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**18 February 2025** 

### **ASX RELEASE**

## **AuKing signs new Joint Venture for Koongie Park**

AuKing Mining Limited (ASX: AKN) is pleased to announce a new Joint Venture with ASX-listed Cobalt Blue Holdings Limited (ASX:COB) relating to the Koongie Park copper/zinc project in north-eastern Western Australia.

#### **HIGHLIGHTS**

- **New Earn-in Joint Venture**: COB has a two-staged right to earn up to a 75% interest in Koongie Park, by incurring \$2M of project expenditure over a 3 year period.
- **Metallurgical Expertise:** COB brings considerable metallurgical expertise to the Koongie Park copper/zinc project considered by AuKing to be a significant factor to advancing the project to feasibility study phases.
- **Issue of COB Sign-on shares:** COB to issue \$200k in ASX-listed COB shares to AuKing as part of establishment of the JV.
- New JV Ensures Good Standing of Project Tenures: COB expenditure at Koongie
  Park will ensure the project tenures remain in good standing over the next 2-3 years,
  allowing AuKing to direct its financial resources to other key project activities (such as
  the Cloncurry gold and Mkuju uranium projects).
- Significant Remaining Participating Interest: Depending on how far COB progresses with its earn-in rights, AuKing will hold a minimum 25% interest in the Koongie Park project when JV participating interests are established. This will remain a significant holding in the project, as its value increases with additional development activities.

**AuKing's Managing Director, Mr Paul Williams,** said that the new Joint Venture with Cobalt Blue is an excellent opportunity for AuKing, as it seeks to direct its primary funding resources towards the Cloncurry gold and Mkuju uranium projects for the foreseeable future.

"This is a very good time to introduce COB to the Koongie Park project. Not only will they bring significant funding to the project but their metallurgical experience and expertise will provide considerable benefits at this stage of the project's development. Further resource discovery and generation is important, but the 2023 Scoping Study previously identified that



there's a viable project at Koongie Project if the metallurgical considerations for this polymetallic resource can be addressed. We look forward to working with COB as they take the project forward over the next couple of years," Mr Williams said.

#### **Koongie Park Project Background**

AuKing has spent the past three years developing the Koongie Park copper/zinc project with activities including:

 Substantial drilling at the existing Onedin and Sandiego deposits reporting results including:

(AOWB003) - 124m @ 1.03% Cu, 1.08% Zn, 1.59% Pb and 50g/t Ag from 8m

(AORD001) – **106m** @ **0.53%** Cu, **2,69%** Zn and **10g/t** Ag

(AORD004) – 105m @ 1.94% Cu, 0.76% Zn, 55g/t Ag incl

16m @ 10.2% Cu, 1.03% Zn and 316g/t Ag

[See ASX releases by AuKing on 21 February and 24 February 2022 for further details]

- Exploring and drilling the lower-grade (but larger tonnage) Emull deposit.
- Upgrading the historical resource estimates at Onedin and Sandiego and reporting a maiden Emull resource estimate as follows:

Sandiego: 4.1Mt @ 1.40% Cu, 4.3% Zn, 0.2g/t Au, 25g/t Ag and 0.4% Pb

Onedin: 4.8Mt @ 0.70% Cu, 3.2% Zn, 0.1g/t Au, 38g/t Ag and 1.10% Pb

**Emull:** 12.2Mt @ 0.27% Cu, 0.38% Zn, 4.9g/t Ag and 0.09% Pb

TOTAL JORC 2012 Resource: 21.1Mt

[See more details about these resource estimates in the Annexure to this Report]

• Conducting detailed ammonia-based and other metallurgical testwork for the predominantly polymetallic mineralization that occurs at Koongie Park.

