

**AUKING**

**AKN**

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

# **INTERIM FINANCIAL REPORT**

## **For the half-year ended 30 June 2024**

CORPORATE DIRECTORY  
AuKing Mining Limited ABN 29 070 859 522

<p><b>Board of Directors</b> Mr Peter Tighe (Chairman) Mr Shizhou Yin (Non-Executive Director) Mr Paul Williams (Managing Director)</p> <p><b>Company Secretary</b> Mr Paul Marshall</p> <p><b>Exploration Manager</b> Mr Chris Bittar</p>	<p><b>Head Office</b></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><b>ASX Code: AKN</b></p>
<p><b>Auditors</b></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><b>Share Registry</b></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>

# AuKing Mining Limited

## Interim Financial Report for the Half-Year Ended 30 June 2024

### 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 2024.

### 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 Peter Tighe	Non-Executive Chairman	Appointed 9 June 2021
Mr Shizhou Yin	Non-Executive Director	Appointed 9 June 2021
Mr Paul Williams	Managing Director	Appointed 3 June 2024
Mr Asimwe Kabunga	Former Executive Chairman	Appointed 19 October 2022, resigned 3 June 2024
Mr Zuliang (Park) Wei	Former Non-Executive Director	Appointed 5 June 2023, resigned 29 May 2024

### REVIEW OF OPERATIONS

For the half-year ended 30 June 2024 the Consolidated Entity made a loss of \$2,537,113 (30 June 2023: loss of \$10,696,693).

#### Tanzanian Projects

##### *Mkuju Uranium*

In January, the Company reported significant assay results from the combined soil and rock chip sampling and auger drilling program conducted late last year including:

- **MKAU23\_020 (auger) 3m @ 1,273ppm U3O8 incl 1m @ 3,350ppm U3O8**
- **MKGS017 (soil) 8,800ppm U3O8**
- **MKGS057 (rock) 2,250ppm U3O8**

During the March Quarter, AKN announced details of its proposed Stage 2 drilling program at Mkuju, comprising an estimated 75 drill hole (11,000m) air core/RC drilling program. Since that time, the Company has obtained the necessary "local content" regulatory approvals from the Tanzanian Mining Commission after the conduct of a tender process for the drilling program.

##### *Manyoni Uranium*

AKN announced on 27 February 2023 that two (2) key Prospecting Licences ("PLs") at the Manyoni uranium project in central Tanzania, had been revoked by the Tanzanian Mining Commission. A significant portion of the historical Manyoni uranium resource estimate is contained within the two PLs that were the subject of revocation.

Since that time AKN management has taken various actions including several meetings with Tanzanian officials in an effort to re-secure the two revoked PLs. This included a recent high-level meeting in Dodoma attended by senior Ministry officials as well as the Company's Chairman and Managing Director in late June 2024. To date, there has been no response received by the Company to these efforts to seek a resolution to the matter.

#### Koongie Park

##### *Sandiego North Drilling*

During the June Quarter, the Company announced details of a proposed initial 1,000m reverse circulation (RC) drilling program across an estimated 6-8 drill holes to test the potential extent of copper mineralization along a 700m target zone to the north of the existing Sandiego deposit. During the course of 2023, the Company completed a soil sampling program over the Sandiego North area to follow up on mineralisation identified in and around the drill hole ASWB001. The purpose of the soil program was to identify any geochemical continuity between Sandiego and Sandiego North. This drilling

# AuKing Mining Limited

## Interim Financial Report for the Half-Year Ended 30 June 2024

program is planned to commence when a drilling contractor is in the Halls Creek region and available to carry out this activity.

No other activities were conducted at Koongie Park during the reporting period.

### Corporate Matters

#### Board Changes

On 29 May 2024, Mr Park Wei resigned as a director and on 3 June 2024, Mr Asimwe Kabunga resigned as Chairman and a director of the Company. Mr Peter Tighe was appointed non-executive Chairman in place of Mr Kabunga.

