

17 December 2024

ASX RELEASE

Cloncurry Project Update

AuKing Mining Limited (ASX: AKN, AuKing) is pleased to provide an update on the proposed activities at the Cloncurry gold project in north-western Queensland, after receiving a briefing from Orion Resources about its plans for 2025. As announced on 27 November 2024 AuKing proposes to earn-in a 15% interest in the Cloncurry gold project after incurring \$1.5M in project expenditure before 31 December 2025.

Highlights of the Orion Resources briefing include the following:

- **Preparation of a Conceptual Mining Study and Mineral Resource Review:** Orion has engaged consultants to complete a Conceptual Mining Study and Mineral Resource Review of the Mt Freda and Golden Mile project areas (which areas are the subject of the AuKing earn-in agreement).
- **Delineation of updated JORC Resources at Mt Freda:** Proposed drilling at Mt Freda/Golden Mile is intended to increase confidence in the resource estimates and support proposed mining and economic studies.
- **Lorena Processing Facility Recommissioning Study:** Work is planned to prepare a fully-costed project plan to recommission the Lorena Processing and Tailing Disposal facility.
- **Drilling at nearby Mt Scheelite project:** AuKing's earn-in expenditure will include further drilling at the nearby Mt Scheelite project with historical drilling results such as:

MS22DD001 15m @ 6.96g/t Au from 28m including

- 6m @ 7.41g/t Au from 28m
- 5m @ 11.20 g/t Au from 37.5m, including
- 2.5m @ 15.54 g/t Au from 40m

[See ASX release 21 November 2022 by Tombola Gold Limited].

AuKing's Managing Director, Mr Paul Williams, said that the proposed Orion transaction presents an exciting opportunity for the Company to secure an interest in a near-term gold producing asset situated in north-western Queensland.

“Clearly, the exploration work to be conducted by AuKing’s exploration team as part of the earn-in arrangements (at Mt Freda, Golden Mile and probably the nearby Mt Scheelite prospect) is going to provide essential information for Orion Resources to realise its aims to re-establish mining and processing operations in and around the Lorena facility,” said Mr Williams.

Cloncurry Project

Orion Resources Pty Ltd (**Orion**) has entered into an asset sale agreement (**ASA**) to acquire the existing Lorena processing plant and associated facilities, situated approximately 15 kms east of Cloncurry in northern Queensland, together with various exploration and mining tenements in that area. As announced on 27 November 2024 AuKing proposes to earn-in a 15% interest in the Cloncurry project after incurring \$1.5M in project expenditure before 31 December 2025.

