

AUKING

AKN

AuKing Mining Limited
ABN 29 070 859 522
ASX Code: AKN, AKNO

INTERIM FINANCIAL REPORT
For the half-year ended 30 June 2023

CORPORATE DIRECTORY

AuKing Mining Limited ABN 29 070 859 522

<p>Board of Directors Mr Asimwe Kabunga (Chairman) Mr Peter Tighe (Non-Executive Director) Mr Shizhou Yin (Non-Executive Director) Mr Zuliang (Park) Wei (Non-Executive Director)</p> <p>Chief Executive Officer Mr Paul Williams</p> <p>Company Secretary Mr Paul Marshall</p> <p>Exploration Manager Mr Chris Bittar</p>	<p>Head Office</p> <p>Suite 2208, Level 22 127 Creek Street Brisbane QLD 4000</p> <p>Telephone: 07 3535 1208 Email: admin@aukingmining.com Website: www.aukingmining.com</p> <p>ASX Code: AKN</p>
<p>Auditors</p> <p>BDO Audit Pty Ltd Level 10, 12 Creek Street Brisbane QLD 4000</p> <p>Telephone: 07 3237 5999 Website: www.bdo.com.au</p>	<p>Share Registry</p> <p>Link Market Services Limited Level 21 10 Eagle Street Brisbane QLD 4000</p> <p>Telephone: 1300 554 474 Facsimile: 02 9287 0303 Website: www.linkmarketservices.com.au</p>

DIRECTORS' REPORT

Your Directors present their report on the Consolidated Entity consisting of AuKing Mining Limited ("AKN" or "Company") and the entities it controlled (together referred to as the "Consolidated Entity" or "Group") at the end of, or during, the half-year ended 30 June 2023.

DIRECTORS

The following persons were directors of AuKing Mining Limited during the whole of the period and up to the date of this report, unless otherwise stated:

Name	Position	Period of Directorship
Mr Asimwe Kabunga	Executive Chairman	Appointed 19 October 2022
Mr Peter Tighe	Non-Executive Director	Appointed 9 June 2021
Mr Shizhou Yin	Non-Executive Director	Appointed 9 June 2021
Mr Zuliang (Park) Wei	Non-Executive Director	Appointed 5 June 2023
Mr Ian Hodkinson	Former Non-Executive Director	Appointed 9 June 2021, resigned 6 April 2023
Ms Anna Nahajski-Staples	Former Non-Executive Chair	Appointed 1 October 2022, resigned 6 April 2023

REVIEW OF OPERATIONS

For the half-year ended 30 June 2023 the Consolidated Entity made a loss of \$10,696,693 (30 June 2022: loss of \$1,094,716).

On 30 January 2023 AKN completed the purchase of various prospective uranium and copper licences in Tanzania. The purchase price was discharged by AKN through the issue of 60,000,000 ordinary shares and 30,000,000 options exercisable at 20c on or before 30 September 2025. AKN also issued to Vert Capital Pty Ltd and clients a total of 5,000,000 new shares and 10,000,000 options (exercisable at 20c on or before 30 September 2025) in recognition of the introduction of these project interests to AKN and assistance in securing the acquisition.

A total of \$9,417,231 (comprising the value of the consideration paid to acquire the Tanzanian licences and associated costs) has been expensed by the Consolidated Entity for the half-year ended 30 June 2023.

The Company also raised new share capital of \$1,968,086 after costs through a share placement in March 2023.

Koongie Park

Sandiego Mining Study

On 1 June 2023 AuKing announced the results of a Scoping Study designed to assess the development of an open-pit and underground mining operation at the Sandiego deposit. The Scoping Study confirmed the potential for a financially robust, globally competitive copper/zinc project in north-east Western Australia, including nearby deposits owned by Cazaly Resources Ltd (ASX:CAZ). Mineralisation is proposed to be sourced from four open pit mines (Sandiego, Mt Angelo North, Onedin and a later-staged operation at the low-grade Bommie) and an underground mine at Sandiego – all to be processed from a central facility at Sandiego.

Features of the Study outcomes included:

- Life-of-Mine (LOM) of 11 years with an estimated total production of 110kt Cu, 38kt Zn and 355koz Ag
- Processing nameplate capacity is 750ktpa of run-of-mine (ROM) ore
- Strong project economics and financial returns including:
 - Pre-production Capex of A\$134M, with an estimated 2.45 years payback period
 - Robust pre-tax NPV₈ of approximately A\$176.9M and 39.7% IRR
 - Life of Mine EBITDA of A\$443.8M with an average operating cashflow of A\$40.3M per annum.