#### Completion of Share Placements

The Company completed two share placements during the reporting period:

- The placement conducted by the Company in November 2023 was completed by the placement of an additional 5,000,000 shares at an issue price of \$0.04 per share to Kabunga Holdings Pty Ltd to raise \$200,000. A further 2,500,000 free-attaching options at an exercise price of \$0.10 on or before 31 December 2025 were also issued to Mr Kabunga;
- The placement to certain sophisticated and professional investors to raise \$600,000 (before costs) through the issue of 40,000,000 shares at an issue price of \$0.015 each (Placement Shares). An additional series of free-attaching options (Placement Options) were issued with the Placement Shares on a 1:4 basis exercisable at \$0.03 on or before 30 April 2027. Mr Peter Tighe, a Director, participated in the Placement to the extent of \$50,000.

#### Short Term Loan Facility

On 19 April 2024, the Company announced details of a short-term loan agreement with Evolution Capital Pty Ltd (Evolution). A summary of the key terms of the loan facility is as follows:

<b>Facility Limit:</b>	\$750,000
<b>Term:</b>	Four months from the date of signing, namely 18 August 2024 (Due Date)
<b>Interest:</b>	10% fixed rate (being \$75,000) payable at the Due Date
<b>Security:</b>	A first-ranking corporate charge over all Company assets and interests; personal guarantee from Mr Asimwe Kabunga
<b>Options Issue:</b>	12,500,000 options exercisable at 3c on or before 30 April 2027 were also issued to Evolution.

Prior to the Due Date, an agreement was reached between Evolution and the Company's Chairman (Peter Tighe) whereby the rights of Evolution under the short term loan facility were assigned to Mr Tighe under the following terms:

<b>Lender:</b>	Mr Peter Tighe (having purchased these rights from Evolution Capital Pty Ltd)
<b>Facility Limit:</b>	\$750,000
<b>Term:</b>	30 November 2024
<b>Interest:</b>	15% per annum payable monthly in arrears

#### EVENTS AFTER BALANCE SHEET DATE

The following events since 30 June 2024 that impact upon the financial report are as follows:

#### Myoff Creek Niobium/REE Project Acquisition

On 22 July 2024, the Company announced it had entered into an option agreement to acquire all the shares in Australian-registered company North American Exploration Pty Ltd (NAE). NAE owns 100% of eight (contiguous claims that comprise the Myoff Creek Niobium/REE Project. A summary of the acquisition terms is as follows:

- A non-refundable fee of \$50,000 was paid by AKN on signing the agreement; and
- In consideration for the acquisition of all the shares in NAE, AKN will issue 57,000,000 ordinary shares at an issue price of \$0.015 per share and 28,500,000 free-attaching options exercisable at \$0.03 on or before 30 April 2027 to the existing NAE shareholders and their nominees.

The Company has since exercised the option and completed the acquisition of NAE, with some of the consideration shares (17,000,000) and all the 28,500,000 consideration options to be issued if approved at the Company's extraordinary general meeting on 26 September 2024.

### ***Grand Codroy Uranium Project Acquisition***

On 9 September 2024, the Company entered into a term sheet to acquire the Grand Codroy uranium project in south-western Newfoundland, pursuant to which the Company agreed acquire 100% of the issued capital of Lithium Rabbit Pty Ltd (GC Transaction).

The following consideration is payable to the vendor shareholders or their nominee/s:

- \$50,000 cash;
- 21,428,571 ordinary Shares (GC Consideration Shares), equating to a value of \$150,000 at a deemed issue price of \$0.007 per Share; and
- a further number of fully paid ordinary Shares (GC Deferred Consideration Shares) equal to a value of \$100,000, with an issue price of the previous 20 trading day volume weighted average price for the Company's Shares trading on the ASX or \$0.005 each, whichever is the greater. The GC Deferred Consideration Shares are to be issued 12 months after the date of acquisition and the maximum number of GC Deferred Consideration Shares will be 20,000,000 Shares.

