



31 October 2019

The Manager
Listings Compliance
ASX, SYDNEY

RE: SEPTEMBER 2019 QUARTERLY ACTIVITIES REPORT

The activities of AuKing Mining Limited (“AuKing” or “AKN”) during the three months to 30 September 2019 were as follows:

Acquisition Activities

As advised on 30 September 2019, the Board of AKN is currently negotiating the contents of a binding term sheet relating to an Australian resource project. Finalisation of these negotiations has been delayed due to circumstances beyond AKN’s control. When the term sheet is signed it will involve a substantial transaction triggering Chapters 1, 2 and 11 of the ASX Listing Rules.

When the transaction is announced, AKN will then be required to carry out a significant capital raising, appoint a lead broker, secure shareholder approval for various aspects associated with the transaction, reconstitute the Board and complete the other re-compliance requirements of ASX. The Board and Management of AKN is already making initial preparations to in this regard.

Exploration Activities

No exploration was carried out by AKN during the period.

Exploration Expenditure for September 2019 Quarter

Nil exploration expenditure was incurred for the September 2019 Quarter.

Corporate Update

Suspension from Official Quotation

On 30 September 2019, official quotation of AKN’s shares was suspended by ASX. This suspension will remain in place until such time as the proposed transaction (noted above) is completed and all of the ASX re-compliance requirements are satisfied. AKN will keep the market and its shareholders updated as to progress in this regard.

ASX has advised that (subject to certain conditions – which AKN intends to satisfy) the proposed binding term sheet transaction involves an operation that would warrant continued official quotation under Listing Rule 12.1.

Convertible Notes Issue

During the Quarter, AKN issued a total of 375,000 convertible notes with a face value of \$1 per note. A summary of the convertible note terms is as follows:

Total funds raised - \$375,000 (including \$75,000 provided by AKN's Managing Director)

Notes term – 12 months (expiring 30 September 2020)

Interest payable – 10% per annum, payable quarterly in arrears

Convertibility – at the election of the holder, notes may (subject to AKN shareholder approval) be converted into ordinary shares at an issue price that is a 25% discount to the 20 trading day VWAP for the Company's shares prior to the date of conversion.

The funds raised from the issue of these convertible notes are being used for ongoing operating costs and costs associated with promoting (and completing) the proposed significant transaction opportunity.

JCHX Group Loan

AKN did not draw down any further funds under this loan facility of \$1,500,000 during the quarter, leaving total of loaned funds \$1,250,000 together with accrued interest.

Board Composition

Dr Huaisheng Peng, Chairman

Mr Paul Williams, Managing Director

Mr Robert Yang, Executive Director

Mr Qinghai Wang, Non-Executive Director

Mr Paul Marshall, Company Secretary

Financial Position

As at 30 September 2019, AKN had cash reserves of \$291k. Together with these funds and the JCHX Group loan (referred to above) AKN should have sufficient funding to carry out project assessment review and transaction activities for the immediate future.

Further details of AKN's financial activities during the September 2019 quarter are set out in the Appendix 5B Quarterly Cashflow Statement which accompanies this Report.

Top 10 shareholders of AKN as 30 September 2019:

Rank	Name	Number of Shares	%
1	Bienitial International Industrial Co Ltd #	349,018,230	37.43%
2	Yunnan Copper Industry (Group) Co Limited #	299,922,326	32.17%
3	Mr Billy Fleshman	15,163,208	1.63%
4	Mr Anthony John Barber	11,500,002	1.23%
5	Mr Paul Robert Williams & Ms Jill Caroline Strachan	10,357,173	1.11%
6	Mr Peter Gerard Tighe & Mrs Patricia Joan Tighe	10,033,333	1.08%
7	Mr Norman Joseph Zillman	7,980,343	0.86%
8	Mr Barry Edward Tanton & Mrs Elizabeth Mary Tanton	7,500,000	0.80%
9	Elliott Nominees Pty Ltd	7,150,000	0.77%
10	Sagar SMSF Pty Ltd	6,270,000	0.67%
TOTAL		721,697,075	77.40%

Denotes Substantial Shareholder

Share Information

Issued share capital of 932,584,461 ordinary shares.

Other Details:

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Level 7, Suite 27
320 Adelaide Street
Brisbane Q 4000
Phone: +61 7 3041 1306
Website: www.aukingmining.com

Share Registry
Link Market Services Limited
Level 12, 300 Queen Street
Brisbane Q 4000
Phone: 1300 554 474

On behalf of the Board

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