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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shandong Gold Mining Co., Ltd., you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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SD-GOLD

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)

PROPOSED CHANGE OF AUDITOR AND NOTICE OF 2023 FIRST EXTRAORDINARY GENERAL MEETING

A notice convening the 2023 first extraordinary general meeting (the “**EGM**”) of Shandong Gold Mining Co., Ltd. (the “**Company**”) to be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 8 February 2023 is set out on pages I-1 to I-2 of this circular.

The proxy form for use in connection with the EGM is enclosed herewith. The proxy form is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's website (<http://www.sdhjgf.com.cn>).

Any shareholder(s) of the Company (the “**Shareholders**”) entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company. If you intend to appoint a proxy to attend the EGM and vote on your behalf, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return it by hand, by post or by facsimile to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders only) as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be) (i.e. before 10:00 a.m. on Tuesday, 7 February 2023). Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment hereof should you so wish.

19 January 2023

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DEFINITIONS

In this circular, the following terms shall have the following meanings unless the context otherwise requires:

“A Share(s)”	the domestic share(s) issued by the Company to domestic investors with a nominal value of RMB1.00 each, which are listed on the SSE;
“A Shareholder(s)”	holder(s) of A Shares;
“Articles of Association”	the articles of association of the Company, as amended from time to time;
“Audit Committee”	audit committee of the Company;
“Board”	the board of Directors;
“Company”	Shandong Gold Mining Co., Ltd. (山東黃金礦業股份有限公司), a joint stock company incorporated in the PRC under the laws of the People’s Republic of China with limited liability on 31 January 2000, the H Shares and A Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1787) and the SSE (Stock Code: 600547) respectively;
“Company Law”	the Company Law of the PRC;
“Director(s)”	director(s) of the Company;
“EGM”	the 2023 first extraordinary general meeting of the Company to be held at 10:00 a.m. on Wednesday, 8 February 2023 at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC;
“H Share(s)”	the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange;
“H Shareholder(s)”	holder(s) of H Shares;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“PRC”	the People’s Republic of China which, for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Securityholders”	Securityholders of the Company;
“Shareholder(s)”	A Shareholders and H Shareholders;
“SSE”	Shanghai Stock Exchange (上海證券交易所);
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (上海證券交易所股票上市規則) as amended, supplemented or otherwise modified from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



SD-GOLD

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)

Executive Directors:

Mr. Liu Qin (*Vice-chairman*)

Mr. Wang Shuhai

Mr. Tang Qi

Non-executive Directors:

Mr. Li Hang (*Chairman*)

Mr. Wang Lijun

Ms. Wang Xiaoling

Independent Non-executive Directors:

Mr. Wang Yunmin

Mr. Liew Fui Kiang

Ms. Zhao Feng

***Registered office and headquarters
in the PRC:***

No. 2503, Jingshi Road

Licheng District

Jinan, Shandong Province

the PRC

Principal place of business in Hong Kong:

Rooms 4003-4006

China Resources Building

No. 26 Harbour Road

Wanchai

Hong Kong

19 January 2023

To the Shareholders

Dear Sir or Madam,

PROPOSED CHANGE OF AUDITOR AND NOTICE OF 2023 FIRST EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

On behalf of the Board, I invite you to attend the EGM to be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 8 February 2023. The purpose of this circular is to issue the notice of EGM and provide you with all reasonably necessary information to enable you to make an informed decision as to the resolution to be proposed at the EGM.

LETTER FROM THE BOARD

2. PROPOSED CHANGE OF AUDITOR

Reference is made to the announcement of the Company dated 12 January 2023 in relation to the proposed change of auditor.

TianYuanQuan Certified Public Accountants (Special General Partnership) (天圓全會計師事務所 (特殊普通合夥)) (“**TianYuanQuan**”) has tendered its resignation as the domestic auditor of the Company for financial and internal control audit due to internal staffing arrangement. TianYuanQuan has confirmed that there are no matters connected with its resignation as the domestic auditor of the Company that need to be brought to the attention of the Securityholders.

The Board and the Audit Committee confirmed that there are no matters connected with the resignation of TianYuanQuan as the domestic auditor of the Company that need to be brought to the attention of the Securityholders. TianYuanQuan has not commenced any substantial audit work for the year ended 31 December 2022.

In order to ensure the independence, objectivity and fairness of the audit work of the Company, the normal process of the audit work of the 2022 annual report of the Company and the timely disclosure of the annual report, based on the future business expansion and the needs of the 2022 audit work of the Company, and after considering the recommendations from the Audit Committee, on 12 January 2023, the Board resolved to propose to appoint ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所 (特殊普通合夥)) (“**SHINEWING**”) as the domestic auditor of the Company for financial and internal control audit for the year ended 31 December 2022.

The proposed change of auditor of the Company (the “**Proposed Change of Auditor**”) is subject to the approval of the Shareholders at the EGM to be convened.

The Board also proposes that the audit fee for the year ended 31 December 2022 will be RMB4.8 million, of which RMB1.8 million for domestic financial audit, RMB0.7 million for domestic internal control audit and RMB2.3 million for international audit.

