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ASX RELEASE

Cloncurry Gold Project Update – Feasibility work accelerating on Tick Hill gold reprocessing opportunity

AuKing Mining Limited (ASX: AKN, AuKing) is pleased to provide an update in relation to its Tick Hill joint venture, highlighting progress toward early-stage gold production at the historic Tick Hill mine and progress on the feasibility study activities.

HIGHLIGHTS

- **Tick Hill Joint Venture:** As announced on 31 March 2025, AuKing, Orion Resources Pty Ltd (“Orion”) and the current owner of the historical Tick Hill mine, Tick Hill Mining Pty Ltd (“THM”) entered into a joint venture term sheet, setting out the basis to establish a processing operation aimed at the existing tailings stockpiles at Tick Hill.
- **Feasibility Study progressing, underpinned by 2020 PFS:** The Tick Hill JV is advancing a feasibility study for the tailings reprocessing, based on a Pre-Feasibility Study completed by the previous project owner and released in June 2020. That PFS outlined a technically viable project, highlighting the presence of high-grade gold mining tailings and the potential to significantly enhance recoveries through fine grinding and reprocessing. The JV’s Study is building upon these findings, supported by data being obtained from current testwork.
- **Independent PEA confirmed key 2020 PFS Findings:** AuKing previously engaged an independent consultant to carry out a Preliminary Economic Assessment (“PEA”) of the key 2020 PFS reported findings. The AuKing PEA concluded that the proposed tailings retreatment at Tick Hill is technically and financially viable and the project should proceed to a final Feasibility Study.
- **Establishment of trial test work at Tick Hill:** For several weeks now, the Tick Hill owner has been conducting trial test work on the existing tailings – the results from this work will provide important information for the Tick Hill JV Study including valuable data on grind size optimization, energy usage, throughput rates and gold recovery performance, all of which will feed into the JV’s Feasibility Study.

AuKing’s Managing Director, Mr Paul Williams, noted that the Tick Hill JV provides a potential development pathway that leverages existing infrastructure, robust historical data and tailings retreatment optionality to support the broader proposed operating strategy at the Cloncurry Gold project.

“As one of the historically highest-grade gold mines in Australia, the opportunity to work in joint venture with the current Tick Hill owners is very compelling for AuKing. The intended establishment of early cashflows from this joint venture provides AuKing with the ability to establish its credentials with the Cloncurry Gold Project and allows for the development of other projects in the portfolio (such as Mt Freda) to be funded for the future,” said Mr Williams.

Tick Hill Project

Located approximately 120 kilometres south-east of Mount Isa, the Tick Hill deposit ranks among Australia’s highest-grade historical gold mines. Between August 1991 and February 1994, the operation produced 534,000 ounces of gold from 665,000 tonnes of ore at an average grade of 25g/t Au.

On 5 June 2020, then owner Carnaby Resources Limited (ASX:CNB) released the results of a Pre-Feasibility Study and a Maiden Ore Reserve for the project. The Study confirmed the technical and economic viability of a proposed mining and toll treatment operation targeting the remnant tailings and other near-surface materials.

Importantly, the 2020 PFS was based on a gold price assumption of A\$2,300/oz, which is less than half the current spot price highlighting the potential for enhanced project economics under the prevailing market conditions.



Figure1 – Aerial view of the tailings stockpile at Tick Hill (with the open pit just out of view to the right of the image)

Tick Hill Testwork

The Tick Hill owner, THM, has commenced testwork on the Tick Hill tailings, generating detailed technical data to inform the Feasibility Study. This includes ore feed rates, energy consumption, suitable grind sizing, and metallurgical recovery performance, key inputs that will support a robust engineering and financial assessment of the reprocessing opportunity.

AuKing's Independent Preliminary Economic Assessment (PEA)

Earlier this year, AuKing completed an independent PEA which had the primary objective of reviewing the reported outcomes from the 2020 PFS. AuKing previously reported that the PEA conclusions remain favourable for the Tick Hill tailings processing, with a recommendation that further studies continue to assess matters such as:

- Identify an optimal processing solution utilising facilities currently available at both Lorena and Tick Hill but also capable of being established and approved for operation;
- Assess the transportation access and proposed arrangements as between Tick Hill and Lorena;
- Confirm pricing of key consumables;
- Determine how to establish the required trained and experienced processing workforce at Lorena; and
- Confirm the timing and requirements for approvals processes.

The PEA Report also contained references to potential opportunities that might be available for the joint venture including:

- Additional gold-bearing tailing material at Tick Hill, not included in the 2020 PFS, which is lower grade and may be economic; and
- Potential for higher gold grades and/or recoveries than those that have been modelled.

Finally, the PEA contained recommendations that study work should be undertaken to assess the re-establishment of mining operations at the historical Tick Hill open pit. The independent assessment noted that the higher-grade material extracted from the open pit (as compared to the tailings material) creates a very attractive proposition in terms of potential economic returns but requires a larger investment to support the final investment decision.

More details will be provided about the Tick Hill JV Feasibility Study as and when information is properly assessed and becomes available.

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

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