Additionally, Lithium Rabbit Shareholders will retain a 2% Net Smelter Royalty on all materials produced from the Grand Codroy Project. The Company has a right to buy-back 1% of the Net Smelter Royalty for the sum of \$1,000,000.

Completion of the Grand Codroy acquisition is conditional upon the following:

- AKN successfully conducting a due diligence in relation to Lithium Rabbit Pty Ltd and the Grand Codroy mineral claim within 21 days from signing; and
- AKN obtaining shareholder approval under ASX Listing Rule 7.1 to enable the Company to have sufficient capacity to issue the 21,428,571 shares noted above.

The conditions are to be satisfied on or before 30 October 2024, failing which the agreement may be terminated by either party.

### ***Extension of Short Term Loan Facility***

On 14 August 2024, the Company announced that an agreement was reached between Evolution and the Company's Chairman (Peter Tighe) whereby the rights of Evolution under the short term loan facility assigned to Mr Tighe under the following terms:

<b>Lender:</b>	Mr Peter Tighe (having purchased these rights from Evolution Capital Pty Ltd)
<b>Facility Limit:</b>	\$750,000
<b>Term:</b>	30 November 2024
<b>Interest:</b>	15% per annum payable monthly in arrears

**Further Share Placements**

The Company has completed two share placements after the reporting period:

- On 22 July 2024, the Company announced a placement to sophisticated and professional investors to raise \$150,000 (before costs) through the issue of 10,000,000 shares at an issue price of 1.51c each (July Placement Shares). An additional series of free-attaching options will be issued with the July Placement Shares on a 1:2 basis exercisable at 3c on or before 30 April 2027. This placement was effected in conjunction with the Company's proposed acquisition of the Myoff Creek niobium/REE project in Canada. Empire Capital Partners Pty Ltd managed the placement on behalf of the Company.
- On 11 September 2024, the Company announced a placement to sophisticated and professional investors to raise \$130,000 (before costs) through the issue of 16,883,116 shares at an issue price of 0.77c each (September Placement Shares). An additional series of free-attaching options will be issued with the September Placement Shares on a 3:2 basis exercisable at 3c on or before 30 April 2027. The placement was effected in conjunction with the Company's proposed acquisition of the Grand Codroy uranium project in Newfoundland, Canada. Peak Asset Management Pty Ltd managed this placement on behalf of the Company.

**Rights Issue**

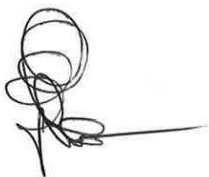
On 12 September 2024, the Company has announced a pro-rata non-renounceable entitlement offer to existing shareholders:

- entitlement offer of ordinary shares (New Shares) to existing shareholders on a 2 for 3 entitlement basis at an issue price of 0.7 cents per share to raise approximately \$1.48 million.
- For every two New Shares issued to a holder as part of their subscriptions under the Entitlement Offer, the holder will also receive one unlisted attaching option exercisable at 3 cents and expiring 30 April 2027.
- Entitlement Offer is to fund:
  - the planned drilling program at the Mkuju uranium project in southern Tanzania;
  - a proposed radiometric survey over the Myoff Creek niobium/REE project in eastern BC, Canada;
  - a planned RC drilling program at Sandiego North, part of the Koongie Park copper/zinc project;
  - initial soil sampling program at the newly-acquired Great Codroy uranium project in Newfoundland, Canada; and
  - the costs of the Entitlement Offer and for general working capital purposes.

**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 2024.

Signed in accordance with a resolution of the directors.



Paul Williams  
Managing Director  
13 September 2024

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001



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**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 2024, 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 dark ink, appearing to read 'T R Mann', is written over a light grey circular background.

