

## Notice of General Meeting

# Notice of General Meeting and Explanatory Memorandum

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AuKing Mining Limited ACN 070 859 522

**Date of Meeting:** Friday, 11 March 2022

**Time of Meeting:** 9.30am (Brisbane time)

**Place of Meeting:** Level 2  
Christie Centre  
320 Adelaide Street  
Brisbane QLD 4000

This is an important document. Please read it carefully.

**If Shareholders wish to attend the Meeting in person they will need to contact the Company Secretary Mr Paul Marshall (email: [pmarshall@aukingmining.com](mailto:pmarshall@aukingmining.com)) in order for the Company to ensure it is able to maintain compliance with COVID related restrictions applicable as at the Meeting date.**

As a precaution in relation to COVID-19, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the Meeting. Shareholders are strongly encouraged to vote online ([www.linkmarketsecurities.com.au](http://www.linkmarketsecurities.com.au)) or by lodging the proxy form attached to this Notice in accordance with the instructions set out on that form by no later than 9.30am on 9 March 2021.

**Notice to U.S. persons:**

AuKing Mining Limited is incorporated in the Commonwealth of Australia and its securities have not been registered under the U.S. Securities Act of 1933, as amended (**Securities Act**) or the laws of any state or other jurisdiction in the United States. The New Shares offered and sold in the Placement have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

This Notice and the accompanying Explanatory Memorandum may not be distributed or released in the United States.

# Notice of General Meeting

Notice is given that a General Meeting of Shareholders of **AuKing Mining Limited ACN 070 859 522 (Company)** will be held at Level 2, Christie Centre, 320 Adelaide Street, Brisbane, Qld 4000, on Friday, 11 March 2022 at 9.30am (Brisbane time).

Terms used in this Notice of Meeting are defined in Section 6 of the accompanying Explanatory Memorandum.

## Agenda

### Ordinary business

#### 1. Resolution 1: Ratification of Prior Issue of Shares under the Placement

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 15,000,000 Shares issued on 24 November 2021 at a price of \$0.165 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting, to the Placement Recipients.”*

#### **Voting Restriction pursuant to Listing Rule 7.5.8**

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- the Placement Recipients; or
- an Associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 1 by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### 2. Resolution 2: Issue of Advisor Shares

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, in accordance with Listing Rule 7.1, and for all other purposes, the Company be authorised to issue up to 300,000 Shares at a price of \$0.165 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting, to the Lead Manager.”*

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## **Voting Restriction pursuant to Listing Rule 7.3.9**

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- Lead Manager and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares); or
- an Associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 2 by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **3. Resolution 3: Issue of Advisor Options**

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, in accordance with Listing Rule 7.1, and for all other purposes, the Company be authorised to issue to Vert Capital Pty Ltd ACN 635 566 424 (or their nominees) a total of 4,000,000 Options with an exercise price of \$0.25 per Option expiring on or before 30 June 2023 (**Advisor Options**) and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting.”*

## **Voting Restriction pursuant to Listing Rule 7.3.9**

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- Vert Capital Pty Ltd and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares); or
- an Associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 3 by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

# Notice of General Meeting

## Notes

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Terms used in this Notice of Meeting are defined in the “Interpretation” section of the accompanying Explanatory Memorandum.

A detailed summary of the Resolutions is contained within the Explanatory Memorandum.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution.

All resolutions at this Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting.

## General business

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To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

### By order of the board

Paul Marshall

Company Secretary  
10 February 2022

# Explanatory Memorandum

## 1. Introduction

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This Explanatory Memorandum is provided to shareholders of **AuKing Mining Limited ACN 070 859 522 (Company)** to explain the Resolutions to be put to Shareholders at the General Meeting to be held at Level 1, Christie Centre, 320 Adelaide Street, Brisbane, Qld 4000, on Friday, 11 March 2022 at 9.30am (Brisbane time).

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in Section 6.