The project work undertaken by AuKing culminated in the delivery of a Scoping Study that was released in June 2023, reporting the following highlights:

- 11-year mine life, mining each of the Sandiego, Onedin deposits and nearby deposits currently owned by Cazaly Resources Limited
- Estimated \$134M development CAPEX 2.45 years payback
- Pre-tax NPV<sub>8</sub> of \$177M (assuming a Life of Mine (LOM) copper price of US\$3.90/lb)
- 39.7% IRR
- LOM EBITDA \$443.8M with average operating cashflow of \$40.3M pa.

#### [Disclosure Note:

- 1. See ASX release by AKN 1 June 2023 for more details, including cautionary statements in relation to the Scoping Study findings.
- 2. The Company is not aware of any material change to the material assumptions that were used in the Scoping Study underpinning the above forecast information.]



The results from this Scoping Study should now form the basis of future feasibility study work likely to be undertaken by COB as its activities at Koongie Park develop.

#### **COB Earn-in Joint Venture Terms**

A summary of the key terms of the agreement that has been reached with COB includes the following:

### Stage 1

- (Subject to satisfaction of certain conditions precedent including deeds of assignment and assumption being executed by relevant third parties), COB will acquire a 51% beneficial interest in the Project by issuing AuKing with A\$200k of COB shares (at an issue price of \$0.072 – set at the same level as the recent COB rights issue) which are to be held in voluntary escrow by AuKing for a six month period;
- To retain the 51% beneficial interest COB must meet a minimum expenditure of A\$500k by 30 June 2027;
- If COB does not meet this Stage 1 expenditure, AuKing can buy back a 2% interest (and return to a 51% interest) by reimbursing COB 2% of the amount of expenditure incurred by COB on the Project.

#### Stage 2

- COB will then have the right (but not the obligation) to earn up to a 75% interest (an additional 24%) in the Project by incurring an additional A\$1.5M expenditure on the tenements by 30 June 2028;
- If COB does not meet this Stage 2 expenditure, AuKing can buy back a 2% interest (and return to a 51% interest) by reimbursing COB 2% of the amount of expenditure incurred by COB on the Project; and
- Should AuKing's future JV interest dilute below 10% the interest shall revert to a 1% Net Smelter Royalty ('NSR').

#### For more information, please contact:

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## **JORC Resources**

#### **Onedin Mineral Resource Estimate and Metal Tonnes**

Zone	Classification	Tonnes (Mt)	Copper (%)	Zinc (%)	Gold (g/t)	Silver (g/t)	Lead (%)
Cu	Indicated	1.5	1.1	0.6	0.2	47	1.2
Dominant	Inferred	-	-	-	-	-	-
Zn	Indicated	3.3	0.5	4.3	0.1	34	1.0
Dominant	Inferred	-	-	-	-	-	-
Resource Total and Grades		4.8	0.7	3.2	0.1	38	1.1
Zone	Classification	Tonnes (Mt)	Copper (tonnes)	Zinc (tonnes)	Gold (oz)	Silver (Moz)	Lead (tonnes)
Cu	Indicated	1.5	16,500	9,000	9,600	2.27	18,000
Dominant	Inferred	-	-	-	-	-	-
Zn	Indicated	3.3	16,500	141,900	10,600	3.61	33,000
Dominant	Inferred	-	-	-	-	-	-
Total Metal Tonnes			33,000	150,900	20,200	5.88	51,000

Note: (1) Reported tonnes and grade are rounded

(2) Reporting cut-off grades of 0.4% Cu and 1% Zn have been applied to the Onedin deposit

