered to have a conflict of interest in the transactions contemplated under the Deposit Services Agreement and the Loan Agreement, respectively due to their director or indirect positions or affiliations with China National Gold. Each of them abstained from voting on the relevant resolutions at the Board meeting to approve the Deposit Services Agreement and the Loan Agreement, respectively. All the remaining Directors have confirmed at such Board meeting that they have no material interest in the transactions contemplated under both the Deposit Services Agreement and the Loan Agreement.

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.

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.

DEFINITIONS

Definition references are the same as provided in the announcement of the Company dated 19 December 2017 relating to, among other things, the Deposit Services Agreement entered into between the Company and China Gold Finance and the Loan Agreement entered into between IMP and China Gold Finance.

By Order of the Board
China Gold International Resources Corp. Ltd.
Xin Song
Chairman

Hong Kong, 20 December 2018

As at the date of this announcement, the Board of Directors of the Company comprises of Mr. Xin Song and Mr. Liangyou Jiang as Executive Directors, Mr. Yongqing Teng, Ms. Fuzhen Kang and Mr. Xiangdong Jiang, as Non-Executive Directors, and Mr. Ian He, Mr. Yunfei Chen, Mr. John King Burns and Mr. Gregory Hall as Independent Non-Executive Directors.