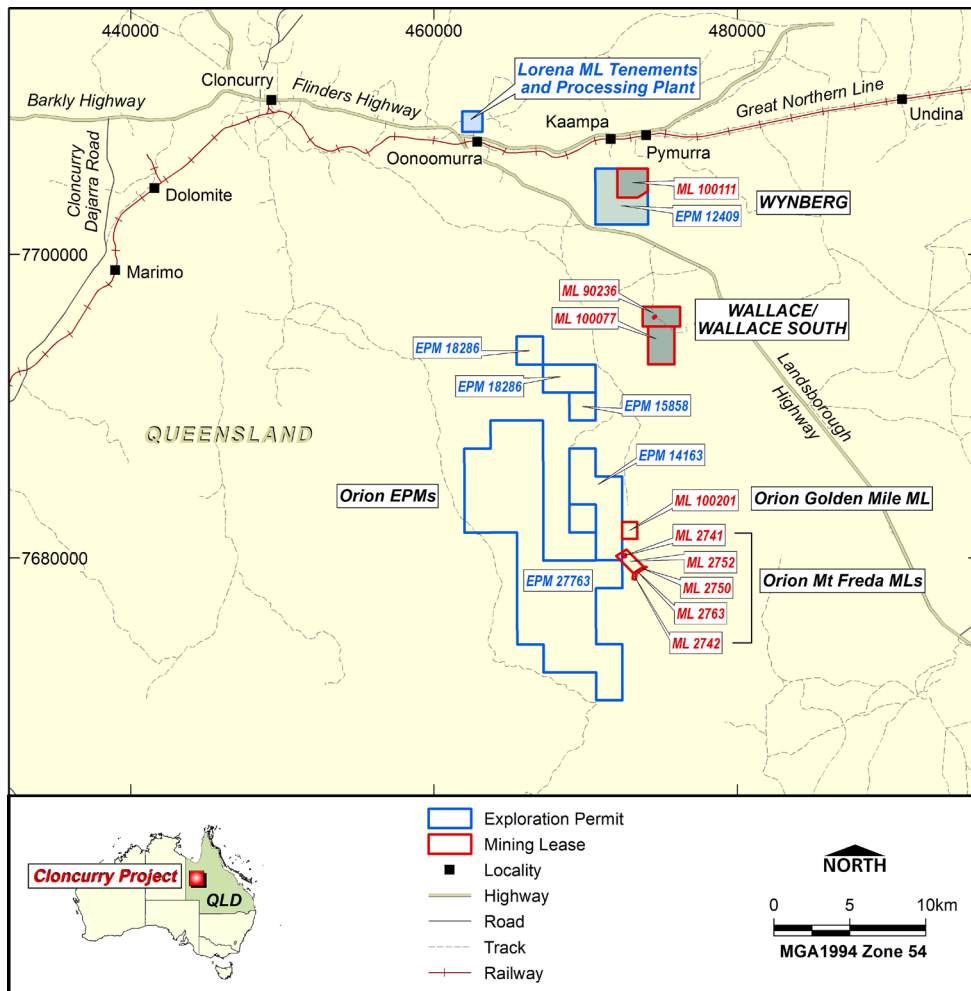


Figure 1 – Orion’s Cloncurry Project interests, including the Mt Freda/Golden Mill mining leases. [Note the nearby Wynberg and Wallace/Wallace South gold projects are not assets being acquired by Orion]

The Lorena plant is a 250,000 - 300,000 tonne per annum Gold/Copper processing plant and permitted tailings storage facility. In addition, Orion has acquired under the ASA additional exploration and mining tenements approx. 30kms to the south of the Lorena plant,

described as the “Mt Freda/Golden Mile Project”. The overall tenure package being acquired by Orion covers an area of 447km² in the Cloncurry Region.

Orion Resources’ Mining Re-Commencement Plans

Orion is developing a pathway to re-establish mining and processing operations at the Cloncurry project with a focus on restarting mining at the Mt Freda/Golden Mile deposits. As part of its recommencement strategy, Orion’s immediate focus is summarised below.



Figure 2 – Lorena Processing Facility

Conceptual Mining Study and Mineral Resource Review

Orion has engaged an industry recognised exploration and mining consulting group for the purposes of carrying out a Conceptual Mining Study and Mineral Resource Review of the Mt Freda and Golden Mile (Comstock and Shamrock) project areas (which areas are the subject of the AuKing earn-in agreement). The Conceptual Mining Study will update previous mining studies undertaken by the same consultants. The Study work will include a detailed review of the existing Mineral Resource estimation processes for the Mt Freda, Comstock and Shamrock pits and recommendations for exploration and delineation drilling to improve resource quality prior to undertaking further mine design and economic assessment. Orion anticipates the Mining Study and Mineral Resource Review to be complete late January/early February 2025.

Resource Estimates for Mt Freda/Golden Mile

On 4 March 2021 Ausmex Mining Group Limited (ASX: AMG) reported an upgraded mineral resource for the Mt Freda deposit (as shown in Table 1 below). Mt Freda has been mined historically, with remaining resources below the historical open pit controlled in their lateral

and vertical extents by a geological model. This model was created from lithological descriptions and geochemical data collected from holes drilled by various explorers since the 1980s.