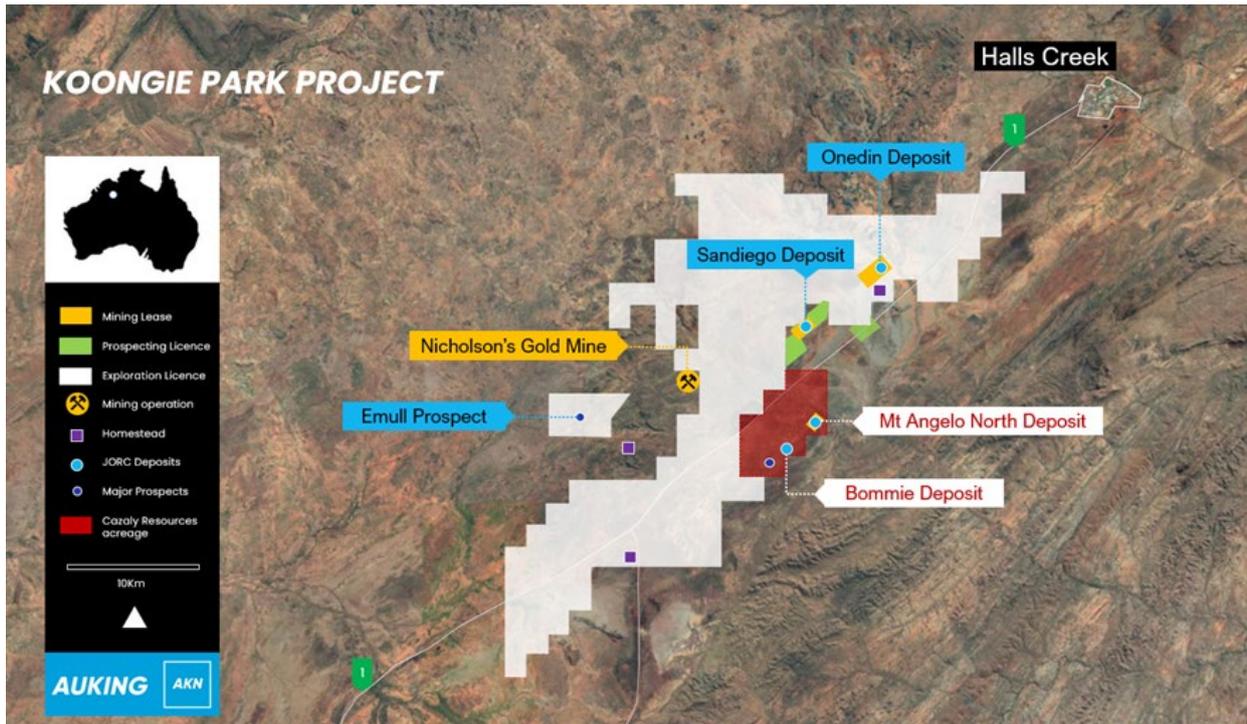


Figure 1. Location of Koongie Park Scoping Study deposits

Other Project Activities

Activities at Koongie Park in the early part of 2023 were hampered due to ongoing rain in northern Western Australia and limited access for large vehicles due to the Fitzroy Crossing highway closure. AKN's exploration team carried out a small soil geochemical sampling program around the Sandiego North water bore drill hole ASWB001, 700m north of the Sandiego deposit) aimed at identifying continuity between Sandiego and Sandiego North. The image below shows the sample locations that were targeting the area between the main Sandiego deposit and Sandiego North. Now that the Sandiego mining study includes a possible open pit mine, the ability to identify further open-pittable resources at Sandiego North becomes quite significant. Samples were taken on a nominal 50m x 20m spacing for a total of approximately 330 samples.