**T R Mann**  
Director

**BDO Audit Pty Ltd**

Brisbane, 13 September 2024

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**AuKing Mining Limited**  
**Interim Financial Report for the Half-Year Ended 30 June 2024**

**Consolidated Statement of Comprehensive Income**  
**For the half-year ended 30 June 2024**

	Note	6 months ended June 2024 \$	6 months ended June 2023 \$
Employment and consultancy expenses		(450,783)	(721,526)
Depreciation expense		(23,957)	(23,117)
Costs related to the Tanzania transaction	8	-	(1,039,119)
Exploration expenditure - Tanzania	4	(330,013)	(8,378,112)
Impairment – exploration and evaluation assets		(922,890)	-
Finance costs		(277,159)	-
Other expenses	3	(532,311)	(534,819)
Loss before income tax		(2,537,113)	(10,696,693)
Income tax expense		-	-
Loss for the period		(2,537,113)	(10,696,693)
<b>Other comprehensive income/(loss)</b>			
Foreign currency translation differences for foreign operations		7,737	18,126
Income tax		-	-
Other comprehensive income for the period, net of tax		7,737	18,126
<b>Total comprehensive loss</b>		<b>(2,529,376)</b>	<b>(10,678,567)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share</b>			
Basic and diluted loss per share		(1.06)	(5.79)

*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 2024**

**Consolidated Balance Sheet**  
**As at 30 June 2024**

	Note	June 2024 \$	December 2023 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		112,736	396,308
Trade and other receivables		22,094	31,219
<b>TOTAL CURRENT ASSETS</b>		<b>134,830</b>	<b>427,527</b>
<b>NON-CURRENT ASSETS</b>			
Other receivables		3,185	3,185
Exploration and evaluation assets	4	8,021,826	8,770,769
Plant and equipment		139,617	163,574
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,164,628</b>	<b>8,937,528</b>
<b>TOTAL ASSETS</b>		<b>8,299,458</b>	<b>9,365,055</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		170,834	198,499
Employee benefit provisions		180,548	179,086
Borrowings	5	718,785	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,070,167</b>	<b>377,585</b>
<b>TOTAL LIABILITIES</b>		<b>1,070,167</b>	<b>377,585</b>
<b>NET ASSETS</b>		<b>7,229,291</b>	<b>8,987,470</b>
<b>EQUITY</b>			
Share capital	6	23,792,827	23,303,355
Reserves	7	2,536,102	2,246,640
Accumulated losses		(19,099,638)	(16,562,525)
<b>TOTAL EQUITY</b>		<b>7,229,291</b>	<b>8,987,470</b>

*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 2024**

**Consolidated Statement of Changes in Equity**  
**For the half-year ended 30 June 2024**

<b>Consolidated Entity</b>	<b>Share Capital</b> \$	<b>Reserves</b> \$	<b>Accumulated Losses</b> \$	<b>Total Equity</b> \$
<b>Balance at 1 January 2023</b>	13,592,798	379,631	(4,107,833)	9,864,596
<b>Transactions with owners in their capacity as owners</b>				
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
<b>Comprehensive income</b>				
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)
<b>Balance at 30 June 2023</b>	<b>22,385,884</b>	<b>2,202,412</b>	<b>(14,594,526)</b>	<b>9,993,770</b>
<b>Balance at 1 January 2024</b>	23,303,355	2,246,640	(16,562,525)	8,987,470
<b>Transactions with owners in their capacity as owners</b>				
Issue of share capital	650,000	-	-	650,000
Share issue costs	(160,528)	-	-	(160,528)
Share based payments	-	281,725	-	281,725
	489,472	281,725	-	771,197
<b>Comprehensive income</b>				
Loss after income tax	-	-	(2,537,113)	(2,537,113)
Other comprehensive income	-	7,737	-	7,737
	-	7,737	(2,537,113)	(2,529,376)
<b>Balance at 30 June 2024</b>	<b>23,792,827</b>	<b>2,536,102</b>	<b>(19,099,638)</b>	<b>7,229,291</b>