RL	Material	Indicated			Inferred			Total			Cut-off (g/t Au)
		Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	
≥160	Oxide	234,000	2.95	22,100	103,000	2.4	7,900	337,000	2.78	30,000	0.5
	Fresh	146,000	2.29	10,700	40,000	1.85	2,400	187,000	2.19	13,200	
<160	Oxide	155,000	3.57	17,700	126,000	2.57	10,400	280,000	3.12	28,100	1.0
	Fresh	78,000	2.66	6,700	124,000	2.01	8,000	202,000	2.26	14,700	
	Total	613,000	2.91	57,300	393,140	2.27	28,700	1,006,000	2.66	86,100	-

Table 1 – Mt Freda mineral resource estimate (Refer AMG release to ASX 4 March 2021)

The primary intention of the proposed drilling to be conducted by AuKing under the earn-in will be to establish greater confidence around the Mt Freda/Golden Mile resources and facilitate proposed mining studies to support recommencement of mining and processing activities. As noted above, the drilling will be guided largely by the outcomes of the independent Conceptual Mining Study and Mineral Resource Review and further details will be announced early next year.

Lorena Processing Study

Another key activity is study work focussed on recommissioning the Lorena facility. This will include:

- Capex associated with plant refurbishment;
- Estimated operating costs and identification of suitable operating arrangements for the facility (contractors, employees etc);
- Crushing facilities;
- Tailings storage facilities including expansion of facilities and the associated regulatory approvals);

Orion's Next Steps

Orion considers the Conceptual Mining Study and Resource Review will provide guidance to proceed quickly through the typical project stage gates: Scoping, Pre-Feasibility and Feasibility stages prior to a production decision. As this is effectively a “re-start” of permitted mining and processing facilities in a region that is well familiar with mining operations there is a level of comfort that the Study process will not be cumbersome.

Mt Scheelite Exploration and Drilling

AuKing proposes to follow up excellent near-surface gold results from a recent drilling program conducted at Mt Scheelite. On 21 November 2022, Tombola Gold Limited (ASX: TBA) reported results from 24 reverse circulation (RC) holes (for a total of 2,020.6m) and 1 diamond (DD) hole (90.6m). Significant results from the program include:

- **15m @ 6.96g/t Au from 28m (MSDD001) including**

- 6m @ 7.41g/t Au from 28m
- 5m @ 11.20g/t Au from 37.5m, including
2.5m @ 15.54g/t from 40m
- **21m @ 3.27g/t Au from 34m (MS22RC001) including**
4m @ 11.53g/t from 34m
- **6m @ 6.9g/t Au from 47m (MS22RC003)**
- **18m @ 5.1g/t Au from 23m (MS22RC004) including**
6m @ 5.5g/t Au from 23m
5m @ 8.7g/t Au from 36m
- **14m @ 16.22g/t Au from 26m (MS22RC009) including**
4m @ 51.89g/t Au from 27m including
2m @ 83.90g/t Au from 28m

As shown in Figure 3 below, Mt Scheelite is situated only 600m to the west of the Golden Mile mining pits at Comstock and Shamrock. The extent of the initial near-surface gold results at Mt Scheelite (when considering the proximity to the Mt Freda/Golden Mile areas) makes it fairly evident that follow up drilling is required here and, where possible, will be included in the proposed AuKing activities.