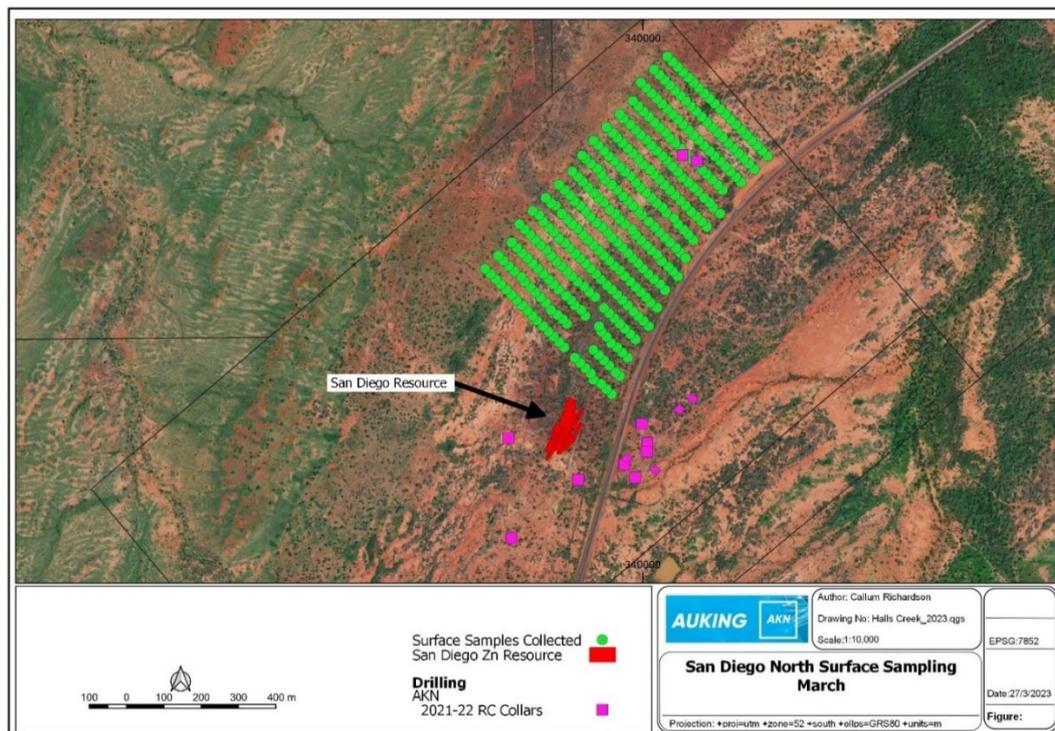


Figure 2. Sandiego North soil sample locations

Increase in Joint Venture Participating Interest

Under the terms of the Earn-in and Joint Venture Agreement dated 8 February 2021 (JVA), upon the participating interest of Astral Resources (AAR) in the Koongie Park Joint Venture (KPJV) diluting below 10%, AAR is deemed to have withdrawn from the KPJV and the remaining participating interest converts to a net smelter return royalty. AAR's participating interest was deemed to have diluted below 10% with effect from 30 June 2023 and AKN moved to the 100% participating interest at the same time.

AAR retains to explore for and develop gold and other precious metals within the Koongie Park project area, including platinum group elements. These rights do not apply to the mining licences on which the Onedin and Sandiego deposits are situated.

Onedin Deposit – Metallurgical Testwork

A proposal to carry out a Pre-Feasibility Study to establish a suitable metallurgical testwork program at Onedin has been deferred pending availability of additional funding sources for such activity. The Company lodged an application to the ATO in respect of its R&D work on this project during 2022. A refund of \$256k was received in early July.

Tanzania Projects

In January 2023, AuKing announced completion of the acquisition of 100% interest in six projects in Tanzania (*Ref ASX Release 31 January 2023*). Four of the projects are prospective for uranium (Manyoni, Mkuju, Itigi and Magaga) and the other two are prospective for copper (Mpanda and Karema).

The purchase price was paid by the issue by AKN of 60,000,000 ordinary shares and 30,000,000 options exercisable at 20c on or before 30 September 2025. The principal vendor was Perth-based Mr Asimwe Kabunga who is now Chairman of AuKing. Mr Kabunga now holds 36,000,000 new shares and 18,000,000 options as a result of the transaction. The Company also issued a total of 5,000,000 new shares and 10,000,000 options (exercisable at 20c on or before 30 September 2025) to Vert Capital Pty Ltd in recognition of the introduction of these Tanzanian project interests to AuKing and assistance in completing the transaction.

Commencement of Exploration Activities

On 19 April 2023, AuKing announced commencement of a planned 4,400m drilling program across the various playa deposits at the Manyoni Project in central Tanzania. These activities were later curtailed due to ongoing rainfall which made access to proposed drilling sites impossible. Arrangements were made to re-direct the drilling rig to the nearby Itigi Project.