*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 2024**

	Note	6 months ended June 2024 \$	6 months ended June 2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(948,876)	(1,097,873)
Payments for Tanzania transaction costs	8	-	(46,709)
Payments for exploration and evaluation - Tanzania		(330,013)	(675,882)
Finance costs		(83,665)	-
Net cash used in operating activities		(1,362,554)	(1,820,464)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for exploration and evaluation– Koongie Park		(175,710)	(474,941)
Net cash provided used in investing activities		(175,710)	(474,941)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares	6	650,000	2,033,600
Cost associated with the issue of shares	6	(35,020)	(65,514)
Proceeds from borrowings	5	656,250	-
Repayment of borrowings	5	(17,757)	-
Net cash provided by financing activities		1,253,473	1,968,086
Net increase/(decrease) in cash and cash equivalents		(284,791)	(327,319)
Cash and cash equivalents at the beginning of the period		396,308	1,656,292
Net foreign exchange differences		1,219	1,237
<b>Cash and cash equivalents at the end of the period</b>		<b>112,736</b>	<b>1,330,210</b>

*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 2024 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 2023 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 *Borrowings* accounting policy detailed in Note 5, 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 2023.

### (d) New Standards and Interpretations Not Yet Adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 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 2024 the Consolidated Entity had cash reserves of \$112,736 and net current liabilities of \$935,337, inclusive of a \$750,000 loan from Evolution capital (assigned post period-end to Director Peter Tighe). For the half year ended 30 June 2024 the Consolidated Entity incurred a loss of \$2,537,113, including \$330,013 of exploration expenditure that was expensed under the Consolidated Entity's accounting policy disclosed in Note 4, and \$922,890 of impairment charges related to the non-core Koongie Park tenements.

The Consolidated Entity also incurred operating cash outflows of \$1,362,554 (including \$330,813 of exploration expenditure that was expensed under the Consolidated Entity's accounting policy disclosed in Note 7) and had investing cash outflows of \$175,710. As disclosed in Note 10 the Consolidated Entity also has obligations to expend minimum amounts on exploration in tenement areas. Currently the exploration expenditure obligations for the 12 months ending 30 June 2025 to maintain its current tenement areas are \$1,562,140.

Subsequent to year end the Consolidated Entity raised an additional \$150,000 through a share placement that was managed by Empire Capital Partners Pty Ltd and \$120,000 through a share placement that was managed by Peak Asset Management Pty Ltd.

The Consolidated Entity is also working towards entering into a \$175,000 sale agreement for the sale of its Manyoni licenses in Tanzania.

The Consolidated Entity lodged a prospectus on 12 September 2024 in respect of the proposed raising of an additional approximately \$1.484M from existing shareholders. In the event of a likely shortfall on subscriptions from eligible shareholders, the Co-Lead Managers to the rights issue (Empire Capital Partners and Peak Asset Management) have committed (on a best endeavours basis) to assist the Consolidated Entity to secure the shortfall moneys. Both Empire Capital Partners and Peak Asset Management have already participated in recent placements undertaken by the Consolidated Entity.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Consolidated Entity requires further capital to:

- fund future exploration activity and meet other necessary corporate expenditure. It is the intention of the Consolidated Entity to carry out near-term exploration activities at its existing Mkuju, Myoff Creek and, if sufficient funding is available, the Sandiego North projects.
- repay the \$750,000 loan from Director Peter Tighe by 30 November 2024

The ability of the Consolidated Entity to continue as a going concern is dependent upon securing funding in the form of a capital raise (by way of the rights issue), within the next month. A further capital raising is planned for late November 2024 to ensure the Consolidated Entity is in a position to retire the short-term loan facility owing to Mr Tighe, in the event that an agreement to extend that loan cannot be achieved, despite the best efforts by the parties to do so. This is in addition to amounts already raised subsequent to balance date. These funds are required to continue planned exploration and meet the Consolidated Entity's working capital requirements.

In addition to planned capital raising activities, the Consolidated Entity is taking steps to reduce its expenditures moving forward.

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

- the ability of the Company to raise additional capital in the future;
- the ability of the Consolidated Entity to obtain short term funding within the next month (under the rights issue) to meet immediate funding requirements; 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.