### Voting and Attendance

If Shareholders wish to attend the Meeting in person they will need to contact the Company Secretary Mr Paul Marshall (email: pmarshall@aukingmining.com) in order for the Company to ensure it is able to maintain compliance with COVID related restrictions applicable as at the Meeting date.

As a precaution in relation to COVID-19, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the meeting. Shareholders are strongly encouraged to vote by lodging the proxy form attached to this Notice in accordance with the instructions set out on that form by no later than 9.30am on 9 March 2022.

## 2. Background to the Placement

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On 17 November 2021 the Company announced that it had raised \$2.47M (before costs) through an offer of 15,000,000 fully paid ordinary Shares in the Company by way of private placements to unrelated sophisticated and professional investors (**Placement**).

On 24 November 2021 the Company issued the Placement Shares comprising 15,000,000 Shares at a price of \$0.165 per Share to the Placement Recipients (**Placement Shares**). The Placement Shares were issued by the Company pursuant to Listing Rule 7.1 and 7.1A.

After successfully completing a \$7M capital raising as part of its re-admission to the official list of ASX, the Company proceeded with its activities at Koongie Park as contemplated at the time of its re-admission. The strong early drilling results received by the Company prompted the Board to proceed with the 2021 Placement and to place the Company in a position to significantly expedite the Koongie Park Project activities in 2022 and beyond. This enabled the Company to achieve its first earn-in milestone at Koongie Park much earlier than was initially anticipated. Had the initial drilling results not been as positive, the Company's anticipated expenditure would likely have been more consistent with the program and budget set out in the Company's prospectus dated 9 March 2021 (**Prospectus**).

Proceeds from the Placement will be used to secure commitments from drilling companies that will be integral to the Company accelerating exploration and drilling campaigns at its Koongie Park copper/zinc project in Western Australia, and general working capital requirements. All of these intended activities in 2022 are consistent with the primary objectives as stated by the Company in the Prospectus.

Another factor that has influenced the Board's decision to proceed with the Placement is that the resources industry in Western Australia (in particular) is going through a period of extraordinary demand – for personnel, equipment (most notably drilling rigs and crews), and services (laboratory, other consulting – geophysics etc). This demand has led to the Company experiencing:

# Explanatory Memorandum

- higher overall rates and, with significant demand for services, a limited ability (if any) to negotiate better commercial terms; and
- due to the competition for services, the need to commit to service contracts for more work than was originally anticipated – for example, being required to commit to greater drilling metres in order to secure the rigs to the Halls Creek region.

At the time of issuing the Prospectus, a two-year work program and budget was developed based on the Company's understanding of the market factors then in place. The program and budget were reviewed by the Company's Independent Technical Expert (CSA Global) and considered adequate for the proposed program at that time. Since that time, the Company has experienced (and is likely to continue to experience) increased pressure to commit more funds to its program due to both the demand on resources as well as the strong initial drilling results.

The Company appointed Vert Capital (**Lead Manager**) to act as the lead manager to the Placement.

On completion of the Placement, the Company agreed with the Lead Manager to convert part of the fee payable to the Lead Manager into Shares in the Company, subject to approval of shareholders. Out of a total fee payable of \$148,500, the Lead Manager agreed to convert one-third of the fee (\$49,500) into Shares on the same terms as the Placement Shares. A total of 300,000 Shares are proposed to be issued to the Lead Manager (**Advisor Shares**). (The approval to issue the Advisor Shares is the subject of Resolution 2.) The Company also intends to issue a total of 4,000,000 Options at an exercise price of \$0.25 each expiring on 30 June 2023 to the Lead Manager (which are the subject of Resolution 3) under the terms and conditions set out in an offer management agreement dated 14 November 2021 (**Advisor Options**). (Shareholder approval to issue the Advisor Options is the subject of Resolution 3.)

## 3. Resolution 1: Ratification of Issue of Shares under the Placement

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Resolution 1 is an Ordinary Resolution and seeks Shareholder approval and ratification of prior issue of the Placement Shares under the Placement, in accordance with Listing Rule 7.4.