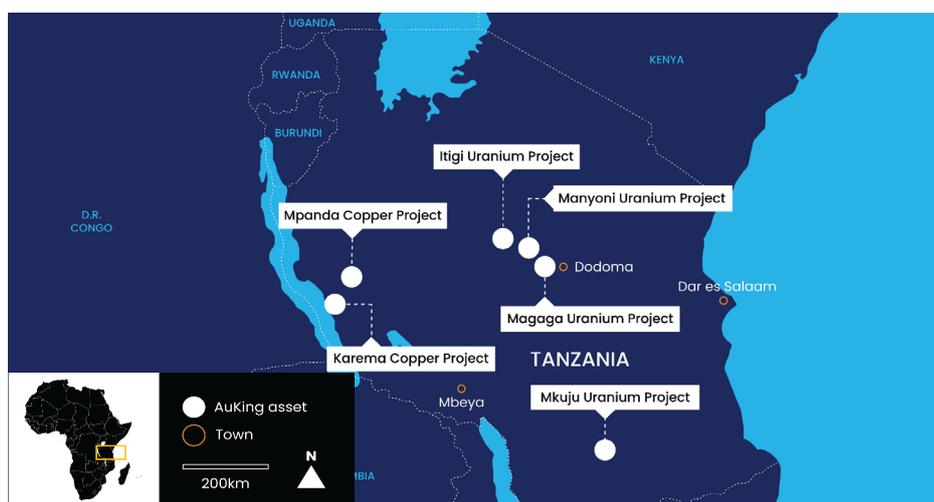


Figure 3. Location of Tanzanian project areas

AKN's proposed 2000 m drilling and associated exploration program commenced at the Itigi Uranium Project in late May, after grant of a Prospecting Licence for the area. Historical surveys indicated a large 40km x 10km radiometric anomaly at Itigi. More than 400 small exploration pits identified visible carnotite uranium mineralization, confirmed by portable field XRF measurements. The first phase of this drilling program has now been completed and assay results are expected within the next 8-10 weeks.

An auger rig has also been secured to commence drilling activities at the Mkuju project, likely in early August 2023.

Revocation of Manyoni Licences

On 27 February 2023 AKN was advised of a decision by the Tanzanian Mining Commission to revoke two of the Company's PL holdings at Manyoni – PLs 12193 and 12194. As a result of this decision AKN filed an appeal to the Tanzanian Minister of Mining and is currently waiting for a response. AKN remains hopeful of a positive outcome from the appeal.

Corporate Matters

Board Changes

In early April 2023, both Ms Anna Nihajski-Staples and Mr Ian Hodgkinson retired as Directors. In June 2023, an additional Non-Executive Director Mr Park Wei was appointed to the Board.

Completion of T2 Share Placement

On 15 March 2023 the Company completed a share placement to certain professional investors of 21,260,000 shares at 10c each to raise \$2,126,000 (less issue costs). The 10c issue price represented a 69% premium to the prevailing share price on ASX. A further 10,630,000 free attaching options exercisable at 20c on or before 30 September 2025 were issued as part of the placement. The issue of these shares and options had previously been approved by AKN shareholders at the December 2022 EGM.

Release of shares from Escrow Restrictions

During the June Quarter a total of 4,429,096 shares were released from escrow restrictions that were imposed at the time of AKN's re-quotations on ASX in June 2021. These shares are held mostly by current management, JCHX Group and entities associated with the original Lead Manager of the 2021 capital raising.

Lapse of AKNO Options

During the half-year ended 30 June 2023, 42,871,380 existing ASX-listed AKNO options lapsed without any of them being exercised. 500,000 options issued to Ms Anna Nihajski-Staples were forfeited on resignation from the Board.

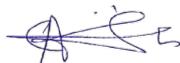
EVENTS AFTER BALANCE SHEET DATE

There have been no events since 30 June 2023 that impact upon the financial report.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 7 and forms part of the Director's report for the half-year ended 30 June 2023.

Signed in accordance with a resolution of the directors.



Director
8 August 2023

Auditor's Independence Declaration



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY T R MANN TO THE DIRECTORS OF AU KING MINING LIMITED

As lead auditor for the review of AuKing Mining Limited for the half-year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of AuKing Mining Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'T R Mann', with a long horizontal flourish extending to the right.

T R Mann
Director

BDO Audit Pty Ltd

Brisbane, 8 August 2023

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

AuKing Mining Limited
Interim Financial Report for the Half-Year Ended 30 June 2023

Consolidated Statement of Comprehensive Income
For the half-year ended 30 June 2023

	Note	6 months ended June 2023 \$	6 months ended June 2022 \$
Employment and consultancy expenses		(721,526)	(423,898)
Depreciation expense		(23,117)	(19,003)
Costs related to the Tanzania transaction	7	(1,039,119)	-
Exploration expenditure - Tanzania	4	(8,378,112)	-
Other expenses	3	(534,819)	(651,815)
Loss before income tax		(10,696,693)	(1,094,716)
Income tax expense		-	-
Loss for the period		(10,696,693)	(1,094,716)
Loss after income tax		(10,696,693)	(1,094,716)
Other comprehensive income/(loss)			
Foreign currency translation differences for foreign operations		18,126	-
Income tax		-	-
Other comprehensive income for the period, net of tax		18,126	-
Total comprehensive loss		(10,678,567)	(1,094,716)
		Cents	Cents
Earnings per share			
Basic and diluted loss per share		(5.79)	(1.32)

The Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

AuKing Mining Limited
Interim Financial Report for the Half-Year Ended 30 June 2023

