

26 May 2022

The Manager
Listings Compliance
ASX, Sydney

RE: TERMINATION OF RIGHTS ISSUE UNDERWRITING AND WITHDRAWAL FROM PGE ACQUISITION AGREEMENT

Termination of Shortfall Underwriting

On 23 May 2022 AuKing Mining Limited (ASX:AKN) announced final details of the entitlement offer to existing shareholders ("Offer"). Under the Offer, AKN received acceptances from shareholders for a total of 2,691,644 new shares. The shortfall under the Offer was 22,505,735 shares, and in dollar terms, a shortfall amount of \$3,150,802.90 ("Shortfall").

As previously advised, in accordance with the Underwriting Agreement dated 19 April 2022, AKN provided details of the Shortfall to the underwriter, Vert Capital Pty Ltd ("Vert Capital").

On 25 May 2022 AKN received a notice from Vert Capital exercising its rights to terminate the Underwriting Agreement in accordance with Clause 10 and based upon the occurrence of the following "Termination Events" as detailed in Clause 10.2:

- **(Indices fall)** the S&P or ASX 200 Index closes on any two (2) consecutive trading days before the Shortfall Notice Deadline Date 5% or more below its respective level as at the close of business on the Business Day prior to the execution date;
- **(Share price fall)** the Company Share Price closes on any two (2) consecutive trading days before the Shortfall Notice Deadline Date 5% or more below the Offer Price.

Accordingly, AKN will not issue the Shortfall shares at the present time, however, as disclosed in the Offer Prospectus dated 20 April 2022, the Directors of AKN reserve the right to place any of the remaining Shortfall shares at the same price of \$0.14 cents per share (together with attaching options) for a three (3) month period after close of the Offer.

Withdrawal from PGE Acquisition Agreement

On 5 April 2022 AKN announced an agreement had been signed with Anglo Australian Resources NL (now called Astral Resources NL) (AAR) to acquire AAR's:

- 25% interest in the Koongie Park JV; and
- PGE rights across the Koongie Park tenure package,

referred to as "the AAR Acquisition Agreement".



A condition precedent under the AAR Acquisition Agreement allowed for AKN to withdraw in the event of AKN not successfully completing a minimum \$7M capital raising by 16 May 2022 ("Condition Precedent"). AKN and AAR agreed to extend the date for satisfaction (or waiver) of the Condition Precedent until 27 May 2022.

AKN has given notice to AAR that it will not satisfy the Condition Precedent and, as a result, the AAR Acquisition Agreement will be immediately terminated without any further effect.

AKN advises that the existing Koongie Park joint venture agreement will continue to operate and regulate the conduct of activities at the Koongie Park copper/zinc project. Furthermore, AAR will continue to hold 100% of the PGE and gold rights with respect to the Koongie Park tenures (but excluding the mining licences where Onedin and Sandiego are situated).

Annual General Meeting – Withdrawal of Resolution 8

A number of resolutions are on the agenda for consideration and approval by AKN shareholders at the AGM next Tuesday, 31 May 2022 at 9.30am. Included in these resolutions was Resolution 8 which was seeking approval to issue certain shares to AAR pursuant to the AAR Acquisition Agreement. As a result of termination of that agreement, the issue of shares to AAR will now not proceed and accordingly, Resolution 8 will be withdrawn from the list of Resolutions to be considered the AGM.

This announcement is authorised by:

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