#### **Sandiego Mineral Resource Estimate and Metal Tonnes**

	Classification	Tonnes (Mt)	Copper (%)	Zinc (%)	Gold (g/t)	Silver (g/t)	Lead (%)
	Indicated	1.7	2.3	0.8	0.3	18	0.2
Cu Dominant	Inferred	0.3	1.6	3.0	0.2	5	0.0
Dominant	Sub Total	2.0	2.2	1.1	0.3	16	0.1
_	Indicated	2.0	0.6	7.3	0.1	35	0.7
Zn Dominant	Inferred	0.1	0.2	6.1	0.1	10	0.1
Dominant	Sub Total	2.1	0.6	7.3	0.1	34	0.7
Resource 1	Resource Total and Grades		1.4	4.3	0.2	25	0.4
	Classification	Tonnes (Mt)	Copper (tonnes)	Zinc (tonnes)	Gold (oz)	Silver (Moz)	Lead (tonnes)
	Indicated	1.7	39,100	13,600	16,400	0.98	3,400
Cu Dominant	Inferred	0.3	4,800	9,000	1,900	0.05	0
Borninant	Sub Total	2.0	43,900	22,600	18,300	1.03	3,400
	Indicated	2.0	12,000	146,000	6,400	2.25	14,000
Zn Dominant	Inferred	0.1	200	6,100	300	0.03	100
Dominant	Sub Total	2.1	12,200	152,100	6,700	2.28	14,100
Total N	Total Metal Tonnes		56,100	174,700	25,000	3.31	17,500

Note: (1) Reported tonnes and grade are rounded

(2) Reporting cut-off grades of 0.8% Cu and 3% Zn have been applied to the Sandiego deposit



# **JORC Resources (cont.)**

**Emull Base Metals Deposit** 

### December 2022 Mineral Resource Estimate (0.15% Cu Cut-off)

	Indicated Mineral Resource									
Type	Tonnage	Cu	Zn	Pb	Ag	Cu	Zn	Pb	Ag	
	Mt	%	%	%	g/t	t	t	t	koz	
Oxide	0.26	0.28	0.72	0.16	5.4	700	1,800	400	50	
Transitional	0.34	0.29	0.68	0.17	7.0	1,000	2,300	600	80	
Fresh	1.8	0.31	0.57	0.14	6.6	5,600	10,400	2,400	390	
Total	2.4	0.30	0.60	0.14	6.6	7,300	14,500	3,400	510	

	Inferred Mineral Resource								
Type	Tonnage	Cu	Zn	Pb	Ag	Cu	Zn	Pb	Ag
	Mt	%	%	%	g/t	t	t	t	koz
Oxide	0.04	0.24	0.23	0.05	3.1	100	100		
Transitional	0.05	0.25	0.18	0.04	3.4	100	100		10
Fresh	9.7	0.26	0.33	0.08	4.6	25,200	32,300	7,400	1,420
Total	9.8	0.26	0.33	0.08	4.5	25,400	32,500	7,400	1,430

	Total Mineral Resource								
Type	Tonnage	Cu	Zn	Pb	Ag	Cu	Zn	Pb	Ag
	Mt	%	%	%	g/t	t	t	t	koz
Oxide	0.29	0.28	0.66	0.14	5.2	800	1,900	400	50
Transitional	0.39	0.28	0.61	0.15	6.6	1,100	2,400	600	80
Fresh	11.5	0.27	0.37	0.09	4.9	30,800	42,700	9,800	1,810
Total	12.2	0.27	0.38	0.09	4.9	32,700	47,000	10,800	1,940

#### Note:

The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

All Mineral Resources figures reported in the table above represent estimates at December 2022. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

# **Competent Persons' Statements**

The information in this report that relates to Mineral Resource Estimates at the Koongie Park Project (Onedin and Sandiego) is based on information compiled by Mr David Williams who is a member of the Australian Institute of Geoscientists. Mr Williams is a Principal Consultant Geologist (Brisbane) of CSA Global 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 Williams consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

The information relating to the Mineral Resource Estimates at the Koongie Park copper/zinc project (Onedin and Sandiego) is extracted from the Independent Mineral Resource Estimate of CSA Global (the Report) dated 4 April 2022, which is available to view on the AKN website www.aukingmining.com. The Report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Report.

The information in this release that relates to the Mineral Resource Estimate for Emull is based on information compiled by Mr Shaun Searle who is a Member of the Australasian Institute of Geoscientists. Mr Searle is an employee of Ashmore Advisory Pty Ltd and independent consultant to AuKing Mining Limited. Mr Searle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Searle consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.