If the resolution is approved, the audit fee for 2022 will be RMB4.83 million less than the audit fee which has been approved at 2021 annual general meeting, since SHINEWING will be responsible for both the audit of the A shares and H shares (SHINEWING (HK) CPA Limited, a Hong Kong branch of SHINEWING, is responsible for the audit of H-share annual report) after the change of domestic auditor. It is beneficial to integrate audit resources, save audit costs and improve work efficiency during the auditing process. The audit expenses will be thus reduced which is in the interests of the Group and Shareholders as a whole.

An ordinary resolution will be proposed at the EGM to seek for approval of the appointment of SHINEWING and fixing of the abovementioned audit fee for the year ended 31 December 2022.

3. EGM

The EGM is to be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 8 February 2023. The notice of the EGM is set out in Appendix I to this circular.

LETTER FROM THE BOARD

Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a Shareholder. If you intend to appoint a proxy to attend the EGM and vote on your behalf, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return it, by hand, by post or by facsimile, to the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders only) as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be) (i.e. before 10:00 a.m. on Tuesday, 7 February 2023). Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

4. CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders who are entitled to attend and vote at the EGM, the register of members of H shares will be closed from Friday, 3 February 2023 to Wednesday, 8 February 2023 (both days inclusive), during which period no transfers of H Shares will be effected. H Shareholders whose names appear on the H shares register of members of the Company at the close of business on Thursday, 2 February 2023 are entitled to attend and vote at the EGM.

In order to qualify to attend and vote at the EGM, all transfer instruments accompanied by the relevant share certificates must be lodged by H Shareholders with the Company's H Share Registrar, namely, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 2 February 2023.

5. VOTING

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules and Article 119 of the Articles of Association, unless the chairman makes a decision in the spirit of honesty and credibility and agrees that the resolution on relevant procedures or administrative matters shall be voted on by show of hands, voting for a general meeting shall be held by ballot.

Pursuant to Article 111 of the Articles of Association, Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share. Pursuant to Article 120 of the Articles of Association, on a poll taken at a meeting, a Shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.

6. RECOMMENDATION

The Board considers that the proposed resolution at the EGM is fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM.

LETTER FROM THE BOARD

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in satisfaction of the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors after having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
By order of the Board
Shandong Gold Mining Co., Ltd.
Li Hang
Chairman



SD-GOLD

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)****NOTICE OF 2023 FIRST EXTRAORDINARY GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 2023 first extraordinary general meeting (“**EGM**”) of Shandong Gold Mining Co., Ltd. (the “**Company**”) will be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 8 February 2023 for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

1. To approve the resolution on the proposed change of the domestic auditor of the Company to ShineWing Certified Public Accountants (Special General Partnership) for the year 2022.

By order of the Board
Shandong Gold Mining Co., Ltd.

Li Hang*Chairman*

Jinan, the PRC
19 January 2023

As at the date of this notice, the executive directors of the Company are Mr. Liu Qin, Mr. Wang Shuhai and Mr. Tang Qi; the non-executive directors of the Company are Mr. Li Hang, Mr. Wang Lijun and Ms. Wang Xiaoling; and the independent non-executive directors of the Company are Mr. Wang Yunmin, Mr. Liew Fui Kiang and Ms. Zhao Feng.

Notes:

1. Holders of the Company's H Shares should note that the register of members of the Company will be closed from Friday, 3 February 2023 to Wednesday, 8 February 2023 (both days inclusive). All transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, namely Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 2 February 2023. H Shareholders whose names appear on the H shares register of members of the Company at the close of business on Thursday, 2 February 2023 are entitled to attend with their identity cards or passports and vote at the EGM. The record date and arrangements in respect of the holders of A Shares of the Company who are entitled to attend the EGM will be determined and announced separately in the PRC.
2. Any shareholder entitled to attend and vote at the EGM is entitled to appoint a proxy or more proxies (who need not be a shareholder of the Company) to attend the EGM and vote thereat in his stead. For any shareholder who appoints more than one proxy, the voting right can only be exercised by his/her proxies on a poll.
3. Any shareholder who intends to appoint a proxy to attend the EGM shall put it in writing, with the proxy form to be signed by the appointor or his attorney duly authorized in writing. If the appointor is a corporation, the proxy form must be affixed with its common seal, or signed by any of its directors or attorney duly authorized in writing. If the proxy form is signed by an attorney authorized by the appointor, the power of attorney or other authorization documents must be notarially certified. The notarially certified power of attorney or other authorization documents together with the proxy form must be delivered to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H shareholders only) not later than 24 hours before the time appointed for the holding of the EGM (i.e. before 10:00 a.m. on Tuesday, 7 February 2023). Completion and return of the proxy form will not affect the rights of the shareholders to attend and vote at the EGM in person.
4. Proxies of holders of the Company's H Shares shall bring along the proxy form, instrument(s) for appointing a proxy (if applicable) and the proxies' identity cards or passports to attend the EGM.
5. According to Article 108 of the Articles of Association, an ordinary resolution shall be passed by more than half of the votes cast by the shareholders (including proxies) present at the general meeting, while a special resolution shall be passed by more than two-thirds of the votes cast by the shareholders (including proxies) present at the general meeting.
6. Directors, supervisors and senior management of the Company and the witnessing lawyers and other relevant personnel employed by the Company will attend the EGM.