

29 September 2022

ASX RELEASE

Sale of Unmarketable Parcels of Shares

AuKing Mining Limited (ASX: AKN, AuKing) advises that it has established an Unmarketable Parcel Sale Facility (Facility) for holders of parcels with a market value of less than \$500 worth of fully paid, ordinary shares in AKN (Shares), (Unmarketable Parcel).

Based on the price of Shares on the close of trading on 28 September 2022 (**Record Date**) of \$0.089, a holding of less than 5,618 Shares constitutes an Unmarketable Parcel.

AKN is offering the Facility to enable shareholders who hold an Unmarketable Parcel to sell their Shares without having to act through a broker or pay brokerage or handling fees. AKN will pay all costs associated with the sale and transfer of Shares through the Facility (excluding any tax consequences of the sale, which will be the responsibility of relevant shareholders).

The sale of Unmarketable Parcels through the Facility will also benefit AKN, as it is expected to reduce the administrative costs associated with maintaining a large number of small shareholdings on AKN's share register.

In accordance with AKN's Constitution and the ASX Listing Rules, the **attached** letter and share retention form (**Retention Form**) will be sent to all shareholders who hold an Unmarketable Parcel on the Record Date.

Shareholders who hold an Unmarketable Parcel and wish to retain their Shares must opt-out of the Facility by returning their duly completed Retention Form to AKN's share registry, Link Market Services, in accordance with the instructions on the Retention Form, by no later than 5pm (Sydney time) on 17 November 2022 (**Closing Time**). Any shareholder who holds an Unmarketable Parcel and does not return a duly completed Retention Form by the Closing Time will have their Shares sold through the Facility.

AKN will appoint a broker to sell the Shares under the Facility, and the net proceeds from the sale of the Shares will be remitted to participating shareholders as soon as practicable following settlement of all Shares sold through the Facility.

The key dates in relation to the Facility are set out below:

| Event | Date |
|---|---|
| Record Date for establishing holders of Unmarketable Parcels | 5.00pm (Sydney time) on 28 September 2022 |
| ASX announcement regarding Unmarketable Parcels Sale Facility | 29 September 2022 |
| Letter and Retention Form despatched to shareholders holding an Unmarketable Parcel | 29 September 2022 |
| Closing Time for receipt of completed Retention Forms | 5.00pm (Sydney time) on 17 November 2022 |

AKN reserves the right to change any of the dates referred to in this letter or the enclosed Information Sheet or Retention Form, or to vary, cancel or delay the Facility or the sale of your Shares at any time before your Shares are sold, by making an announcement to ASX. AKN does not provide any recommendation or advice as to whether shareholders holding an Unmarketable Parcel should sell or retain their Shares.

This announcement has been authorised by Paul Williams, CEO, AuKing Mining Limited.

For more information, please contact:

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Dear Shareholder

AuKing Mining Limited – Notice of Unmarketable Parcel Sale Facility

AuKing Mining Limited (**AKN**) is pleased to advise that it has established an Unmarketable Parcel Sale Facility (**Facility**) for holders of parcels of fully paid ordinary shares in AKN (**Shares**) with a market value of less than \$500 as at the close of trading on 28 September 2022 (**Record Date**), (**Unmarketable Parcel**).

Based on the price of Shares on the close of trading on the Record Date of \$0.089, a holding of less than 5,618 Shares constitutes an Unmarketable Parcel.

The Facility will facilitate the aggregation, and on-sale, of all Unmarketable Parcels. The Facility will allow all Unmarketable Parcel holders to sell their shares without incurring any brokerage or handling costs. AKN will pay all costs associated with the sale and transfer of Shares through the Facility (excluding any tax consequences of the sale, which will be the responsibility of relevant shareholders).

The sale of Unmarketable Parcels through the Facility will also benefit AKN, as it is expected to reduce the administrative costs associated with maintaining a large number of small shareholdings on AKN's share register.

AKN has the ability to establish the Facility and facilitate the sale of Unmarketable Parcels under its Constitution and the ASX Listing Rules.

Why are you receiving this letter?

Our records indicate that you are the holder of an Unmarketable Parcel based on the price of Shares of \$0.089 as at the close of trade on the Record Date.