Whilst acknowledging these uncertainties, the directors have concluded that the Company is currently solvent and that the going concern basis of preparation is appropriate due to the following reasons:

- The Consolidated entity will continue to monitor its available funding and may seek to extend the expiry of the loan with Mr Tighe if necessary;
- The Consolidated Entity has respective mandate agreements in place with both Empire Capital Partners and Peak Asset Management to assist with any shortfall under the rights issue;
- 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 implementation of a cost reduction program.

The directors believe there will be 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 2024	\$	\$	\$	\$
<b>Revenue:</b>				
Revenues	-	-	-	-
				-
<b>Expenses:</b>				
Tanzania exploration expenses	(330,013)	-	-	(330,013)
Impairment – exploration and evaluation assets	-	(922,890)	-	(922,890)
Other operating expenses	(67,399)	(28,276)	(1,188,535)	(1,284,210)
				(2,537,113)
Segment result	(397,412)	(951,166)	(1,188,535)	(2,537,113)
Income tax	-	-	-	-
<b>Net Loss</b>				(2,537,113)
<b>Assets:</b>				
Segment assets	13,627	8,117,935	167,896	8,299,458
<b>Liabilities:</b>				
Segment liabilities	15,624	32,403	1,022,140	1,070,167

**NOTE 2 SEGMENT REPORTING (continued)**

	Tanzania	Australia	Unallocated	Consolidated
Half-Year Ended 30 June 2023	\$	\$	\$	\$
<b>Revenue:</b>				
Revenues	-	-	-	-
				-
<b>Expenses:</b>				
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	-	-	-	-
<b>Net Loss</b>				(10,696,693)
<b>Assets:</b>				
Segment assets	163,106	8,777,787	1,464,624	10,405,517
<b>Liabilities:</b>				
Segment liabilities	35,156	124,696	251,895	411,747
			6 months ended June 2024	6 months ended June 2023
			\$	\$

**NOTE 3 OTHER EXPENSES**

Corporate compliance and insurance expenses	216,062	233,828
Administration expenses	187,071	197,502
Telecom and IT expenses	11,961	29,691
Investor relations expenses	117,217	73,798
	532,311	534,819
	6 Months Ending June 2024	12 Months Ending December 2023
	\$	\$

**NOTE 4 EXPLORATION AND EVALUATION**

**Koongie Park Project**

*Amounts recognised in the Consolidated Balance Sheet*

Opening balance	8,770,769	8,318,408
Exploration expenditure during the period	173,947	746,756
Impairment of exploration expenditure	(922,890)	(38,332)
Government grants relating to exploration	-	(256,063)
	8,021,826	8,770,769

#### NOTE 4 EXPLORATION AND EVALUATION (continued)

##### 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 Sandiego deposits are situated.

##### Impairment - Koongie Park Project

During the period the Consolidated Entity has incurred an impairment expense of \$922,890 in relation to the Koongie Park tenements. The impairment relates to historical expenditure incurred on tenements peripheral to the Koongie Park JORC resource.

At the current time the Consolidated Entity is not planning to incur further substantive expenditure on these peripheral tenements and will instead focus on its other projects, including those Koongie Park tenements which the JORC resource relates to.

	6 months ended June 2024 \$	6 months ended June 2023 \$
<b>Tanzania Projects</b>		
<i>Amounts recognised in the Consolidated Statement of Comprehensive Income</i>		
Acquisition of Tanzania projects	-	7,702,230
Exploration expenditure during the period	330,013	675,882
	330,013	8,378,112

##### Accounting Policy – Tanzania Projects

Exploration costs, including the costs to initially acquire the various prospective uranium and copper licences (refer Note 8) 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.

	June 2024 \$	December 2023 \$
<b>NOTE 5 BORROWINGS</b>		
<u>Short-term loan</u>		
Opening balance	-	-
Drawdowns during the period	750,000	-
Borrowing costs <sup>1</sup>	(167,625)	-
Interest expense	99,744	-
	682,119	-
<u>Insurance premium financing</u>		
Opening balance	-	-
Insurance premiums financed during the period	54,423	-
Repayments made	(17,757)	-
	36,666	-

<sup>1</sup> Borrowing costs relate to the issue of 12,500,000 options under the evolution capital agreement, as noted below. These have been valued using a Binomial model per note 6.