Consolidated Balance Sheet
As at 30 June 2023

	Note	June 2023 \$	December 2022 \$
CURRENT ASSETS			
Cash and cash equivalents		1,330,210	1,656,292
Trade and other receivables		314,163	93,042
Other assets		-	45,503
TOTAL CURRENT ASSETS		1,644,373	1,794,837
NON-CURRENT ASSETS			
Other receivables		3,185	3,185
Exploration and evaluation assets	4	8,570,100	8,318,408
Plant and equipment		187,859	165,473
TOTAL NON-CURRENT ASSETS		8,761,144	8,487,066
TOTAL ASSETS		10,405,517	10,281,903
CURRENT LIABILITIES			
Trade and other payables		246,927	290,593
Employee benefit provisions		164,820	126,714
TOTAL CURRENT LIABILITIES		411,747	417,307
TOTAL LIABILITIES		411,747	417,307
NET ASSETS		9,993,770	9,864,596
EQUITY			
Share capital	5	22,385,884	13,592,798
Reserves	6	2,202,412	379,631
Accumulated losses		(14,594,526)	(4,107,833)
TOTAL EQUITY		9,993,770	9,864,596

The Consolidated Balance Sheet should be read in conjunction with the Notes to the Consolidated Financial Statements

AuKing Mining Limited
Interim Financial Report for the Half-Year Ended 30 June 2023

Consolidated Statement of Changes in Equity
For the half-year ended 30 June 2023

Consolidated Entity	Share Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 1 January 2022	8,721,436	140,000	(1,762,610)	7,098,826
Transactions with owners in their capacity as owners				
Issue of share capital	4,041,468	-	-	4,041,468
Share issue costs	(430,908)	-	-	(430,908)
Share based payments	-	80,291	-	80,291
	3,610,560	80,291	-	3,690,851
Comprehensive income				
Loss after income tax	-	-	(1,094,716)	(1,094,716)
Other comprehensive income	-	-	-	-
	-	-	(1,094,716)	(1,094,716)
Balance at 30 June 2022	12,331,996	220,291	(2,857,326)	9,694,961
Balance at 1 January 2023	13,592,798	379,631	(4,107,833)	9,864,596
Transactions with owners in their capacity as owners				
Issue of share capital	8,951,000	-	-	8,951,000
Share issue costs	(157,914)	-	-	(157,914)
Share based payments	-	2,014,655	-	2,014,655
Transfer of expired options	-	(210,000)	210,000	-
	8,793,086	1,804,655	210,000	10,807,741
Comprehensive income				
Loss after income tax	-	-	(10,696,693)	(10,696,693)
Other comprehensive income	-	18,126	-	18,126
	-	18,126	(10,696,693)	(10,678,567)
Balance at 30 June 2023	22,385,884	2,202,412	(14,594,526)	9,993,770

The Consolidated Statement of Changes in Equity be read in conjunction with the Notes to the Consolidated Financial Statements

**Consolidated Cash Flow Statement
For the half-year ended 30 June 2023**

	Note	6 months ended June 2023 \$	6 months ended June 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,097,873)	(969,768)
Payments for Tanzania transaction costs	7	(46,709)	-
Payments for exploration and evaluation - Tanzania		(675,882)	-
Net cash used in operating activities		(1,820,464)	(969,768)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		-	(85,037)
Payments for exploration and evaluation– Koongie Park		(474,941)	(2,023,667)
Deposits paid		-	(715)
Net cash provided by/(used in) investing activities		(474,941)	(2,109,419)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	5	2,033,600	3,991,968
Cost associated with the issue of shares	5	(65,514)	(378,314)
Net cash provided by financing activities		1,968,086	3,613,654
Net increase/(decrease) in cash and cash equivalents		(327,219)	534,467
Cash and cash equivalents at the beginning of the period		1,656,292	2,500,076
Net foreign exchange differences		1,237	-
Cash and cash equivalents at the end of the period		1,330,210	3,034,543

The Consolidated Cash Flow Statement should be read in conjunction with the Notes to the Consolidated Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

AuKing Mining Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the six months ended 30 June 2023 comprises the Company and its controlled entities (together referred to as the "Consolidated Entity").

(b) Statement of Compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. The Company is a for-profit entity for the purpose of preparing the interim financial report. The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Consolidated Entity as at and for the year ended 31 December 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

New and revised standards have been issued by the AASB and are effective for the half-year; however there are no material changes to the policies that affect the recognition or measurement of the results or financial position of the Consolidated Entity.

(c) Accounting Policies

Except for the *Exploration and Evaluation Assets* accounting policy detailed in Note 4, the accounting policies and methods of computation applied by the Consolidated Entity in the consolidated interim financial report are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 31 December 2022.

(d) New Standards and Interpretations Not Yet Adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting period. The Consolidated Entity has decided against early adoption of these standards. The Consolidated Entity has assessed the impact of these new standards that are not yet effective and determined that they are not expected to have a material impact on the Consolidated Entity in the current or future reporting periods and on foreseeable future transactions.

(e) Going Concern

As at 30 June 2023 the Consolidated Entity had cash reserves of \$1,330,210 and net current assets of \$1,232,626.