### 3.1 Listing Rules 7.1, 7.1A and 7.4

This Resolution proposes that Shareholders of the Company approve and ratify the Placement.

A total of 6,028,965 Shares were issued within the Company's capacity under Listing Rule 7.1A pursuant to the approval obtained at the Company's last annual general meeting held on 30 July 2021.

The balance of 8,971,035 Shares were issued within Company's capacity under Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

In addition, and subject to a number of exceptions, pursuant to Listing Rule 7.1A shareholders can give prior approval (by special resolution at an annual general meeting) to the issue of securities equivalent to an additional 10% of its capital over a 12 month period. Shareholders of the Company gave their approval for the issue of additional shares under Listing Rule 7.1A at the last annual general meeting of the Company held on 30 July 2021.

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The Placement did not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by the Company's shareholders, it effectively used up all of the 15% limit in Listing Rule 7.1 and the additional 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the issue date.

Listing Rule 7.4 sets out an exception to Listing Rules 7.1. and 7.1A. It provides that where a company in a general meeting ratifies a previous issue of securities made or agreed to be made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1, and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule. It also provides that an issue made in accordance with Listing Rule 7.1A can be approved subsequently under Listing Rule 7.4 and, if it is, the issue will then be excluded from calculation of Company's capacity to issue further equity securities under Listing Rule 7.1A. The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rules 7.1 and 7.1A.

Ratification by the Shareholders of the Company to the Placement is now sought pursuant to Listing Rule 7.4 under Resolution 1 in order to reinstate the Company's capacity to issue up to 15% of its issued capital under Listing Rule 7.1 and additional 10% of its issued capital under Listing Rule 7.1A, if required, in the next 12 months (or in the case of Listing Rule 7.1A until the earlier of the Company's next AGM or 30 July 2022) without Shareholder approval, to the extent of the Placement Shares.

The effect of this Resolution 1 is that the Company, for the purposes of Listing Rules 7.1 and 7.1A will be able to refresh its 15% and additional 10% placement capacity, respectively, with effect from the date of the General Meeting, to the extent of the Placement Shares.

If Resolution 1 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, the Placement will be included in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date.

## 3.2 Listing Rule 7.5

Pursuant to Listing Rule 7.5, the following information is provided in respect of the Listing Rule 7.4 ratification sought under Resolution 1:

(a) **The names of the persons to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified or selected**

The Placement Shares were issued to the Placement Recipients, none of whom is a related party of the Company. The participants of the Placement were introduced by the Lead Manager or were prospective investors already known to the Board. Vert Capital was appointed as lead manager to undertake the Placement and received a placement sales fee of 6% of the Placement (\$149,500). (Note that Vert Capital has elected to be paid part of that sales fee in Shares, the issue of which are the subject of Resolution 2).

No Placement Recipient is a related party of the Company. No Placement Recipient is:

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- a member of the Company's Key Management Personnel;
- a substantial holder of the Company;
- an adviser to the Company;
- an associate of any of the above.

The remaining Placement Recipients are not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.4.

The Company has agreed, subject to obtaining shareholder approval of the Placement, based on the amount raised under the Placement, to issue to the Lead Manager (or their nominees):

- 300,000 Shares, in lieu of payment by the Company of \$49,500 of fees payable to the Lead Manager in relation to the Placement. These Advisor Shares are the subject of Resolution 2; and
- 4,000,000 Options in the Company exercisable at \$0.25 per share, exercisable on or before 30 June 2023 (**Advisor Options**)– being the same terms and conditions of the Company's existing Options that are also listed for quotation on ASX. The Advisor Options are issued at a subscription price of \$0.00001 per Advisory Option. The Advisor Options are the subject of Resolution 3.

(b) **The number and class of securities the entity issued or agreed to issue**

The Company issued 15,000,000 fully paid ordinary shares.

(c) **If the securities are not fully paid ordinary securities, a summary of the material terms of the securities**

The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing Shares previously issued by the Company.

(d) **The date or dates on which the securities were or will be issued**

The Placement Shares were issued on 24 November 2021.

