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中广核礦業有限公司*
CGN Mining Company Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01164)

Operational Statement for the Fourth Quarter of 2021

This announcement is made by CGN Mining Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to report to its shareholders and potential investors on the natural uranium production and trading of the Group in the fourth quarter of 2021.

1. Natural Uranium Production

In the fourth quarter of 2021, the natural uranium deposits of joint ventures of the Group produced 726.5tU of natural uranium, representing a completion rate of 98.6% of the production plan of the quarter, among which 292.9tU were produced by Semizbay-U Limited Liability Partnership (“**Semizbay-U**”), a 49% owned joint venture of the Group in Kazakhstan, and 433.6tU were produced by Mining Company “ORTALYK” LLP (“**Ortalyk**”), another 49% owned joint venture of the Group in Kazakhstan. In 2021, Semizbay-U produced 974.6tU of natural uranium and Ortalyk produced 1600.0tU of natural uranium in total, representing a completion rate of 100.1% and 100.0% of the production plan of the year, respectively.

Natural uranium production in the fourth quarter of 2021

	Planned production output (tU)	Actual production output (tU)	Production plan completion rate
Semizbay-U			
Semizbay Mine	138.9	140.4	101.1%
Irkol Mine	153.0	152.5	99.7%
Sub-total	<u>291.9</u>	<u>292.9</u>	<u>100.3%</u>
Ortalyk			
Central Mynkuduk Deposit	444.7	433.6	97.5% ¹
Zhalpak Deposit	0	0	–
Sub-total	<u>444.7</u>	<u>433.6</u>	<u>97.5%</u>
Total	<u><u>736.6</u></u>	<u><u>726.5</u></u>	<u><u>98.6%</u></u>

Note:

- As Ortalyk exceeded the production plan for the first three quarters of 2021 by 11.1tU, Ortalyk took the initiative to reduce production in the fourth quarter of 2021.

Natural uranium production in 2021

	Planned production output (tU)	Actual production output (tU)	Production plan completion rate
Semizbay-U	974.0	974.6	100.1%
Ortalyk ¹	1,600.0	1,600.0	100.0%
Total	2,574.0	2,574.6	100.0%

Note:

- The data herein reflects production of Ortalyk for the entire 2021 notwithstanding completion of the acquisition of 49% equity interest in Ortalyk by the Group only took place on 30 July 2021 during the year.

2. Natural Uranium Trading

As of 31 December 2021, the Group held 2,617tU of natural uranium (approximately 6.80 million pounds of U₃O₈), with a weighted average cost of US\$33.04 per pound of U₃O₈, and contracted but not delivered natural uranium sales of 5,365tU (approximately 13.95 million pounds of U₃O₈), with a weighted average selling price of US\$37.18 per pound of U₃O₈.

New natural uranium contracts entered in the fourth quarter of 2021

	Quantity (tU)	Weighted average price (US\$ per pound of U ₃ O ₈ ¹)
Procurement	2,456	42.96
Sales	2,590	43.35

Natural uranium delivery in the fourth quarter of 2021

	Quantity (tU)	Weighted average price (US\$ per pound of U ₃ O ₈ ¹)
Receipt from suppliers and traders	4,924	35.48
Delivery to customers	3,952	36.12

Note:

1. 1tU equals approximately 2,600 pounds of U₃O₈.

The above operational data for the fourth quarter of 2021 is based on preliminary internal management information, which is unaudited nor reviewed, and may somewhat differ from the data disclosed in other periodic reports of the Company and is for reference only. In addition, due to various factors, including but not limited to changes in regulatory policies, changes in market conditions, adverse weather, natural disasters and seasonal factors, material differences may exist among the operational data of different quarters. The operational data in this announcement does not make any express or implied forecast or guarantee in respect of the Group's operating and financial prospect. Investors are hereby reminded of the risks which may result from inappropriate reliance on or utilization of the information given herein.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Note: Certain figures contained in this announcement are rounded to two decimal places.

By order of the Board
CGN Mining Company Limited
An Junjing
Chairman

Hong Kong, 19 January 2022

As at the date of this announcement, the Board of Directors of the Company comprises two executive Directors: Mr. An Junjing (chairman and chief executive officer) and Mr. Chen Deshao, two non-executive Directors: 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