#### Borrowings

Borrowings are measured at amortised cost. Amortised cost is the amount at which the financial liability is measured at initial recognition less principal repayments and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method. The effective interest method is used to allocate interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial liability.

The terms of each borrowings are as follows:

#### **Evolution Capital Agreement**

The Company and Evolution Capital entered into a \$250,000 short-term loan facility on 25<sup>th</sup> March 2024. This loan was then extended and increased to \$750,000, details of which were announced to ASX on 19 April 2024. The primary features of the loan included:

- Facility limit of \$750,000
- Term of 4 months ending on 18 August 2024
- Total finance charges of \$75,000
- A first-ranking corporate charge over all Company assets and interests
- The issue of 12,500,000 options exercisable at \$0.03 on or before 30 April 2027

Subsequent to period end, this loan was assigned to Peter Tighe on the following terms:

- Facility limit of \$750,000
- Term ending on 30 November 2024
- 15% per annum payable monthly in arrears

#### **Insurance Premium Financing**

During the period the Company entered into a insurance premium funding arrangement on the following terms:

- Funding amount of \$54,423
- Repayable over 12 months ending February 2025
- 12.05% interest rate

## NOTE 6 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 2024 \$	December 2023 \$
Fully paid ordinary shares	23,792,827	23,303,355

### Ordinary Shares

	6 Months Ending June 2024 \$	12 Months Ending December 2023 \$	6 Months Ending June 2024 Number	12 Months Ending December 2023 Number
At the beginning of the period	23,303,355	13,592,798	230,353,707	117,843,707
Share placement February 2024 <sup>1</sup>	200,000	-	5,000,000	-
Share placement May 2024 <sup>2</sup>	450,000	-	30,000,000	-
Shares issued to vendors of 92U Pty Ltd <sup>3</sup>	-	6,300,000	-	60,000,000
Shares issued to transaction advisors <sup>4</sup>	-	525,000	-	5,000,000
Share placement March 2023 <sup>5</sup>	-	2,126,000	-	21,260,000
Share placement November 2023 <sup>6</sup>	-	1,050,000	-	26,250,000
Share issue expenses <sup>7</sup>	(160,528)	(290,443)	-	-
At reporting date	23,792,827	23,303,355	265,353,707	230,353,707

### Notes

1. 5,000,000 shares issued through a share placement at \$0.040 per share.
2. 30,000,000 shares issued through a share placement at \$0.015 per share.
3. 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 8.
4. 5,000,000 shares issued to Vert Capital as part consideration for advisory fees on the 92U Pty Ltd transaction – refer Note 8.
5. 21,260,000 shares issued through a share placement at \$0.100 per share.
6. 26,250,000 shares issued through a share placement at \$0.040 per share.
7. Includes \$114,100 of share based payments relating to 10,000,000 Tranche 15 options issued to Vert Capital Pty Ltd – refer Note 8.

**NOTE 6 SHARE CAPITAL (continued)**

**Options**

Tranche	Expiry Date	Exercise Price	Movements				30 June 2024
			1 January 2024	Issued	Exercised	Lapsed/ Expired	
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	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
Tranche 11	30 Sep 2025	\$0.20	5,000,000	-	-	-	5,000,000
Tranche 12	31 Dec 2025	\$0.10	13,125,000	-	-	-	13,125,000
Tranche 13	31 Dec 2025	\$0.10	-	2,500,000	-	-	2,500,000
Tranche 14	30 April 2027	\$0.03	-	12,500,000	-	-	12,500,000
Tranche 15	30 April 2027	\$0.03	-	10,000,000	-	-	10,000,000
			83,325,000	25,000,000	-	-	108,325,000

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.

