



AKN re-lists on the ASX following successful capital raising, proceeds with Koongie Park copper/zinc project

15 June 2021

AuKing Mining Limited

ABN 29 070 859 522

(ASX Code: AKN, AKNO)

AKN is a resource exploration and development company seeking to develop the Koongie Park copper/zinc project in Western Australia.

Issued Capital:

60,289,651
Ordinary shares
17,500,000
Options (30 June 2023 @
25c each)

Directors:

Dr Mark Elliott
Chairman
Peter Tighe
Non-Executive Director
Ian Hodgkinson
Non-Executive Director
Shizhou Yin
Non-Executive Director

Chief Executive Officer:

Paul Williams

Company Secretary:

Paul Marshall

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Highlights:

- Reinstatement to official quotation on ASX following completion of public offer to raise ~\$7m through the issue of 35m shares and 17.5m options exercisable at 25c (expiring June 2023)
- Total issued shares of 60.2M shares, creating a market capitalisation of \$12M and enterprise value of \$5M upon reinstatement of official quotation
- Capital raising was oversubscribed and provides financial flexibility to progress the 75% earn-in of Koongie Park
- Approximately 22% of the total issued shares will be subject to escrow restriction of between 12 and 24 months
- Koongie Park copper/zinc project is situated in the highly mineralised Halls Creek region of WA and comprises two mining and eight exploration licences covering 500km²
- Existing JORC 2012 resources of 6.36Mt at 1.3% Cu, 4.1% Zn, 0.3g/t Au and 26g/t Ag
- Koongie Park tenures are highly prospective for discovery of further Volcanic Massive Sulphide deposits and extensions
- Clear strategy in place for development and an active works campaign to commence immediately

AuKing Mining Limited (ASX: AKN) (“AKN” or the “Company”) is pleased to advise that the Company has been reinstated to official quotation on the Australian Securities Exchange (“ASX”) following the completion of a successful public share offer (“Offer”).

The Offer raised the maximum \$7m (before costs) through the issue of 35M new fully paid ordinary shares at an issue price of \$0.20 per new share. As part of the Offer, the Company has also issued 17.5M free-attaching options that will also be quoted on ASX. These options will be exercisable at \$0.25 each on or before 30 June 2023. Novus Capital acted as lead manager to the Offer.

Based on the readmission price, AKN has a market capitalisation of \$12M and an enterprise value of \$5M.

AKN will now focus on progressing its agreement with Anglo Australian Resources NL (ASX: AAR) to earn up to a 75% interest in the Koongie Park copper/zinc project (“Koongie Park”) (refer ASX announcement 25 June 2020).

Koongie Park is situated in north-eastern Western Australia in the highly mineralised Halls Creek region. The Koongie Park project comprises of 10 licences (two mining and eight exploration) covering an area of over 500km². The asset has existing JORC 2012 resources of 6.36Mt at 1.3% Cu, 4.1% Zn, 0.3g/t Au and 26g/t Ag.

Koongie Park remains significantly under explored at depth and highly prospective for further VMS base mineralisation at depths below 150m. The Company has identified multiple drill targets to expand on the existing known resources at both the Sandiego and Onedin deposits (refer Figure 1). Both of which remain open at depth and to the south.

