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**Ganfeng Lithium Co., Ltd.**  
江西赣锋锂业股份有限公司

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1772)**

## **CSRC'S APPROVAL ON ISSUANCE OF ADDITIONAL H SHARES UNDER GENERAL MANDATE**

The 2019 annual general meeting (the "AGM") of Ganfeng Lithium Co., Ltd. (the "Company") held on June 24, 2020 considered and approved the proposed special resolution in respect of seeking authorization from the shareholders of the Company of the grant of a general mandate to the board for issue of A shares or H shares of the Company (the "General Mandate"). The proposed special resolution has been passed at the AGM and the Company has been granted the general mandate, to issue, allot and grant additional H shares not exceeding 20% of the amount of the issued H shares of the Company on June 24, 2020, being 40,037,160 H shares.

The Company recently received a Reply on Approving Ganfeng Lithium Co., Ltd. to Issue Overseas Listed Foreign Shares (Zheng Jian Xu Ke [2020] No. 1510) dated July 20, 2020 from China Securities Regulatory Commission (the "Reply") to approve the Company to issue not more than 40,037,160 H shares. The Reply is valid for 12 months since the date of approval.

The board (the "Board") of directors (the "Directors") of the Company, in accordance with the General Mandate, has formulated the following issuance plan:

### **(I) TYPE AND NOMINAL VALUE OF SHARES TO BE ISSUED**

The shares to be issued are overseas-listed foreign shares (H shares), all of which are ordinary shares, to be subscribed for and traded in Hong Kong dollars, with a nominal value of RMB1 each. The H shares to be issued will be listed on the main board of The Stock Exchange of Hong Kong Limited in accordance with relevant regulations.

The H shares to be issued, when issued and fully paid, will rank pari passu in all respects with all other H shares on the date of the issuance of H Shares, including the right to receive all dividends declared or paid on or after the date of the issuance and the right of distribution.

## **(II) TIMING OF ISSUANCE**

The Company will choose an appropriate time and issuance window to complete the additional issuance of H shares within the validity period of the resolutions, which shall be determined by the chairman and his authorized person(s) as authorized by the Board according to the international capital market conditions and the approval progress of domestic and overseas regulatory authorities.

## **(III) METHOD OF ISSUANCE**

The method of issuance is accelerated bookkeeping for the issuance of new H shares. The Company will enter into a placement agreement with an independent placement agent appointed to procure professional, institutional and/or other investors, on a best efforts basis, to subscribe for the corresponding placing shares.

According to the practice and condition of the international capital market, the marketing scope of this offering shall include: (1) offering to qualified institutional investors in the United States (“US”) in accordance with Rule 144A under the Securities Act of 1933 and the amendments thereof; and (2) offering outside US in accordance with Regulation S under the Securities Act of 1933 and the amendments thereof.

## **(IV) SIZE OF ISSUANCE**

Under the premise of complying with the relevant regulatory provisions on the issuance ratio of the place where the shares of the Company are listed, and in combination with the capital needs for future business development of the Company, the number of H shares of the issuance shall not exceed 20% of the total share capital of the H shares of the Company before the issuance (being not more than 40,037,160 H shares to be issued) according to the General Mandate. The final issuance quantity shall be determined by the chairman and his authorized person(s) as authorized by the Board in accordance with applicable laws, regulations, regulatory approvals and market conditions.

## **(V) PRICE DETERMINATION METHOD**

The price of the issuance of H shares shall be determined after arm's length negotiations and through an accelerating book-building process taking into account of the interests of the existing shareholders of the Company, the acceptability of investors and the risks of issuance, and in combination with the corresponding order demand as well as with reference to the recent market price of H shares and the capital market conditions at home and abroad.

## **(VI) ISSUANCE TARGETS**

Under the premise of meeting the standards of market promotion scope, the issuance of H shares is intended to be offered on a global basis. The issuance targets include international institutional investors, other overseas investment institutions that meet relevant conditions and domestic qualified investors that are entitled to invest in overseas securities in accordance with relevant PRC laws. The final placees will be independent of the Company and will not be related to the Company or its connected person(s). It is expected that no placee will become a substantial shareholder of the Company immediately after the completion of the placing.

## **(VII) USE OF PROCEEDS**

After deducting the issue expenses, all of the proceeds raised from the issuance of H shares of the Company will be used for capacity expansion construction, research and development expenses, existing debt repayment, potential investment, replenishment of working capital and general corporate purposes. The specific plan and investment direction of the proceeds are subject to the disclosure approved and announced by the Board.

## **(VIII) VALIDITY TERM OF THE RESOLUTIONS**

The validity term of the resolutions of the issuance of H shares is from 30 June 2020 to the earlier of the following two dates: (1) twelve months from 30 June 2020; (2) the date on which the validity term of the general mandate granted by the Company at the 2019 annual general meeting expires. If the Company has also obtained the approval, permission or registration (if applicable) for the issuance from the competent regulatory authorities within the validity term for the resolutions of the issuance of H shares, the Company may complete the issue within the validity term of such approval, permission or registration. The Board of directors may seek for the consideration and approval of the extension of the validity term for the resolutions of the issuance of H shares at general meetings depending on the actual circumstances.

## **(IX) MATTERS IN RELATION TO THE GRANT**

To grant the chairman and his authorized person(s) to deal with matters relating to the issuance of H shares at full discretion, including but not limited to: (1) determining and implementing the specific plan of the issuance of H shares, including but not limited to the time of issuance, the size of issuance and all matters in respect of the issuance of H shares, and specifically implement matters related to the issuance of H shares. In addition to matters involving relevant laws, regulations and articles of association that must be voted on again by general meetings or the Board of directors, relevant matters such as the specific plan of the issuance of H shares shall be adjusted accordingly according to the changes in opinions of regulatory authorities, policy or market conditions; (2) carrying out all necessary and ancillary actions and procedures in relation to the issuance of H shares, including but not limited to, engage intermediary institutions, handle all approval, registration and filing procedures with the relevant regulatory authorities in connection with the Issuance of H Shares and listing on behalf of the Company, sign and/or approve all necessary legal documents for the Issuance of H Shares; (3) in accordance with the relevant laws and regulations, and the opinions, proposals of the regulatory authorities and actual circumstances, preparing, revising and submitting relevant filing materials, and dealing with the information disclosure matters relating to the issuance of H shares and listing, and handling information disclosure/exemption of disclosure related to the issuance of H shares in accordance with regulatory requirements; (4) revising the Articles of Association according to the issuance of H shares; (5) dealing with all other matters in relation to the issuance of H shares at full discretion.

The Company has not reached any definitive agreement in respect of the issuance of additional H shares, and there are uncertainties involved in such issuance. If there are any further development in relation to the issuance, the Company will, in a timely manner, discharge its information disclosure obligation and issue announcement(s) as and when appropriate. Investors are advised to be aware of the investment risks involved.

By order of the Board  
**GANFENG LITHIUM CO., LTD.**  
**LI Liangbin**  
*Chairman*

Jiangxi, PRC  
July 22, 2020

*As at the date of this announcement, the Board comprises Mr. LI Liangbin, Mr. WANG Xiaoshen, Ms. DENG Zhaonan and Mr. GE Zhimin as executive directors of the Company; Mr. YU Jianguo and Ms. YANG Juanjuan as non-executive directors of the Company; and Mr. LIU Jun, Ms. WONG Sze Wing, Ms. XU Yixin and Mr. XU Guanghua as independent non-executive directors of the Company.*