(e) **The price or other consideration the entity has received or will receive for the issue**

The issue price of the Placement Shares was \$0.165 per Share.

(f) **The purpose of the issue, including the use (or intended use) of any funds raised by the issue**

Proceeds from the Placement will be used to secure commitments from drilling companies that will be integral to the Company accelerating exploration and drilling campaigns at its Koongie Park copper/zinc project in Western Australia, and general working capital requirements.

(g) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The Placement Shares were not issued under an agreement.

(h) **A voting exclusion statement**

A voting exclusion statement is set out under Resolution 1 of the Notice of Meeting.



# Explanatory Memorandum

## 3.3 Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

## 4. Resolution 2: Issue of Advisor Shares

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### 4.1 Background

As referred to under section 3, the Company appointed Vert Capital to act as the lead manager in respect of the Placement, under the terms and conditions set out in an offer management agreement (**Offer Management Agreement**) dated 14 November 2021.

In accordance with the provisions of the Offer Management Agreement, the Company was obliged to pay a 6% commission to the Lead Manager in relation to the extent of funds raised under the Placement in addition to the options that are the subject of Resolution 3. This amount totalled \$148,500. The Lead Manager requested, and the Company agreed subject to obtaining shareholder approval, that in lieu of payment of one-third of the commission payable (\$49,500), the Company would issue Shares to the Lead Manager (or its nominee). A total of 300,000 Shares are to be issued, on the same terms and conditions as applied in respect of the Placement Shares (**Advisor Shares**).

Resolution 2 is an Ordinary Resolution and seeks Shareholder approval to the issue of the Advisor Shares, in connection with the Placement and for the purposes of Listing Rule 7.1.

### 4.2 Listing Rule 7.1 - Issues exceeding 15% of capital

A summary of Listing Rule 7.1 is set out in section 3.1 above.

The issue of Advisor Shares does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

If Resolution 2 is passed, the Company will be able to issue the Advisor Shares to the Lead Manager, partially in lieu of payment by the Company of commission payable under the Offer Management Agreement. In addition, the Advisor Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be to issue the Advisor Shares and will be obliged to pay the balance \$49,500 of commission to the Lead Manager in cash.

### 4.3 Information for Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in respect of the Listing Rule 7.1 approval sought under Resolution 2:

(a) **The names of the persons to whom the entity will issue the securities or the basis upon which those persons were or will be identified or selected**

The Advisor Shares will be issued and allotted to the Lead Manager or its nominees.

(b) **The number and class of securities the entity will issue**

The Company will issue a total of 300,000 Advisor Shares.

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(c) **If the securities are not fully paid ordinary securities, a summary of the material terms of the securities**

The Advisor Shares are issued on the same terms and conditions as apply to the Company's existing ordinary shares.

(d) **The date or dates on or by which the entity will issue the securities**

The Advisor Shares will be issued shortly after the Meeting, on or about 14 March 2022 and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.

(e) **The price or other consideration the entity will receive for the securities**

The issue price for the Advisor Shares is \$0.165 per Share, being the same issue price as applied in respect of the Placement Shares.

(f) **The purpose of the issue, including the intended use of any funds raised by the issue**

The Advisor Shares are to be issued partially in lieu of the commission payable to the Lead Manager under the Offer Management Agreement.

\$49,500 will be raised by the Company through the issue of Advisor Shares.

(g) **If the securities are being issued under an agreement, a summary of any other material terms of the agreement**

The Lead Manager was engaged under the Offer Management Agreement to act as the lead manager of the Placement. Under the Offer Management Agreement, based on the amount raised under the Placement and subject to shareholder approval being obtained, the Company has agreed to allot and issue to the Lead Manager a total of 300,000 Shares in lieu of payment of one-third of the commission payable under the Offer Management Agreement.

