

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



中广核矿业有限公司*
CGN Mining Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01164)

CONTINUING CONNECTED TRANSACTION IN RELATION TO TENANCY AGREEMENT

On 9 May 2019, Beijing Sino-Kazakh (as the lessor) and CGNPC-URC (as the lessee) entered into a Tenancy Agreement in respect of the leasing of the Premises, for a term of three years commencing from 1 January 2019 and ending on 31 December 2021.

As at the date of this announcement, Beijing Sino-Kazakh is the wholly owned subsidiary of the Company and China Uranium Development is the controlling shareholder of the Company, holding approximately 64.82% equity interest in the Company. CGNPC-URC is the sole shareholder of China Uranium Development, therefore is an associate. Given CGNPC-URC is a connected person, the entering of the Tenancy Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

In accordance with Rule 14A.76 of the Listing Rules, as all of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) are less than 5% while the proposed annual cap is not less than HK\$3,000,000 under the Tenancy Agreement, the transaction is subject to the reporting, announcement and annual review requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

TENANCY AGREEMENT

The Board announces that, after trading hours on 9 May 2019, Beijing Sino-Kazakh (as the lessor) and CGNPC-URC (as the lessee) entered into a Tenancy Agreement in respect of the leasing of the Premises, for a term of three years commencing from 1 January 2019 and ending on 31 December 2021.

The principal terms of the Tenancy Agreement are set out below.

Date:

9 May 2019

Parties:

(i) Lessor: Beijing Sino-Kazakh

(ii) Lessee: CGNPC-URC

Premises:

29/F, Block A, Shi'ao International Center, 101 Shaoyaoyu North Lane, Zhayang District, Beijing, PRC
(total gross area of 1,035.14 sq. m.)

Tenancy Term:

1 January 2019 to 31 December 2021

Usage:

Office

Rent:

RMB 9,000,000 (tax inclusive)

Utility fees:

CGNPC-URC shall be responsible for the payment of utility fees, including water, cleaning and property management fee, etc.

PROPOSED ANNUAL CAP

The proposed annual cap payable by CGNPC-URC to Beijing Sino-Kazakh for the transaction under the Tenancy Agreement for each of the years ending 31 December 2019, 2020 and 2021 shall be RMB 3,000,000 (tax inclusive). The proposed annual caps were determined after taking into account: (i) the current market rentals and management fees payable for similar properties; and (ii) the availability of such properties.

REASON FOR AND BENEFIT OF THE TENANCY AGREEMENT

The location and size of the Premises is suitable for the operation of CGNPC-URC and is also beneficial to the Group as a whole in terms of saving administrative cost and renovation cost. The Tenancy Agreement was agreed after arm's length negotiations by making reference to, among other things, (i) the current market rentals and management fees payable for similar properties; and (ii) the availability of such properties.

The Board considers that the transaction contemplated under the Tenancy Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, and the terms of the Tenancy Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Group

The principal activities of the Group are investment and trading of natural uranium resources.

Beijing Sino-Kazakh

Beijing Sino-Kazakh is a wholly owned subsidiary of the Company.

CGNPC-URC

CGNPC-URC is a company established in the PRC with limited liability and the sole shareholder of China Uranium Development. China Uranium Development is a company incorporated with limited liability in Hong Kong, is the controlling shareholder of the Company, holding approximately 64.82% equity interest in the Company as at the date of this announcement.

LISTING RULE IMPLICATIONS

As at the date of this announcement, Beijing Sino-Kazakh is the wholly owned subsidiary of the Company and China Uranium Development is the controlling shareholder of the Company, holding approximately 64.82% equity interest in the Company. CGNPC-URC is the sole shareholder of China Uranium Development, therefore is an associate. Given CGNPC-URC is a connected person, the entering of the Tenancy Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

In accordance with Rule 14A.76 of the Listing Rules, as all of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) are less than 5% while the proposed annual cap is not less than HK\$3,000,000 under the Tenancy Agreement, the transaction is subject to the reporting, announcement and annual review requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meaning set out below:

“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Beijing Sino-Kazakh”	Beijing Sino-Kazakh Uranium Resources Investment Company Limited* (北京中哈鈾資源投資有限公司), a wholly owned subsidiary of the Company
“Board”	the board of Directors of the Company
“CGNPC-URC”	CGNPC Uranium Resources Co., Ltd.* (中廣核鈾業發展有限公司), a company established in the PRC with limited liability and the sole shareholder of China Uranium Development
“China Uranium Development”	China Uranium Development Company Limited, a company incorporated with limited liability in Hong Kong, is the controlling shareholder of the Company, holding approximately 64.82% equity interest in the Company as at the date of this announcement
“Company”	CGN Mining Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 01164)
“connected person”	has the same meaning as ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“independent shareholders”	has the same meaning as ascribed to it under the Listing Rules
“Listing Rules”	the rules governing the listing of securities on Stock Exchange

“percentage ratio(s)”	has the same meaning as ascribed to it under the Listing Rules, as applicable to a transaction
“PRC”	the People’s Republic of China
“Premises”	29/F, Tower A, International Center of Times, 101 Shao Yao Ju Bei Li, Chaoyang District, Beijing, PRC
“RMB”	Renmenbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“sq. m.”	square meter
“Share(s)”	the ordinary share(s) of the Company with a par value of HK\$0.01 each
“subsidiaries”	has the same meaning as ascribed to it under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
CGN Mining Company Limited
Yu Zhiping
Chairman

Hong Kong, 9 May 2019

As at the date of this announcement, the Board comprises two executive Directors: Mr. An Junjing (chief executive officer) and Mr. Chen Deshao; three non-executive Directors: Mr. Yu Zhiping (chairman), Mr. Sun Xu and Mr. Yin Xiong; and three independent non-executive Directors: Mr. Qiu Xianhong, Mr. Gao Pei Ji and Mr. Lee Kwok Tung Louis.

* *For identification purpose only*