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**TAUNG GOLD** | **TAUNG GOLD INTERNATIONAL LIMITED**  
**壇金礦業有限公司\***  
(Incorporated in Bermuda with limited liability)  
(Stock Code: 621)

**FURTHER DELAY IN DESPATCH OF CIRCULAR –  
VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE  
ENGINEERING PROCUREMENT AND CONSTRUCTION CONTRACT  
FOR JEANETTE GOLD PROJECT (PHASE 1)**

Reference is made to (i) the announcement and supplementary announcement of Taung Gold International Limited (the “**Company**”) dated 30 December 2019 and 20 May 2020, respectively (collectively the “**Announcements**”), in relation to, *inter alia*, the EPC Contract and the additional information in relation to the transactions contemplated under the EPC Contract; and (ii) the announcements of the Company dated 30 April 2021 (the “**First Delay Announcement**”) and 23 December 2021 (the “**Second Delay Announcement**”), respectively, in relation to the delay in despatch of the Circular. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements, the First Delay Announcement and the Second Delay Announcement.

As set out in the Second Delay Announcement, the Circular containing, amongst other things, information required under the Listing Rules regarding the EPC Contract, the First Supplementary Agreement and the Lump Sum Offer Supplementary Agreement, and the notice of the SGM, was expected to be despatched to Shareholders on or before 31 December 2022.

As set out in the EPC Contract and the Lump Sum Offer Supplementary Agreement, in order to ascertain the amount of the Lump Sum Offer, the Group and MCC previously agreed to commence with the Basic Design for the Project. The Company has been continuously liaising with MCC regarding the commencement of the Basic Design. However, given the enduring travel restrictions and quarantine measures in force in the PRC since the outbreak of COVID-19, reciprocal in-person visits to MCC by the Company’s management, and of the MCC technical team to the Project site in South Africa, were either prohibited (or required lengthy quarantine periods for visitors) up to the date of this announcement. With the recent announcement of an initial easing in travel restrictions, management anticipates that in-person visits between the Company and MCC may be possible again within the next 12 months. The Company and MCC continue to communicate on the Basic Design and to monitor closely any changes to the travel restrictions in the PRC, which may allow the commencement of the Basic Design.

## **FUTURE PLANS**

The purpose of the EPC contract is to facilitate the commencement of the development of the Jeanette mine. EPC contracts are project finance documents that establish a contractual framework between owner and contractor in terms of which design and construction risk is transferred to the contractor. It therefore regulates the basis on which MCC will be required to provide the necessary resources to make mine development possible. In addition to the technical and human resources aspects, the Company and MCC will work together to source financing for the construction and commissioning of the Project. Upon full easing of PRC travel restrictions, the Company and MCC will begin with the Basic Design, which is expected to take 9 to 12 months. The negotiations with potential financiers will also be re-commenced with a view to securing financing and finalizing funding plans upon, or as close as possible after, completion of the Basic Design. The entire process of Basic Design and the arrangement of financing should reasonably be completed within approximately 12 to 18 months.

According to the current EPC contract, the construction and development of Phase 1 of the Jeanette mine should last approximately four years.

As additional time is required for the Basic Design and to (i) prepare for the finalization of the Lump Sum Offer, potential financing arrangements, entering into the Lump Sum Offer Supplementary Agreement, which is expected to take place by December 2023 (subject to the above-mentioned easing of travel restrictions); and (ii) to finalize the content of the Circular, the despatch of the Circular and the notice of the SGM will be postponed to on or before 31 December 2023.

By Order of the Board  
**Taung Gold International Limited**  
**Cheung Pak Sum**  
*Co-chairman*

Hong Kong, 22 December 2022

*As at the date of this announcement, the executive directors of the Company are Mr. Christiaan Rudolph de Wet de Bruin (Co-chairman), Ms. Cheung Pak Sum (Co-chairman) and Mr. Phen Chun Shing Vincent; and the independent non-executive directors are Mr. Chong Man Hung Jeffrey, Mr. Li Kam Chung and Mr. Tsui Pang.*

\* *For identification purposes only*