The material terms of the Offer Management Agreement are:

- the fee payable by the Company is:
  - 6% commission (plus GST) to the Lead Manager in relation to the extent of funds raised under the Placement, payable by way of cash in respect of two-thirds and the shares the subject of approval in Resolution 2 for the balance one-third; and
  - the Advisor Options that are the subject of Resolution 3, with the issue price of each Advisor Option being a nominal amount of \$0.00001;
- the Lead Manager is entitled to be reimbursed for reasonable expenses incurred in undertaking its role;
- the Lead Manager may terminate the Offer Management Agreement:
  - by 7 days' notice if the Company commits a material breach of the agreement or a warranty given by the Company is untrue; or
  - immediately in the case of an insolvency event in respect of the Company; and

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- the Company may terminate the Offer Management Agreement by 7 days' notice and any outstanding expenses must be paid immediately.

The remaining terms of the Offer Management Agreement with the Lead Manager are otherwise on market standard terms.

(h) **If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover**

The Advisor Options are not being issued under, or to fund, a reverse takeover.

(i) **A voting exclusion statement**

A voting exclusion statement is set out under Resolution 3 of the Notice of Meeting.

#### 4.4 **Recommendation**

The Directors recommend that you vote in favour of this Ordinary Resolution.

## 5. **Resolution 3: Issue of Advisor Options**

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### 5.1 **Background**

As referred to above, the Company appointed Vert Capital to act as lead manager in respect of the Placement, under the terms and conditions set out in the Offer Management Agreement.

In consideration of the provision of services by the Lead Manager, the Company has agreed to allot and issue to the Lead Manager (or its nominees) 4,000,000 Options in the Company exercisable at \$0.25 per share, exercisable on or before 30 June 2023 – being the same terms and conditions of the Company's existing Options that are also listed for quotation on ASX. The complete terms and conditions of these Options are set out in Schedule 1 (**Advisor Options**).

Resolution 3 is an Ordinary Resolution and seeks Shareholder approval to the issue of the Advisor Options, in connection with the Placement and for the purposes of Listing Rule 7.1.

### 5.2 **Listing Rule 7.1 - Issues exceeding 15% of capital**

A summary of Listing Rule 7.1 is set out in section 3.1 above.

The issue of Advisor Options does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to issue the Advisor Options to the Lead Manager in relation to services provided in connection with the Placement. In addition, the Advisor Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to issue the Advisor Options in connection with the services provided by Vert Capital in relation to the Placement.

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## 5.3 Information for Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in respect of the Listing Rule 7.1 approval sought under Resolution 3:

(a) **The names of the persons to whom the entity will issue the securities or the basis upon which those persons were or will be identified or selected**

The Advisor Options will be issued and allotted to the Lead Manager or its nominees.

(b) **The number and class of securities the entity will issue**

The Company will issue a total of 4,000,000 Advisor Options.

(c) **If the securities are not fully paid ordinary securities, a summary of the material terms of the securities**

A summary of the Advisor Options is set out in Schedule 1 to this Explanatory Memorandum. These terms are identical to the Company's existing Options that are listed for quotation on ASX.

(d) **The date or dates on or by which the entity will issue the securities**

The Advisor Options will be issued shortly after the Meeting, on or about 14 March 2022 and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.

(e) **The price or other consideration the entity will receive for the securities**

The exercise price of each Advisor Option is \$0.25. The Advisor Options are being issued in consideration for the services provided by the Lead Manager pursuant to the Offer Management Agreement and a nominal issue price is payable by the Lead Manager of \$0.00001 per Advisor Option.

(f) **The purpose of the issue, including the intended use of any funds raised by the issue**

The Advisor Options will be issued in consideration for Vert Capital acting as lead manager to the Placement.

A nominal issue price per Advisor Option is payable by the Lead Manager of \$0.00001 per Advisor Option.

(g) **If the securities are being issued under an agreement, a summary of any other material terms of the agreement**

The Lead Manager was engaged under the Offer Management Agreement to act as the lead manager of the Placement. Under the Offer Management Agreement, based on the amount raised under the 2021 Placement and subject to shareholder approval being obtained, the Company has agreed to allot and issue to the Lead Manager a total of 4,000,000 Options in the Company exercisable at \$0.25 per share, exercisable on or before 30 June 2023 – being the same terms and conditions of the Company's existing Options that are also listed for quotation on ASX. These Advisor Options are otherwise to be on the terms and conditions set out in Schedule 1.