The Consolidated Entity requires further capital to fund future exploration activity and meet other necessary corporate expenditure.

The ability of the Consolidated Entity to continue as a going concern is principally dependent upon one or more of the following:

- the ability of the Company to raise additional capital in the future; and
- the successful exploration and subsequent exploitation of the Consolidated Entity's tenements.

These conditions give rise to material uncertainty which may cast significant doubt over the Consolidated Entity's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- To date the Consolidated Entity has funded its activities through issuance of equity securities, and it is expected that the Consolidated Entity will be able to fund its future activities through further issuances of equity securities; and
- The directors believe there is sufficient cash available for the Consolidated Entity to continue operating based on the Company's cash flow forecast.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated Entity be unable to continue as a going concern.

NOTE 2 SEGMENT REPORTING

Reportable Segments

The Consolidated Entity has identified its operating segment based on internal reports that are reviewed and used by the executive team in assessing performance and determining the allocation of resources. The Consolidated Entity does not yet have any products or services from which it derives an income.

Management currently identifies the Consolidated Entity as having only two reportable segment, being:

- Exploration for minerals in Australia at the Koongie Park project; and
- Exploration for minerals in Tanzania.

The following is an analysis of the Consolidated Entity's revenue and results by reportable operating segment for the period under review.

	Tanzania	Australia	Unallocated	Consolidated
Half-Year Ended 30 June 2023	\$	\$	\$	\$
Revenue:				
Revenues	-	-	-	-
Expenses:				
Tanzania acquisition expenses	(1,039,119)	-	-	(1,039,119)
Tanzania exploration expenses	(8,378,112)	-	-	(8,378,112)
Other operating expenses	(38,844)	(121,104)	(1,119,514)	(1,279,462)
				(10,696,693)
Segment result	(9,456,075)	(121,104)	(1,119,514)	(10,696,693)
Income tax	-	-	-	-
Net Loss				(10,696,693)
Assets:				
Segment assets	163,106	8,777,787	1,464,624	10,405,517
Liabilities:				
Segment liabilities	35,156	124,696	251,895	411,747

Half-Year Ended 30 June 2022

In the prior period, the Consolidated Entity only had one reportable segment, being exploration for minerals in Australia. The prior period financial results from this segment are equivalent to the financial statements of the consolidated entity. All assets were located in Australia.

	June 2023	June 2022
	\$	\$
Corporate compliance and insurance expenses	233,828	263,171
Administration expenses	197,502	348,033
Telecom and IT expenses	29,691	40,611
Project generation expenses	73,798	-
	534,819	651,815

NOTE 3 OTHER EXPENSES

June
2023
\$

December
2022
\$

NOTE 4 EXPLORATION AND EVALUATION

Koongie Park Project

Amounts recognised in the Consolidated Balance Sheet

Opening balance	8,318,408	4,865,744
Exploration expenditure during the period	507,755	4,009,575
Government grants relating to exploration	(256,063)	(556,911)
	8,570,100	8,318,408

Accounting Policy - Koongie Park Project

Exploration costs are capitalised only when the Consolidated Entity has either a granted tenement in its name or an interest through a earn-in and joint venture arrangement. Costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or sale of the respective area of interest or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

Under the terms of the Earn-in and Joint Venture Agreement dated 8 February 2021 (JVA), upon the participating interest of Astral Resources (AAR) in the Koongie Park Joint Venture (KPJV) diluting below 10%, AAR is deemed to have withdrawn from the JVA and the remaining participating interest converts to a net smelter return royalty. AAR's participating interest was deemed to have diluted below 10% with effect from 30 June 2023 and AKN moved to the 100% participating interest at the same time.

AAR retains to explore for and develop gold and other precious metals within the Koongie Park project area, including platinum group elements. These rights do not apply to the mining licences on which the Onedin and San Diego deposits are situated.

Tanzania Projects

Amounts recognised in the Consolidated Statement of Comprehensive Income

Acquisition of Tanzania projects	7,702,230	-
Exploration expenditure during the period	675,882	-
	8,378,112	-

Accounting Policy – Tanzania Projects

Exploration costs, including the costs to initially acquire the various prospective uranium and copper licences (refer Note 7) are expensed when incurred. The Consolidated Entity has adopted this accounting policy for areas of interest in environments where there is heightened sovereignty and other risks compared to Australia.