If you wish to sell your Unmarketable Parcel through the Facility without incurring any brokerage or handling costs, you **do not** need to take any action. Pursuant to its Constitution, AKN is authorised to sell your Unmarketable Parcel following the expiry of the six week notice period, unless you complete the share retention form (**Retention Form**) enclosed with this letter, and return it to AKN's share register, Link Market Services Limited (**Link**) before 5.00pm (Sydney time) on 17 November 2022 (**Closing Date**).

If, at the Closing Date, the value of your Shares has increased such that you no longer have an Unmarketable Parcel (eg due to an increase in the market price of Shares or the number of Shares you hold), your Shares will not be sold.

If you have multiple holdings of Shares which, if aggregated, would not constitute an Unmarketable Parcel, you may contact Link at 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia) to amalgamate your holdings. In these circumstances, your Shares will not be sold.

You should be aware that the fact that your holding of Shares is described in this letter as an 'Unmarketable Parcel' does not mean that you cannot sell your Shares at any time. The use of the term 'Unmarketable Parcel' in this letter is to identify the value of Shares which are eligible for sale through the Facility.

Key dates

The key dates in relation to the Facility are set out below:

| Event | Date |
|---|---|
| Record Date for establishing holders of Unmarketable Parcels | 5.00pm (Sydney time) on 28 September 2022 |
| ASX announcement regarding Unmarketable Parcels Sale Facility | 29 September 2022 |
| Letter and Retention Form despatched to shareholders holding an Unmarketable Parcel | 3 October 2022 |
| Closing Time for receipt of completed Retention Forms | 5.00pm (Sydney time) on 17 November 2022 |

What do you need to do?

As a holder of an Unmarketable Parcel as at the Record Date, your options are described below:

1. **Sell your Unmarketable Parcel** – if you wish to sell your Shares through the Facility, you should **take no action**. By taking no action, you will be deemed to have irrevocably appointed AKN as your agent to:
 - (a) sell, or procure the sale of, all of your Shares at a price to be determined, without any costs being incurred by you; and
 - (b) deal with the proceeds of the sale as set out in this letter (for more information about the payment of the sale proceeds through Link, please refer to the enclosed Information Sheet).

AKN will appoint a broker to facilitate the sale of the Unmarketable Parcels. Payment for your Shares will be remitted to you as soon as practicable, following settlement of the sale of all Shares sold through the Facility.
2. **Retain your Unmarketable Parcel** – if you do not wish to sell your Unmarketable Parcel, you must complete and return the enclosed Retention Form in accordance with the instruction on the Retention Form so that it is received by Link before the Closing Date.

AKN reserves the right to change any of the dates referred to in this letter or the enclosed Information Sheet or Retention Form, or to vary, cancel or delay the Facility or the sale of your Shares at any time before your Shares are sold, by making an announcement to ASX.

AKN does not provide any recommendation or advice as to whether you should sell or retain your Shares.

Yours sincerely



Paul Williams

Chief Executive Officer

INFORMATION SHEET

AKN UNMARKETABLE PARCEL SALE FACILITY

1. What is an Unmarketable Parcel?

An Unmarketable Parcel is a holding of fully paid ordinary shares in AuKing Mining Limited (**AKN**), (**Shares**) that is valued at less than \$500 as at 5.00pm on 28 September 2022 (**Record Date**). This is equivalent to a holding of less than 5,618 Shares.

2. Why has the Facility been established?

AKN has decided to establish an Unmarketable Parcel Sale Facility (**Facility**) to enable you to sell your Unmarketable Parcel without incurring brokerage or handling costs that could otherwise make a sale of your Unmarketable Parcel uneconomic or difficult. The sale of Unmarketable Parcels through the Facility will also enable AKN to reduce administrative costs associated with maintaining a large number of relatively small holdings of Shares.

3. Why have I received this letter?

You have received this letter because our records indicate that you held an Unmarketable Parcel of Shares based on the price of Shares of \$0.089 as at close of trade on the Record Date.

4. What do I need to do to sell my Shares?

If you wish to sell your Shares you should **take no action**. Your Shares will be sold through the Facility unless a duly completed Retention Form in respect of your Shares is received by AKN's Share Registry (Link) before 5.00pm (Sydney time) on 17 November 2022 (**Closing Time**) in accordance with the instructions on the Retention Form. A Retention Form is enclosed with this letter.