The Company is also to pay the Lead Manager a management fee of 6% of funds raised under the Placement. The management fee (subject to approval by

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Shareholders of Resolution 2) is payable by the Company in a combination of cash and the issue of the Advisor Shares.

Further details in respect of the Offer Management Agreement are set out in section 4.3(g) above.

(h) **If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover**

The Advisor Options are not being issued under, or to fund, a reverse takeover.

(i) **A voting exclusion statement**

A voting exclusion statement is set out under Resolution 3 of the Notice of Meeting.

## 5.4 **Recommendation**

The Directors recommend that you vote in favour of this Ordinary Resolution.

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## 6. Interpretation

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**Advisor Options** means 4,000,000 Options with an exercise price of \$0.25 expiring on 30 June 2023 and otherwise on the terms set out in Schedule 1 to be issued to the Lead Manager or its nominees.

**Advisor Shares** means 300,000 Shares to be issued to the Lead Manager or its nominees.

**Associate** has the meaning given to that term in the Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

**Board** means the board of directors of the Company.

**Company** means AuKing Mining Limited ACN 070 859 522.

**Constitution** means the constitution of the Company from time to time.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

**Director** means a director of the Company.

**Equity Securities** has the meaning given to that term in the Listing Rules.

**Explanatory Memorandum** means this explanatory memorandum accompanying the Notice of Meeting.

**Key Management Personnel** has the definition given in *Accounting Standards AASB 124 Related Party Disclosure* as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

**Lead Manager** means Vert Capital.

**Listing Rules** means the official listing rules of the ASX as amended from time to time.

**Meeting** or **General Meeting** means the general meeting to be held on 11 March 2022.

**Notice of Meeting** or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum.

**Offer Management Agreement** has the meaning given to that term in section 4.1 of the Explanatory Memorandum.

**Options** means an option to subscribe for a Share in the Company.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

**Placement** means the placement of 15,000,000 Shares at a price of \$0.165 per Share issued on 24 November 2021 to the Placement Recipients.

**Placement Recipients** means the recipients of Placement Shares, being clients of the Lead Manager who are unrelated sophisticated and professional investors in Australia and specified in Section 3.2(a) of this Explanatory Memorandum.

**Placement Shares** has the meaning given to that term in section 2 of the Explanatory Memorandum.

# Explanatory Memorandum

**Resolution** means a resolution proposed at the Meeting.

**Share** means an ordinary fully paid share in the issued capital of the Company.

**Shareholder** means a holder of Shares in the Company.

**Vert Capital** means Vert Capital Pty Ltd ABN 28 635 566 424

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Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Paul Marshall (**Company Secretary**) by email to [p.marshall@aukingmining.com](mailto:p.marshall@aukingmining.com)

# Explanatory Memorandum

## Proxies, representatives and voting entitlements

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a Shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001* (Cth).

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the *Corporations Act*.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be **deposited at, posted to, or sent by facsimile transmission to the address listed below** not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

AuKing Mining Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia  
  
Facsimile No: +61 2 9287 0309  
  
Telephone Phone: 1300 554 474

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A proxy form is attached to this Notice.

## Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (Sydney time) on 9 March 2022. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## Signing instructions

You must sign the proxy form as follows in the spaces provided:

- |                    |   |
|--------------------|---|
| Individual:        | Where the holding is in one name, the holder must sign.   |
| Joint Holding:     | Where the holding is in more than one name, all of the security holders should sign.  |
| Power of Attorney: | To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.                    |
| Companies:         | Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the <i>Corporations Act 2001</i> ) does not have a Company Secretary, a Sole Director can also sign alone. |