NOTE 5 SHARE CAPITAL

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

June
2023
\$

December
2022
\$

Fully paid ordinary shares	22,385,884	13,592,798
----------------------------	------------	------------

NOTE 5 SHARE CAPITAL (continued)

Ordinary Shares

	June 2023 \$	December 2022 \$	June 2023 Number	December 2022 Number
At the beginning of the period	13,592,798	8,721,436	117,843,707	75,289,651
Shares issued to vendors of 92U Pty Ltd ¹	6,300,000	-	60,000,000	-
Shares issued to transaction advisors ²	525,000	-	5,000,000	-
Share placement March 2023 ³	2,126,000	-	21,260,000	-
Share placement March 2022 ⁴	-	49,500	-	300,000
Share placement May 2022 ⁵	-	2,635,138	-	18,822,412
Rights issue May 2022 ⁶	-	376,830	-	2,691,644
Share placement June 2022 ⁷	-	980,000	-	7,000,000
Share placement October 2022 ⁸	-	1,374,000	-	13,740,000
Share issue expenses	(157,914)	(544,106)	-	-
At reporting date	22,385,884	13,592,798	204,103,707	117,843,707

Notes

- 60,000,000 shares issued to vendors of 92U Pty Ltd at \$0.105 per share as part consideration for the acquisition of 92U Pty Ltd – refer Note 7.
- 5,000,000 shares issued to Vert Capital as part consideration for advisory fees on the 92U Pty Ltd transaction – refer Note 7.
- 21,260,000 shares issued through a share placement at \$0.10 per share.
- 300,000 shares issued to Vert Capital in March 2022 in relation to the November 2021 placement.
- 18,822,412 shares issued through a share placement at \$0.14 per share.
- 2,691,644 shares issued through a rights issue at \$0.14 per share.
- 7,000,000 shares issued through a share placement at \$0.14 per share.
- 13,740,000 shares issued through a share placement at \$0.10 per share.

Options

Tranche	Expiry Date	Exercise Price	Movements				30 Jun 2023
			31 Dec 2022	Issued	Exercised	Lapsed/ Expired	
Tranche 1	30 Jun 2023	0.25	28,871,380	-	-	(28,871,380)	-
Tranche 2	30 Jun 2023	0.25	14,000,000	-	-	(14,000,000)	-
Tranche 3	31 May 2025	0.17	2,500,000	-	-	-	2,500,000
Tranche 4	31 May 2025	0.11	2,700,000	-	-	-	2,700,000
Tranche 5	31 May 2025	0.17	1,000,000	-	-	(500,000)	500,000
Tranche 6	30 Sep 2025	0.20	6,870,000	-	-	-	6,870,000
Tranche 7	30 Sep 2025	0.20	-	30,000,000	-	-	30,000,000
Tranche 8	30 Sep 2025	0.20	-	10,000,000	-	-	10,000,000
Tranche 9	30 Sep 2025	0.20	-	10,630,000	-	-	10,630,000
Tranche 10	30 Sep 2025	0.20	-	2,000,000	-	-	2,000,000
			55,491,380	52,630,000	-	(43,371,380)	65,200,000

NOTE 5 SHARE CAPITAL (continued)

Tranche 1 options were issued to shareholders as part of previous capital raises. The options lapsed during the period.

Tranche 2 options were issued to the lead manager previous capital raises. The options lapsed during the period.

Tranche 3 options were issued to the Directors under the Employee Share and Option Plan. The options have an exercise price \$0.17 and a 1 year service vesting condition.

Tranche 4 options were issued to employees under the Employee Share and Option Plan. The options have an exercise price \$0.11 and a 1 year service vesting condition.

Tranche 5 options were issued to a Director under the Employee Share and Option Plan. The options have an exercise price \$0.17 and a 1 year service vesting condition. Tranche 5 options were issued on 16 December 2022. 500,000 Tranche 5 options were forfeited on resignation.

Tranche 6 options were issued to shareholders as part of the October share placement. The options have an exercise price of \$0.20 and no vesting conditions.

Tranche 7 options were issued as part consideration to the vendors of the uranium and copper licences in Tanzania. The 30,000,000 options are exercisable at \$0.20 on or before 30 September 2025.

Tranche 8 options were issued to Vert Capital Pty Ltd as part consideration for introduction of these project interests to and assistance in securing the acquisition. The 10,000,000 options are exercisable at \$0.20 on or before 30 September 2025.

Tranche 9 options were issued to shareholders as part of share placement in March 2023. The 10,630,000 options have an exercise price of \$0.20, no vesting conditions and an expiration date of 30 September 2025.

Tranche 10 options were issued to Bonacare Pty Ltd in consideration for investor relations services. The 2,000,000 options have an exercise price of \$0.20 and an expiration date of 30 September 2025.

	June 2023 \$	December 2022 \$
--	--------------------	------------------------

NOTE 6 RESERVES

Share based payment reserve	2,184,286	379,631
Foreign translation reserve	18,126	-
	2,202,412	379,631

The foreign currency translation reserve records exchange rate differences arising from the translation of the financial statements of foreign subsidiaries.

The share based payments reserve is used to record the value of share based payments provided to employees as part of their remuneration and to consultants for services provided.