5. What if I do not wish to sell my Unmarketable Parcel?

If you do not wish to sell your Shares, you must opt-out of the Facility by completing and returning the enclosed Retention Form to the address provided in the Retention Form so that it is received by Link prior to the Closing Time. If Link has not received your Retention Form by the Closing Time, your Shares will be sold through the Facility.

Alternatively, you can purchase more Shares on-market so that you hold at least \$500 worth of Shares as at the Closing Time. See Question 12 below for further information.

6. How will my shares be sold under the Facility?

Your Shares will be sold on the Australian Securities Exchange (ASX) by a broker appointed by AKN.

7. What price will I receive for Shares sold through the Facility?

The Shares will be sold at the prevailing market price for Shares on the ASX (ASX: AKN), at or around the Closing Time. If, at the Closing Time, the value of your Shares has increased so that you no longer have an Unmarketable Parcel (ie due to an increase in the price of the Shares or in the number of Shares you hold) your Shares will not be sold.

You will not have control over the time or price at which your Shares are sold, and the price you receive may not reflect the price of Shares appearing the in media or quoted by the ASX on any given day, nor be the best price for the Shares available on the day your Shares are sold.

8. Do I need to pay anything if I participate in the Facility?

AKN will pay all costs and expenses arising in connection with the Facility. Any tax payable, or other tax consequences from the sale, will be your responsibility.

9. When will I receive the proceeds for the Shares sold?

Payment will be remitted to you following settlement of all Shares sold under the Facility as soon as reasonably practicable. If your direct credit details or address requires updating, you can amend your details online through Link's Investor Centre website at <https://investorcentre.linkmarketservices.com.au>. Payment will be made in Australian dollars.

10. What are the advantages and disadvantages of participating in the Facility?

You may consider the following consequences of participating in the Facility to be advantageous:

- receiving a cash payment from the sale of your Unmarketable Parcel;
- avoiding any brokerage or related selling expenses in connection with the sale of your Shares;
- utilising a cost effective way of disposing of an Unmarketable Parcel; and
- the sale price of your Shares being determined by reference to the prevailing market price of Shares.

You may consider the following consequences of participating in the Facility to be disadvantageous:

- no longer holding any Shares in AKN (unless you subsequently buy more Shares);
- possible capital gains tax being payable; and
- the price of AKN's Shares subsequently rising following the sale of your Shares (although there is no way of predicting whether this would actually occur).

11. What if the price of Shares changes between the Record Date and the Closing Time?

If the market price of Shares increases between the Record Date and the Closing Time, such that at the Closing Time the value of your Shares is equal to or greater than \$500, your Shares will not be sold through the Facility.

12. If I buy more Shares in AKN, will I retain my holding?

AKN will not sell your Shares if you increase your holding to a marketable parcel, being a holding of Shares with a market value of at least \$500 based on the price of Shares as at the Closing Time. Please note that any additional Shares acquired must be registered by the Closing Time, under the same name and address and with the same holder number (SRN or HIN) as set out in the enclosed Retention Form.

13. What if I hold multiple Unmarketable Parcels of Shares?

If you hold multiple Unmarketable Parcels of Shares, you must complete and return a Retention Form for each separate Unmarketable Parcel that you wish to retain.

Alternatively, you may aggregate your multiple holdings to avoid them being sold. To do this, please contact Link on 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia). If you wish to sell your Unmarketable Parcels, you should take no action.

14. What if my holding of Shares in AKN is a CHESS Holding?

If your Shares remain in a CHESS Holding, AKN may move those Shares to an Issued Sponsored Holding and the Shares will then be sold under the Facility.

15. Does AKN have the authority to establish the Facility?

AKN has the ability to establish the Facility and facilitate the sale of Unmarketable Parcels under its Constitution and the ASX Listing Rules.

16. Where can I obtain further information?

If you have any other questions about the operation of the Facility, please contact AKN on +61 7 3535 1208.

17. What if I am unsure of what to do?

If you are in doubt about what to do, you should consult a financial, legal or taxation adviser. This Information Sheet does not constitute advice, nor is it a recommendation to sell, buy or hold Shares.

18. Important notes

AKN reserves the right to change any of the dates referred to in this letter or the enclosed Information Sheet or Retention Form, or to vary, cancel or delay the Facility or the sale of your Shares at any time before your Shares are sold, by making an announcement to ASX.