

4 March 2025

ASX RELEASE

AuKing secures right to acquire 50% of Cloncurry Gold Project

AuKing Mining Limited (ASX: AKN) is pleased to announce that it has reached an important agreement to secure up to a 50% shareholding interest in Orion Resources Pty Ltd, the proposed new owner of the Cloncurry Gold Project in northern Queensland.

HIGHLIGHTS

- **Increase of Orion Shareholding:** AuKing previously announced agreement to acquire a 15% shareholding in Orion Resources Pty Ltd (**Orion**), after incurring \$1.5M expenditure on project-related activities at the Cloncurry Gold Project⁽¹⁾. The new agreement provides for the AuKing interest to increase to 50% by incurring a total of \$5M in project funding on or before 30 June 2027.
- **Acquisition of Cloncurry Gold Project:** Orion is advancing its proposed acquisition of the Cloncurry Gold Project, with financial close due in April.
- **Hub and Spoke Operating Model:** Orion is progressing various studies aimed at an early re-start of processing operations at the Lorena processing plant including mining at the Mt Freda/Golden Mile deposits and the potential to process material from the Tick Hill gold mine and tailings.

AuKing's Managing Director, Mr Paul Williams, said that the revised Orion acquisition presents an excellent opportunity for the Company to secure a significant holding in the Cloncurry Gold Project and take advantage of the strong investment market sentiment towards the gold sector.

"Having already secured the right to acquire a 15% interest, AuKing now has the ability to acquire a more substantial 50% total interest in the Cloncurry Gold Project assets that are being acquired for development by Orion. When you consider that those assets comprise a central processing plant (Lorena), mining and exploration licences and (as recently announced) access to materials from other mining projects in the region such as Tick Hill, AuKing is well-positioned to play a key role in overseeing the re-establishment of mining and processing operations around Cloncurry in north Queensland," said Mr Williams.

(1) Refer AKN announcement dated 27 November 2024 titled "\$1.385M rights issue shortfall funding: North Queensland gold Earn-In; Proposed Board changes"

Cloncurry Gold Project

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. The Lorena plant is a conventional carbon in leach gold processing facility. In addition, Orion has acquired under the ASA additional exploration and mining tenements approximately 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 is developing plans to re-establish mining and processing operations at Lorena, which includes possible tailings treatment from the Tick Hill mine operations and also mining at the Mt Freda/Golden Mile deposits. As part of a broader production strategy, Orion proposes to establish a central gold and copper processing hub for the region.

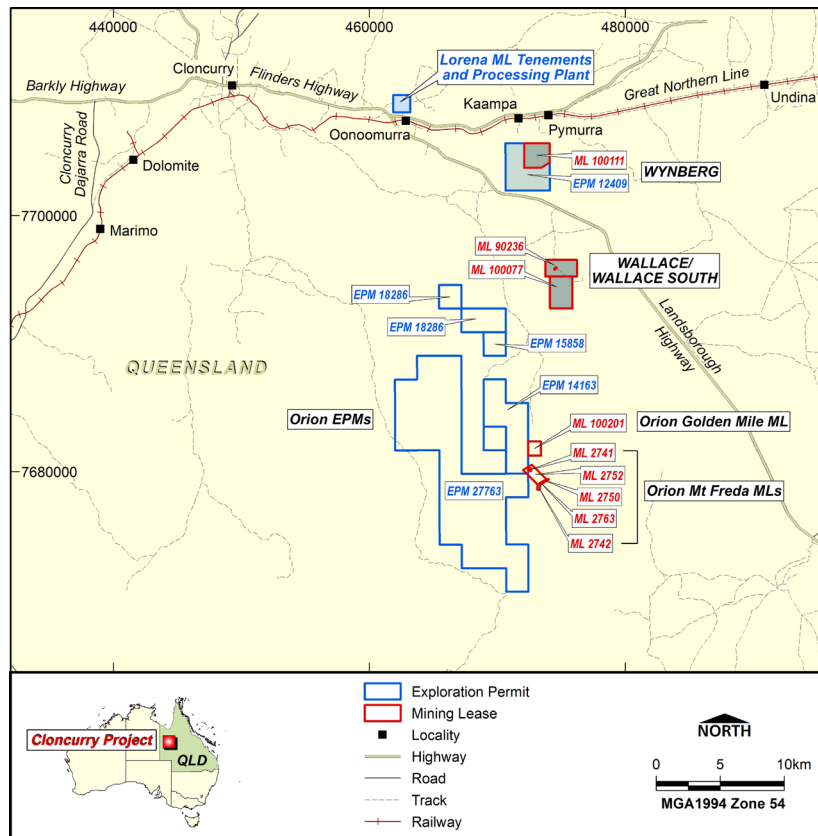


Figure 1 – Orion’s Cloncurry Gold Project interests, including the Mt Freda/Golden Mill mining leases. [Note the nearby Wynberg and Wallace/Wallace South gold projects are not assets being acquired by Orion]



Figure 2 – Lorena Processing Facility

Earn-in Agreement Terms

AuKing has previously entered into an agreement with Orion making provision for AuKing to earn up to a 15% interest in the Cloncurry Gold Project (via shares in Orion). The revised agreement now provides for that interest to increase to a total of 50% in accordance with the following terms:

- The focus of activities by AuKing will include exploration, drilling and resource estimation work associated specifically with the Mt Freda/Golden Mile Project areas, but also now addresses other aspects of Orion's development program including Tick Hill tailings re-processing and Lorena plant refurbishment.
- AuKing will have the right to earn a 50% interest in the total package of assets (comprising the Cloncurry Gold Project) that are being acquired by Orion by spending \$5M on Cloncurry Gold Project development activities, including proposed exploration, drilling and resource estimation work at Mt Freda/Golden Mile on or before 30 June 2027.
- AuKing will be involved in the various aspects of project development based around the Lorena plant as well as the resource development funding for the proposed Mt Freda/Golden Mile mining operation.
- On completion of the AuKing earn-in, an incorporated Joint Venture will be established with AuKing holding a 50% shareholding interest in Orion.
- In the event of AuKing failing to meet the \$5M expenditure amount, its interests in the Cloncurry Project will lapse.
- Some other features of the agreement between AuKing and Orion include:

- Orion will meet the purchase price obligations for the purchase of the Cloncurry Gold Project from its own sources and no funds are payable by AuKing; and
- There are no additional rights for AuKing to acquire further interests in the Cloncurry Gold Project after it acquires the 50% holding. To the extent any further rights are created, that will be a matter for future negotiation.

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

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