Share based payment reserve movements

Opening balance	379,631	140,000
Director and employee options	113,015	169,631
Director and employee options forfeited	(5,316)	-
Consultant options – capital advisors	467,410	70,000
Consultant options – investor relations	37,316	-
Tanzania acquisition – vendor options	1,402,230	-
Expired options transferred to retained earnings	(210,000)	-
	2,184,286	379,631

NOTE 7 ACQUISITION OF 92U PTY LTD

Consideration

On 30 January 2023 AKN completed the purchase of various prospective uranium and copper licences in Tanzania. The purchase price was discharged by AKN through the issue of 60,000,000 ordinary shares and 30,000,000 options exercisable at \$0.20 on or before 30 September 2025.

60,000,000 AKN shares ¹	6,300,000
30,000,000 AKN options ²	1,402,230
Total consideration	7,702,230

¹ 60,000,000 AKN shares were issued on 30 January 2023 on which AKN shares had a closing price of \$0.105 per share.

² 30,000,000 AKN options were issued on 30 January 2023. The value of the options were calculated using the following assumptions:

Grant date	30 January 2023
Exercise price	\$0.20
Share price at grant date	\$0.105
Expiry date	30 September 2025
Life of the instruments	2.7 years
Share price volatility	96.2%
Expected dividends	Nil
Risk free interest rate	3.18%
Pricing model	Binomial
Fair value per instrument	\$0.0467

Assets and Liabilities Acquired

The value of consideration has been attributed to the uranium and copper licences acquired. In line with the accounting policy (refer Note 4), this amount has been expensed in full through the Statement of Comprehensive Income.

There were no other assets or liabilities acquired.

Net Cash Outflow

There was no impact on cash as a result of the acquisition.

Acquisition costs

Costs related to the acquisition of 92U Pty Ltd were;

5,000,000 AKN shares issued as advisory fees to Vert Capital ¹	525,000
10,000,000 AKN options as advisory fees to Vert Capital ²	467,410
Other transactions costs	46,709
Total acquisition costs	1,039,119

¹ 5,000,000 AKN shares were issued on 30 January 2023 on which AKN shares had a closing price of \$0.105 per share.

² 10,000,000 AKN options were issued on 30 January 2023. The value of the options were calculated using the following assumptions:

NOTE 7 ACQUISITION OF 92U PTY LTD (continued)

Grant date	30 January 2023
Exercise price	\$0.20
Share price at grant date	\$0.105
Expiry date	30 September 2025
Life of the instruments	2.7 years
Share price volatility	96.2%
Expected dividends	Nil
Risk free interest rate	3.18%
Pricing model	Binomial
Fair value per instrument	\$0.0467

NOTE 8 RELATED PARTY TRANSACTIONS

On 30 January 2023 AKN acquired various prospective uranium and copper licences in Tanzania through the acquisition of 92U Pty Ltd (refer Note 7).

Kabunga Holdings Pty Ltd, an entity associated with AKN's Chairman Asimwe Kabunga, held a 60% interest of 92U Pty Ltd. In consideration for Kabunga Holdings Pty Ltd interest in 92U Pty Ltd, it was issued 36,000,000 AKN shares and 18,000,000 options exercisable at \$0.20 on or before 30 September 2025.

The value of the consideration for the transaction was:

36,000,000 AKN shares with a value of \$0.105 per share	3,780,000
18,000,000 AKN options with a value of \$0.0467 per option	840,600
Total consideration	4,620,600

NOTE 9 COMMITMENTS

Future exploration

The Consolidated Entity has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Consolidated Entity.

<i>Exploration obligations to be undertaken – Koongie Park:</i>		
Payable within one year	452,920	208,550
Payable between one year and five years	1,248,650	993,400
Payable after five years	273,000	273,000
	1,974,570	1,474,950
<i>Exploration obligations to be undertaken – Tanzania:</i>		
Payable within one year	1,261,456	-
Payable between one year and five years	3,784,367	-
Payable after five years	-	-
	5,045,823	-

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the Company has the option to negotiate new terms or relinquish the tenements or to meet expenditure requirements by joint venture or farm in agreements.

The Consolidated Entity currently does not have any other obligations to expend minimum amounts on either operating leases or exploration in tenement areas.

NOTE 10 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Astral Resources interest in the KPJV has now converted to a 1% net smelter return royalty which will be payable on any future metals sales from the Koongie Park project.

There are no other contingent liabilities or contingent assets at 30 June 2023 (31 December 2022: Nil).

NOTE 11 EVENTS AFTER BALANCE SHEET DATE

There have been no events since 30 June 2023 that impact upon the financial report.

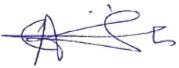
DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors



Director

8 August 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of AuKing Mining Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of AuKing Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated balance sheet as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd



T R Mann
Director

Brisbane, 8 August 2023