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place



# Explanatory Memorandum

## Schedule 1 - Summary of the Advisor Option Terms in relation to the Placement

1. The Advisor Options shall be issued at a subscription price of \$0.00001 per Advisor Option.
2. The exercise price of each Advisor Option is \$0.25 (**Exercise Price**).
3. The Advisor Options will expire on 30 June 2023 (**Expiry Date**) unless earlier exercised.
4. The Advisor Options are transferrable.
5. The Advisor Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise (**Exercise Notice**) together with payment for the Exercise Price per Advisor Option to the Company at any time on or after the date of issue of the Advisor Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods.
6. The number of Advisor Options that may be exercised at one time must be not less than 25,000, unless the holder of the Advisor Option (**Option Holder**) holds less than 25,000 Advisor Options in which case all Advisor Options must be exercised at one time.
7. The Company will, within timeframes that comply with the Listing Rules (and in any event within 20 Business Days after the valid exercise of the Advisor Options):
  - (a) allot and issue the number of fully paid ordinary Shares ranking pari passu with the then issued Shares as required under these terms and conditions in respect of the number of Advisor Options specified in the Exercise Notice and for which cleared funds have been received by the Company; and
  - (b) if admitted to the official list of ASX at the time, apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Advisor Options.
8. Option Holders do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where and only to the extent required pursuant to the Listing Rules, provide Option Holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Advisor Options, in accordance with the requirements of the Listing Rules.
9. Option Holders do not participate in any dividends unless the Advisor Options are exercised and the resultant Shares of the Company are issued prior to the record date to determine entitlements to the dividend.
10. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - (a) the number of Advisor Options, the Exercise Price of the Advisor Options, or both will be reorganised (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the Option Holders are not conferred on Shareholders; and
  - (b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Advisor Options will remain unchanged.
11. If there is a pro rata issue (except a bonus issue), the Exercise Price of Advisor Option may be reduced according to the following formula:

# Explanatory Memorandum

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

$$N + 1$$

Where:

$O^n$  = the new exercise price of the Advisor Option;

$O$  = the old exercise price of the Advisor Option;

$E$  = the number of underlying securities into which one Advisor Option is exercisable;

$P$  = the volume weighted average market price per security of the underlying securities during the 5 trading days ending on the day before the ex-right date or the ex-entitlements date;

$S$  = the subscription price for a security under the pro rata issue;

$D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

$N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.

12. If there is a bonus issue to the Shareholders of the Company, the number of Shares over which the Advisor Option is exercisable may be increased by the number of Shares which the Option Holder would have received if the Advisor Option had been exercised before the record date for the bonus issue.
13. The terms of the Advisor Options shall only be changed if Shareholders (whose votes are not to be disregarded) of in the Company approve of such a change. However, unless all necessary waivers of the Listing Rules are obtained, the terms of the new Options shall not be changed to reduce the Exercise Price, increase the number of Advisor Options or change any period for exercise of the Advisor Options.
14. The Company intends to apply for listing of the Advisor Options on the ASX.

**LODGE YOUR VOTE**

**ONLINE**  
www.linkmarketservices.com.au

**BY MAIL**  
AuKing Mining Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY HAND**  
Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150

**BY FAX**  
+61 2 9287 0309

**ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474



**X999999999999**

**PROXY FORM**

I/We being a member(s) of AuKing Mining Limited and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**

**the Chairman of the Meeting (mark box)** **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

**STEP 1**

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **9.30am Brisbane Time on Friday, 11 March 2022 at Level 2, Christie Centre, 320 Adelaide Street, Brisbane QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

**VOTING DIRECTIONS**

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an**

**STEP 2**

**Resolutions**

	For	Against	Abstain*
1 Ratification of Prior Issue of Shares under the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Issue of Advisor Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Issue of Advisor Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)  Joint Shareholder 2 (Individual)  Joint Shareholder 3 (Individual)   
Sole Director and Sole Company Secretary  Director/Company Secretary (Delete one)  Director

**STEP 3**

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9.30am Brisbane Time on Wednesday, 9 March 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

AuKing Mining Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

\*During business hours Monday to Friday (9:00am - 5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**