



Announcement Summary

Entity name

AUKING MINING LIMITED

Announcement Type

New announcement

Date of this announcement

Wednesday March 10, 2021

The Proposed issue is:

A non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)

Total number of +securities proposed to be issued for a non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Unlisted 30 June 2023 \$0.25 options	17,500,000
AKN	ORDINARY FULLY PAID	35,000,000

Closing date for receipt of acceptances

Friday April 23, 2021

Proposed +issue date

Tuesday April 27, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

AUKING MINING LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

29070859522

1.3 ASX issuer code

AKN

1.4 The announcement is

New announcement

1.5 Date of this announcement

Wednesday March 10, 2021

1.6 The Proposed issue is:

A non-+pro rata offer of +securities under a +disclosure document or +PDS



Part 5 - Details of proposed non-pro rata offer under a disclosure document or PDS

Part 5A - Conditions

5A.1 - Are any of the following approvals required for the non-pro rata offer of securities under a disclosure document or PDS?

- Security holder approval
- Court approval
- Lodgement of court order with ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

Yes

5A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Friday April 16, 2021	<input checked="" type="checkbox"/> Estimated	No

Comments

The Company proposes to shortly issue a Notice of Meeting for an extraordinary general meeting of shareholders, with the Company aiming to hold this meeting on or around 16 April 2021. At the meeting, a series of resolutions will be put to AKN shareholders for approval - either relating directly to approval of the proposed Koongie Park transaction or the Public Offer, or other related matters associated with the retiring the Company's debts, the appointment of additional directors and a new Constitution.

Part 5B - Offer details

Is the proposed security a 'New class' (securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this security include an offer of attaching securities?

Yes

Details of securities proposed to be issued

ASX security code and description

AKN : ORDINARY FULLY PAID

The number of securities to be offered under the disclosure document or PDS

35,000,000



Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?

Yes

Describe the minimum subscription condition

The public offer is of up to 35,000,000 fully paid ordinary shares at an issue price of 20c per Share to raise up to \$7million, with a minimum subscription of \$6million (30,000,000 Shares)

Will individual security holders be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?

Yes

Is the minimum acceptance unit based or dollar based?

Dollar based (\$)

Please enter the minimum acceptance value

\$ 2,000

Will individual security holders be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?

No

Offer price details

Has the offer price been determined?

Yes

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security?

AUD 0.20000

Oversubscription & Scale back details

Will the entity be entitled to accept over-subscriptions?

Yes

Provide details of the number or value of over-subscriptions that the entity may accept

The public offer is of up to 35,000,000 fully paid ordinary shares at an issue price of 20c per Share to raise up to \$7million, with a minimum subscription of \$6million (30,000,000 Shares)

Will a scale back be applied if the offer is over-subscribed?

Yes

Describe the scale back arrangements

The Company has discretion regarding the allocation of Offer Shares under the Public Offer.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes



Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

Yes

ASX +security code

New class-code to be confirmed

+Security description

Unlisted 30 June 2023 \$0.25 options

+Security type

Options

The number of +securities to be offered under the +disclosure document or +PDS

17,500,000

Offer price details

Has the offer price been determined?

Yes

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security?

AUD 0.00000

Oversubscription & Scale back details

Will the entity be entitled to accept over-subscriptions?

Yes

Provide details of the number or value of over-subscriptions that the entity may accept

The public offer is of up to 35,000,000 fully paid ordinary shares at an issue price of 20c per Share to raise up to \$7million, with a minimum subscription of \$6million (30,000,000 Shares)

Will a scale back be applied if the offer is over-subscribed?

Yes

Describe the scale back arrangements

The Company has discretion regarding the allocation of Offer Shares under the Public Offer.

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes



Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.2500

Expiry date

Friday June 30, 2023

Details of the type of +security that will be issued if the option is exercised

AKN : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

1

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www.aukingmining.com/site/investor-centre/prospectus>

Part 5C - Timetable

5C.1 Lodgement date of +disclosure document or +PDS with ASIC

Tuesday March 9, 2021

5C.2 Date when +disclosure document or +PDS and acceptance forms will be made available to investors

Wednesday March 10, 2021

5C.3 Offer open date

Wednesday March 10, 2021

5C.4 Closing date for receipt of acceptances

Friday April 23, 2021

5C.6 Proposed +issue date

Tuesday April 27, 2021

Part 5D - Listing Rule requirements

5D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes



5D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

Friday April 16, 2021

5D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

Yes

Part 5E - Fees and expenses

5E.1 Will there be a lead manager or broker to the proposed offer?

Yes

5E.1a Who is the lead manager/broker?

Novus Securities Limited

5E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

The Lead Manager will receive fees associated with the Public Offer as follows:

- a. initial engagement fee of \$15,000;
- b. monthly advisory fee of \$10,500;
- c. sponsoring broker fee of \$30,000;
- d. management fee of 1% of the amount raised under the Public Offer;
- e. brokerage fee of 6% of the amount raised under the Public Offer, subject to an 80% rebate in respect of funds raised by the Company or parties other than the Lead Manager; and
- f. success/completion fee of \$75,000 payable as to 50% cash and 50% Shares (with the issue of the share component subject to shareholder approval); and
- g. a monthly advisory fee of \$6,250 after re-admission to the Official List for a minimum period of 6 months for ongoing float support, market advice and investor relations.

5E.2 Is the proposed offer to be underwritten?

No

5E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

Yes

5E.3a Will the handling fee or commission be Dollar based or Percentage based?

Percentage based (%)

5E.3b Amount of any handling fee or commission payable to brokers who lodge acceptances on behalf of investors

4.800000 %

5E.3c Please provide any other relevant information about the handling fee or commission method



5E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Estimated other fees in relation to the offer include the following:

ASX and ASIC fees \$91,000
Legal and Due Diligence \$196,000
Accounting \$25,000
Expert Reports \$58,000
Other capital raising costs \$10,000
Printing and registry costs \$31,000

Part 5F - Further Information

5F.01 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

To provide funding to contribute to the Koongie Park Project under the Koongie Park Earn-In, to meet the expenses of the Public Offer and pay the payment due to AAR upon satisfaction of the KP Transaction Conditions and provide working capital

5F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?

No

5F.2 Please explain the entity's allocation policy for the offer, including whether or not acceptances from existing +security holders will be given priority

The Company has discretion regarding the allocation of Offer Shares under the Public Offer. The Company is encouraging Existing Shareholders to participate and the Board will take reasonable endeavours to allocate Shares that Existing Shareholders apply for (subject to the need to meet the ASX Spread Requirements). However, the Company has retained absolute discretion regarding the allocation of Offer Shares amongst Existing Shareholders. Further, the Company may reject any Application under the Public Offer, or allocate a lesser amount of Offer Shares than those applied for, in its absolute discretion.

5F.3 URL on the entity's website where investors can download the +disclosure document or +PDS

<https://www.aukingmining.com/site/investor-centre/prospectus>

5F.4 Any other information the entity wishes to provide about the proposed offer