Auking Mining Limited

Suite 34, Level 10
320 Adelaide Street
Brisbane Queensland 4000

ASX:AKN

ABN 29 070 859 522
Phone 07 3535 1208
www.aukingmining.com

AUKING AKN

21 October 2025

ASX RELEASE

Cloncurry Gold Project Acquisition To Close In Early November

AuKing Mining Limited (ASX: AKN, AuKing) is pleased to confirm that the transformative acquisition of the Cloncurry Gold Project in north-west Queensland is scheduled to take place in early November. Orion Resources Pty Ltd (Orion) has entered into a binding term sheet for short-term funding which will enable completion of the acquisition to occur, prior to the final AuKing 100% acquisition of Orion being finalised shortly afterwards.

HIGHLIGHTS

- **Transformative Acquisition:** Agreement has been reached whereby AuKing will now acquire all of the issued shares in Orion, securing a 100% shareholding interest. It is proposed that AuKing will, subject to shareholder and other statutory approvals, issue new shares to the existing Orion shareholders for a total value of $16.28M.

- **Short-term finance secured by Orion:** The acquisition agreement signed by Orion to acquire the Cloncurry Gold Project is due to complete on 3 November 2025. Orion has entered a term sheet with an independent financier to provide short-term funding sufficient to enable it to meet its purchase obligations by that time, subject to completion of loan and security documents. The short-term Orion funding will be subsequently repaid from the proposed Nebari debt facility and proceeds from an entitlement offer to existing AuKing shareholders, details of which will be announced shortly.

- **Processing Hub Optionality:** The permitted 280,000tpa Lorena processing plant provides a rare, strategically located processing solution in the Cloncurry district, enabling AuKing to treat its own ore and also toll-treat third party mill feed, creating additional potential revenue streams and regional leverage through a “hub and spoke” business model – a proven approach employed in many locations around the world.

- **District-Scale Exploration Potential:** The Cloncurry Gold Project spans ~447km² of granted mining and exploration tenure centered on Mt Freda and Golden Mile, with multiple drill-ready gold and copper-gold targets. Historical drilling has defined JORC-compliant minerals resources, while additional prospects including Mt Scheelite, Little Duke and others provide significant discovery upside and evidence of IOCG-style mineralisation across the district. *(Refer to ASX release by Ausmex Mining Group (ASX Code AMG) on 25 February 2019).*

- **Acquisition subject to ASX approval:** AuKing has approached ASX to confirm that full ASX admission re-compliance will not be required under Chapter 11 of the ASX Listing Rules, and the proposed 100% Orion acquisition is conditional upon ASX providing this confirmation. Approval from AuKing shareholders will (in any event) be sought before the issue of further shares to the existing Orion shareholders is completed.

AuKing's Managing Director, Mr Paul Williams, said that Orion securing the short-term completion funding represents an important final step in completing the Cloncurry Gold Project acquisition and in unlocking the full value of this asset portfolio in a strong gold market.

"With Orion completing the Cloncurry acquisition in early November, AuKing will then focus on finalising the entitlement offer to existing shareholders and the 100% Orion merger over the next few weeks. In addition, we can focus entirely on project study and development activities. The Board views this acquisition as a substantial opportunity to transition AuKing into a gold developer and near-term producer while generating significant value for shareholders," he said.

About the Cloncurry Gold Project

The Cloncurry Gold Project represents one of the most substantial consolidated gold packages in the Cloncurry district, a region with a long history of high-grade production dating back to the early 20th century. Covering ~447km² across mining leases and exploration permits, the Project combines proven mines, modern infrastructure and district-scale exploration potential. In addition to underpinning AuKing's restart pathway, the Lorena processing plant offers the capacity to act as a regional processing hub for stranded deposits in the Cloncurry district, delivering strategic optionality beyond the Company's current landholding.

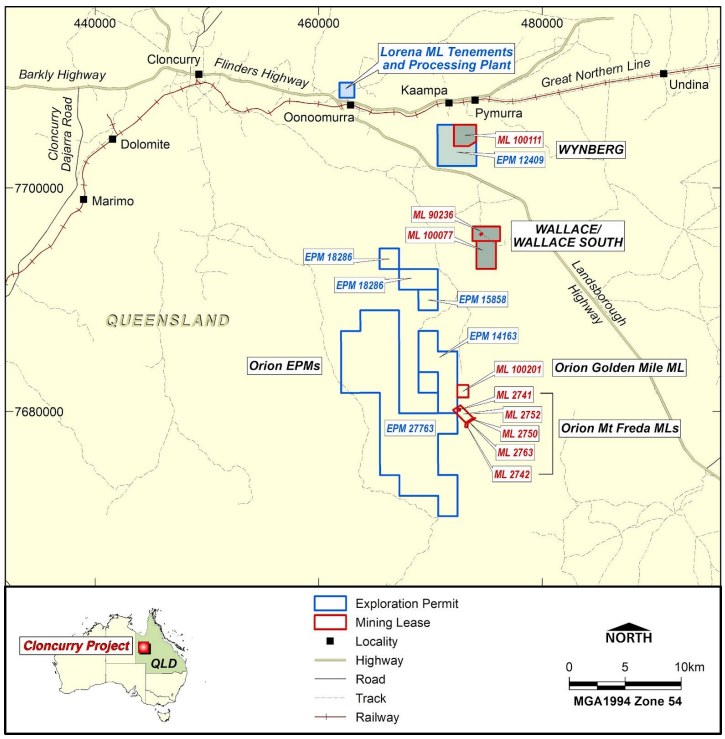

Figure 1 – Location of Cloncurry Gold Project assets (Wynberg and Wallace are excluded)

Lorena CIL Processing Plant – a modern hub

At the centre of the Cloncurry package is the permitted 280,000tpa Lorena CIL and flotation plant, commissioned in 2018 at a capital cost of more than A$50 million. Independently valued (on a replacement value basis) at over A$30 million recently, the plant was designed for long-term regional use, featuring SAG and ball mills, flotation circuit for sulphidic ores and a four-stage CIL system. It sits only 15km east of Cloncurry on sealed roads with and established water supply, providing the Cloncurry Gold Project with a rare, low-capital cost restart pathway and a potential toll-treating hub for third-party feed.