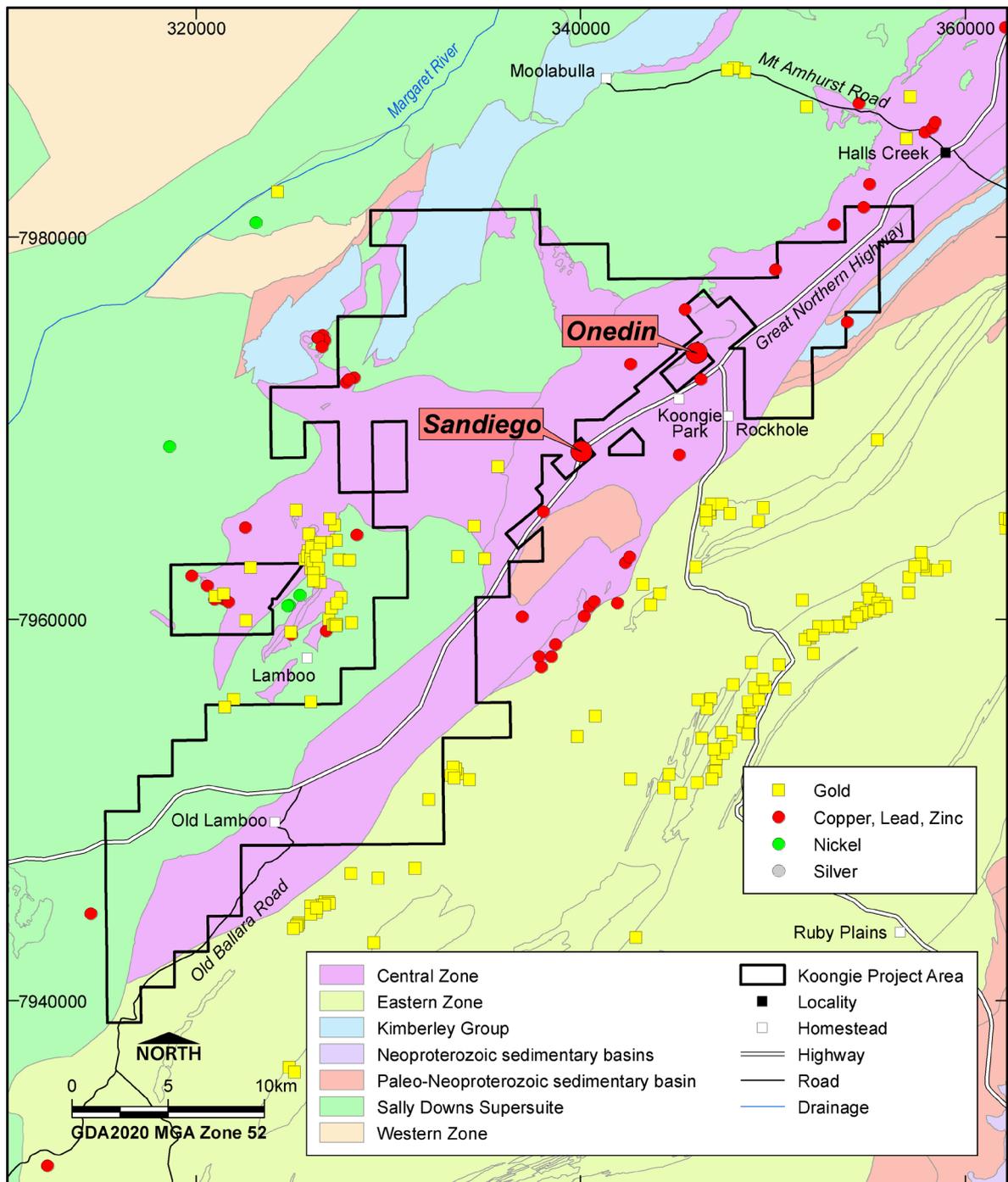


Figure 1 – Location of Sandiego and Onedin Deposits at Koongie Park

AKN has a clear strategy for the development of the Koongie Park project, which will include a 7000m reverse circulation (RC) and diamond drilling program to commence in August. The purpose of the drilling will include:

- Infill drilling of the Sandiego and Onedin deposits
- Improving interpretation for future resource estimation (designed to update the existing JORC 2021 mineral resource estimates)
- Test potential resource extensions
- Obtain fresh diamond core samples for metallurgical testwork.

The Company has also commenced regional exploration activities including re-interpretation of existing regional and local electromagnetic and magnetic geophysical survey data plus geochemical data to drive future target identification and further drilling. AKN also intends to proceed with metallurgical testwork to establish a processing solution for the near-surface oxide and transitional ores at the Onedin deposit, as well as reviewing, optimising and updating previous feasibility studies undertaken at Sandiego.

CEO Paul Williams said: *“We are very pleased to have received such strong support from a range of new investors and to have completed this capital raise, which will allow for our reinstatement to the ASX, as well as the financial flexibility to progress an active works schedule at Koongie Park.*

“Over the recent months, the Company has satisfied a number of conditions to progress the Koongie Park earn-in, and also assembled a leading Board and management team with a significant degree of technical, financial and commercial experience.

“The Company has developed a clear strategy for the Koongie Park project, with all activities designed to expand the existing project resources and create a potential pathway towards production within the next three to four years.”

ENDS

This announcement is authorised by:

Paul Williams
Chief Executive Officer
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+61 419 762 487

Competent Person’s Statement

The information in this report that relates to Mineral Resources at the Koongie Park Project is based on information compiled by Mr David Williams who is a member of the Australian Institute of Geoscientists. Mr Williams is a Principal Consultant Geologist (Brisbane) of CSA Global and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.’ Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information relating to the Mineral Resources at the Koongie Park copper/zinc project is extracted from the Independent Technical Report of CSA Global (the CSA Global Report), which is included in the Company’s Prospectus dated 9 March 2021 and which was lodged with ASX on 10 March 2021.

The report is available to view on the Auking Mining website www.aukingmining.com. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that

materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

AKN's mining tenement interests

Project/Location	Tenement Reference	AKN % Interest	Comment
WESTERN AUSTRALIA			
Koongie Park, Halls Creek	E80/ 4389	25	Refer Note 1
Koongie Park, Halls Creek	E80/ 4766	25	Refer Note 1
Koongie Park, Halls Creek	E80/ 4957 (Emull)	25	Refer Note 1
Koongie Park, Halls Creek	E80/ 4960	25	Refer Note 1
Koongie Park, Halls Creek	E80/ 5076	25	Refer Note 1
Koongie Park, Halls Creek	E80/ 5087	25	Refer Note 1
Koongie Park, Halls Creek	E80/ 5127	25	Refer Note 1
Koongie Park, Halls Creek	E80/ 5263	25	Refer Note 1
Koongie Park, Halls Creek	M80/ 276 (Sandiego)	Refer Note 2	
Koongie Park, Halls Creek	M80/ 277 (Onedin)	Refer Note 2	
Koongie Park, Halls Creek	P80/ 1802	Refer Note 3	
Koongie Park, Halls Creek	P80/ 1803	Refer Note 3	

Notes:

1. AKN has acquired an initial 25% interest in the Koongie Park Joint Venture, which has been established by an agreement dated 8 February 2021. The Joint Venture is based on each of the Exploration Licences set out above.
2. The two Mining Licences are not to be incorporated into the Koongie Park Joint Venture until AKN has completed the first earn-in milestone of \$1.5M in expenditure over a 24 month period. The Joint Venture provides for AKN to have access to these Mining Licence areas immediately for the purpose of exploration and development activities.
3. Both of these Prospecting Licences are the subject of amalgamation applications to incorporate the full area of the licences into E 80/ 5127. It is expected that the amalgamation applications will be dealt with in the near future.