



FACT SHEET

LXML SEPON LAO PDR

Sepon is an open-pit gold - copper mine in Vilabouly district, Savannakhet province, southern Laos. Lane Xang Minerals Limited (LXML) is the registered name of the company which owns and operates Sepon. Chifeng Jilong Gold Mining Co., Ltd. (Chifeng Gold) owns 90% of LXML, and the Lao Government owns 10%.

Since operations commenced in 2003, LXML Sepon has produced over 1.1 million tonnes of copper cathode and over 1.5 million ounces of gold doré and has contributed

over US\$1.6 billion in direct revenue to the Lao Government through taxes, royalties and dividends. Indirect benefits through employment, training, community, and local business development programs have also contributed significantly to social and economic development in the Lao PDR.

In 2022, Sepon produced 6.7 tonnes of gold doré and 6,600 tonnes of copper cathode. 2023 production guidance for Sepon is more than 6 tonnes of gold doré and 7,000 tonnes of copper cathode.



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万象矿业有限公司
CHIFENG LXML SEPON

**BENEFIT MORE PEOPLE THROUGH
THE DEVELOPMENT OF CHIFENG GOLD**



KEY FACTS

Operation Name	Lane Xang Minerals Limited (LXML Sepon)
Parent and ownership percentage	Chifeng Gold 90% and the Government of Lao 10%
2022 Production	6.7 tonnes of gold doré and 6,600 tonnes of copper cathode
Location	Vilabouly District, Savannakhet Province, Lao PDR
Product	Gold doré & Copper cathode
Mining Method	Open-pit mining and underground stoping
P&P Mineral Reserves	1.09 million ounces
Average grade of P&P Mineral Reserves	Underground 10.8 Mt at 3.1 g/t Au
M&I Mineral Resources	29.3 Mt at 3.8 g/t Au for 3.5 Moz contained
Geological Setting	Quartz carbonate veins with pyrite
Processing Method	Gold - Flotation, POX and Carbon-in-leach Copper - Whole-of-ore leach, solvent extraction and electrowinning
Commenced Operation	Gold was first produced at Sepon in December 2002, copper in 2005. Gold production ceased in 2013 and resumed in June 2020
Estimated Mine Life	Copper production to 2024 Gold production to 2030
2022 Total Workforce Composition	LXML employees – 2,548 (25% female), Contractors – 2,377 (10% female) Lao Nationals – approximately 95% of workforce



OPERATIONS

Underground Exploration

Sepon mine will operate the first modern underground mine in Lao PDR.

With a mineral resource of 9.5 million tonnes and projected ore production to increase from 400,000 tonnes in 2023 to 1.2 million tonnes per annum thereafter, the "Discovery Deeps Underground Mine" is expected to extend Sepon's mine life for at least another ten years, to 2033, contributing to poverty reduction and sustainable development in host communities.

The underground mine will extend 450 metres below the surface. The decline access tunnel will be more than 1,800m long, 5m high and 5m wide to accommodate modern underground excavation and drilling equipment.

Gold Production

Since gold production commenced in 2003, Sepon produced over 1.5 million ounces of gold doré. Gold production ceased in 2013 due to price and other

factors. In June 2020, Sepon recommenced gold production, marking the beginning of a New Gold Era for Sepon mine under Chifeng Gold.

Sepon invested in new facilities and equipment, including a flotation plant, oxygen plant, and an elution and carbon regeneration plant to process primary gold ore and improve recovery. This significant investment is expected to extend Sepon's mine life for at least ten years.

Copper Production

Since copper production commenced in 2005, Sepon produced over 1.1 million tonnes of copper cathode. Sepon produces copper cathode using a whole-of-ore leach, solvent extract and electrowinning (SX-EW) process. Copper cathodes are then transported via road and sea to manufacturers of cable, wire and tube in Asia.

Our copper production also uses a heap leach solution that will allow Sepon to process the significant low-grade primary copper resource that would otherwise be uneconomical to process.



MISSION

BENEFIT MORE PEOPLE WITH THE DEVELOPMENT OF CHIFENG GOLD

VISION

BECOME A GLOBALLY WELCOMED MAJOR GOLD PRODUCER

VALUES



SAFETY AND SUSTAINABILITY



DILIGENCE AND PERSEVERANCE



COOPERATION AND RESPONSIBILITY



TRANSPARENCY AND HONESTY



LEARNING AND GROWTH



RESPECT AND COMMUNICATION



SUSTAINABLE DEVELOPMENT

Employee Localisation

Sepon provides Lao employees with training and career advancement opportunities and support. Millions of dollars have been invested in tertiary scholarships for Lao employees to study in Australia, in apprentices programs, coaching, formal and on-the-job training to develop industry skills. Over 180 Lao nationals are in superintendent and supervisory positions.

Community-led Projects

Over 40,000 people in 72 villages around the mine have better access to basic services through the Community Development Fund and Fund for the Assistance to the Disadvantaged Groups. LXML has invested more than US\$20 million in projects including, schools, roads, latrines, fishponds, and potable water access.

Income Generation

LXML's business development programs aim to diversify income opportunities, create a climate for new businesses to flourish, and build sustainable livelihoods for the community beyond mine closure. LXML purchases at least US\$3 million (75% of its fruits, vegetables, and local produce) through 50 local businesses - a combined income over US\$50 million - creating income opportunities for local people.

National Infrastructure Improvement

LXML has invested hundreds of millions of dollars in electrification, national road networks, and UXO clearance, making communities safer and increasing development opportunities in Savannakhet and Lao PDR.

ABOUT

Chifeng Jilong Gold Mining Co., Ltd

Chifeng Gold owns and operates the Jilong, Huatai, and Wulong Gold Mines, and the Hanfeng Lead and Zinc Mine in China.

Chifeng Gold also owns and operates the Sepon Copper and Gold Mine in Lao PDR and the recently acquired Wassa Gold Mine in Ghana. The Company is seeking to acquire more high quality gold projects to expand into a mid-tier international mining company.

Chifeng Gold recently signed an historic cooperation agreement with Lao Mining Development State Enterprise (LMD) for additional exploration and development of mineral resources in Lao PDR including, gold, copper and rare earth.

KEY FIGURES



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