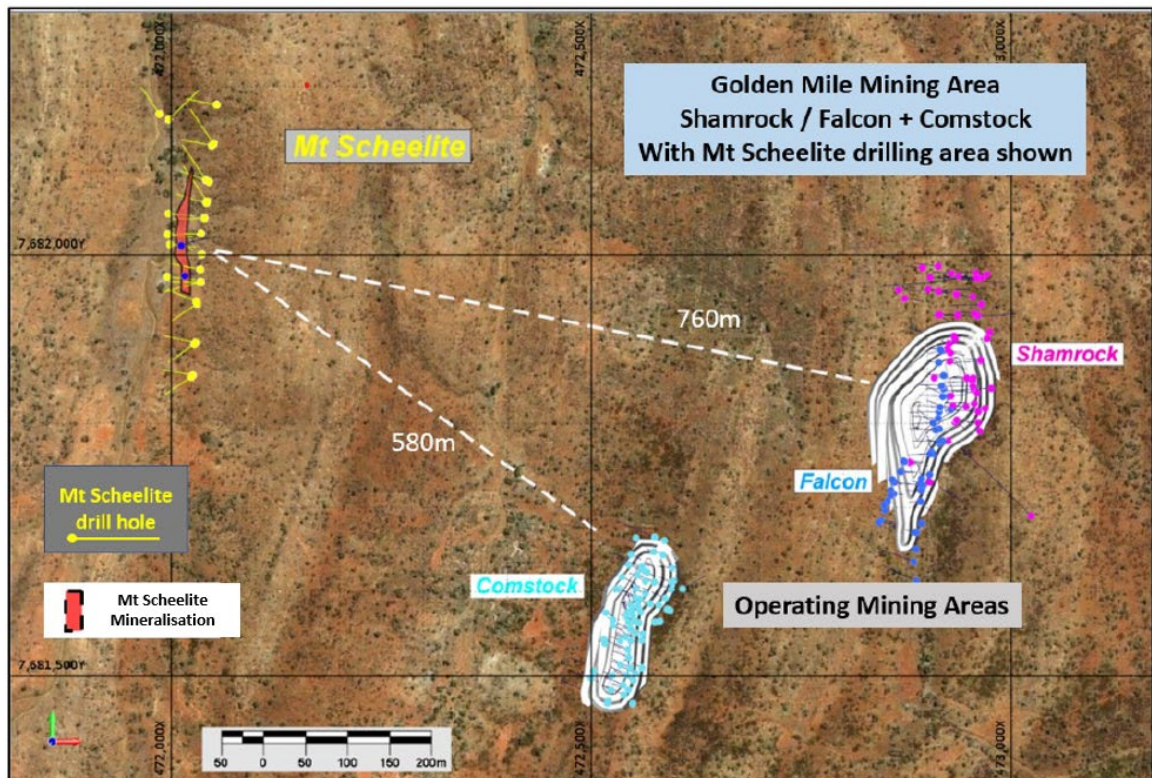


Figure 3 – Location of the Mt Scheelite drilling areas, with respect to the nearby Comstock and Shamrock pits (Refer TBA release to ASX on 21 November 2022)

ASX Disclosure re Historical Exploration Results

This ASX release contains information derived from public disclosures of Ausmex Mining Group Limited (ASX:AMG) and Tombola Gold Limited (ASX:TBA), both former owners of the

Lorena/Mt Freda/Golden Mile project areas. In accordance with ASX disclosure requirements the following additional matters need to be noted:

- The historical mineral resource estimates and drilling results reported in this release were made by a company other than AuKing namely, Ausmex Mining Group Limited and Tombola Gold Limited – companies that were listed (at the time) on the ASX;
- Copies of the historical resource estimates and drilling results can be obtained from the ASX announcements platform;
- The historical mineral resource estimate and drilling results at Mt Scheelite were reported under the requirements of the JORC Code 2012;
- AuKing's Competent Person believes that it is reasonable to rely on the resource estimate and drilling results in the manner presented in this release;
- AuKing intends (from now on) to report its own exploration results after the conduct of planned activities in accordance with the JORC Code 2012, utilizing historical data as a general background rather than the basis for future reporting;
- Details of the proposed future activities and funding of those activities are set out elsewhere in this release;
- A statement by Mr Chris Bittar, Competent Person is set out below;
- A cautionary statement in relation to the historical exploration results included in this release is set out above; and
- AuKing has no other reason to suspect that the historical mineral resource estimate as reported in this release are misleading.

This announcement has been authorised by Paul Williams, Managing Director, AuKing Mining Limited.

For more information, please contact:

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Competent Persons' Statement

The information in this report that relates to historical mineral resource estimate at the Mt Freda Project and initial drilling results at the Mt Scheelite prospect is based on information reviewed by Mr Chris Bittar who is a member of the Australasian Institute of Mining and Metallurgy. Mr Bittar is an employee of AuKing Mining Limited 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 Bittar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.