Figure 2 – Overhead of Lorena plant, tailings and waste rock stockpiles and open pit

Mt Freda – a cornerstone of past and future production

Mt Freda is one of Cloncurry's most recognised historic gold mines, producing significant ounces in the late 1980s and early 1990s when open pit mining exposed high-grade shoots within brecciated quartz-carbonate lodes. Subsequent operators including Ausmex and Tombola defined JORC-compliant resources and drilled extensions demonstrating that the system remains open along strike and at depth. Flanked by the Shamrock and Comstock pits on granted mining leases, Mt Freda forms the backbone of AuKing's near-term restart potential, with haulage roads and infrastructure already in place.

Figure 3 – Overhead of Mt Freda Complex, including open pit and proposed VAT processing

Golden Mile Complex – high grades on granted mining leases

Only 600 metres north of Mt Freda, the Golden Mile complex hosts a series of parallel shear-hosted lodes historically worked by underground and open pit methods. Modern drilling in 2022 returned high-grade intercepts confirming the continuation of mineralisation at depth and along strike. With Shamrock and Comstock pits already established, Golden Mile represents a low-cost, high-impact satellite to the Lorena processing plant, offering immediate resource definition and development upside.

Figure 4 – Overhead of Golden Mile Complex, Comstock pit to the left and Shamrock pit to the right

Mt Scheelite – pathway to growth

Mt Scheelite lies immediately west of the Comstock and Shamrock open pits. Drilling in 2022 confirmed shallow gold mineralisation hosted in quartz–siderite veins within chlorite–magnetite altered Proterozoic sediments. Mineralisation is structurally controlled, consistent with the gold systems seen at Mt Freda and Golden Mile. Previous programs intersected gold at near-surface depths, indicating strong potential for additional mineralised shoots. The system remains open along strike and at depth, with multiple extensions yet to be tested.

Regional Exploration Pipeline – a true district play

Beyond the known deposits, the consolidated landholding contains numerous walk-up drill targets and historic workings, many never systematically tested with modern exploration. Prospects such as Little Duke, Evening Star, Musk and Countess have returned strong geochemical anomalies and geophysical signatures consistent with copper-gold hydrothermal breccias and possible IOCG systems. The Cloncurry district has long been recognised for its polymetallic potential, and AuKing now holds a regional footprint that positions it to deliver both near-term gold production and longer-term Tier-1 discovery potential.

Tick Hill – one of Queensland's highest-grade past producers

The Tick Hill gold mine, 110km south-east of Mt Isa, produced ~665koz at a remarkable grade of ~25 g/t Au in the early 1990s ranking it among Australia's highest-grade deposits. Under AuKing's 50:50 joint venture with the Tick Hill mine owner, the historic tailings are being studied for possible toll-treatment through the Lorena processing plant. Pilot test work has

validated good metallurgical recoveries, and a 2020 Pre-Feasibility Study confirmed robust economics for toll-treating this material.

Orion Acquisition Terms

AuKing has entered into a binding Heads of Agreement with Orion Resources making provision for the implementation of the acquisition of 100% of the shares in Orion. This acquisition is intended to be effected in two contemporaneous stages:

- Firstly, by AuKing accelerating its existing earn-in right to acquire 50% of Orion for $5M in cash; and
- Secondly, with AuKing now acquiring the remaining 50% interest for a total consideration of $16.283M. This second stage acquisition is to be completed by way of the issue of ordinary shares in AuKing to each of the existing Orion shareholders in proportion to their holdings as at financial close. 50% of these shares will be the subject of voluntary trading restrictions for a period of either 12 months from issue or the delineation of a maiden reserve at Mt Freda, whichever is the earlier.

AuKing has approached ASX to confirm that full ASX admission re-compliance will not be required under Chapter 11 of the ASX Listing Rules, and the proposed 100% Orion acquisition is conditional upon ASX providing this confirmation. Approval from AuKing shareholders will (in any event) be sought before the issue of further shares to the existing Orion shareholders is completed.

AuKing also intends to conduct a significant capital raising by way of an entitlement offer to existing AuKing shareholders. The proposed AuKing raising is likely to be conducted by way of a renounceable rights issue with further details as to the offer terms to be announced shortly.

Next Steps

These include the following:

- Await response from ASX regarding Chapter 11 of the ASX Listing Rules;
- Orion takes all steps to close the existing sale contract to acquire the Cloncurry Gold Project in early November;
- Proceed with AuKing's proposed entitlement offer to existing shareholders;
- Execute binding facility agreement to finalise documentation with Nebari and drawdown the A$8M facility for acquisition funding purposes (*See AKN release to ASX on 3 September 2025)*;
- Convene a further extraordinary general meeting of AuKing shareholders, proposed to be held in late November 2025;
- Engage project team to commence detailed project planning. An assessment will be completed to leverage past knowledge and experience. This will benefit cost and time in the project plan and execution; and
- Aim of project work is to demonstrate viability in technical, financial, environmental, and social aspects while providing a basis for detailed design and financing support to resume operations.

AKN

Forward Looking Statements

This announcement contains "forward-looking statements". All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements.

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

For more information, please contact:

Paul Williams
Managing Director
Mobile +61 419 762 487
p.williams@aukingmining.com