Tranche 11 options were issued to options were issued to Vert Capital Pty Ltd as part consideration for capital raising services. The 5,000,000 options are exercisable at \$0.20 on or before 30 September 2025.

Tranche 12 options were issued to shareholders as part of the November 2023 share placement. The options have an exercise price of \$0.10 and no vesting conditions.

Tranche 13 options were issued to shareholders as part of the January 2024 share placement. The options have an exercise price of \$0.10 and no vesting conditions.

Tranche 14 options were issued to options were issued to Evolution Capital as a facility fee for the short-term loan provided (refer Note 5). The 12,500,000 options are exercisable at \$0.03 on or on or before 30 April 2027. These options have been valued using a Binomial model with a valuation of \$0.0134 per option. These have been accounted for as borrowing costs.

Tranche 15 options were issued to options were issued to Vert Capital Pty Ltd as part consideration for capital raising services. The 10,000,000 options are exercisable at \$0.03 on or before 30 April 2027. These options have been valued using a Binomial model with a valuation of 0.0114 per option. These options have accounted for as capital raising costs

	June 2024 \$	December 2023 \$
<b>NOTE 7 RESERVES</b>		
Share based payment reserve	2,505,411	2,223,686
Foreign translation reserve	30,691	22,954
	2,536,102	2,246,640

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.

	June 2024 \$	December 2023 \$
<b>Share based payment reserve movements</b>		
Opening balance	2,223,686	379,631
Director and employee options	-	107,699
Consultant options	114,100	544,126
Borrowing costs	167,625	
Options issued to the vendors of 92U Pty Ltd (refer Note 8)	-	1,402,230
Transfer of expired options to accumulated losses	-	(210,000)
	2,505,411	2,223,686

## NOTE 8 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 <sup>1</sup>	6,300,000
30,000,000 AKN options <sup>2</sup>	1,402,230
<b>Total consideration</b>	<b>7,702,230</b>

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

<sup>2</sup> 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

## NOTE 8 ACQUISITION OF 92U PTY LTD (continued)

### 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 <sup>1</sup>	525,000
10,000,000 AKN options as advisory fees to Vert Capital <sup>2</sup>	467,410
Other transactions costs	46,709
<b>Total acquisition costs</b>	<b>1,039,119</b>

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

<sup>2</sup> 10,000,000 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

## 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.

	June 2024 \$	June 2023 \$
<i>Exploration obligations to be undertaken – Koongie Park:</i>		
Payable within one year	511,420	452,920
Payable between one year and five years	2,050,040	1,248,650
Payable after five years	273,000	273,000
	2,834,460	1,974,570
<i>Exploration obligations to be undertaken – Tanzania:</i>		
Payable within one year	1,050,720	1,261,456
Payable between one year and five years	1,667,993	3,784,367
Payable after five years	-	-
	2,718,713	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 11 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 2024 (31 December 2023: Nil).

## NOTE 12 EVENTS AFTER BALANCE SHEET DATE

The following events since 30 June 2024 that impact upon the financial report are as follows:

### ***Myoff Creek Niobium/REE Project Acquisition***

On 22 July 2024, the Company announced it had entered into an option agreement to acquire all the shares in Australian-registered company North American Exploration Pty Ltd (NAE). NAE owns 100% of eight (contiguous claims that comprise the Myoff Creek Niobium/REE Project. A summary of the acquisition terms is as follows:

- A non-refundable fee of \$50,000 was paid by AKN on signing the agreement; and
- In consideration for the acquisition of all the shares in NAE, AKN will issue 57,000,000 ordinary shares at an issue price of \$0.015 per share and 28,500,000 free-attaching options exercisable at \$0.03 on or before 30 April 2027 to the existing NAE shareholders and their nominees.

The Company has since exercised the option and completed the acquisition of NAE, with some of the consideration shares (17,000,000) and all the 28,500,000 consideration options to be issued if approved at the Company's extraordinary general meeting on 26 September 2024.

## NOTE 12 EVENTS AFTER BALANCE SHEET DATE (continued)

### **Grand Codroy Uranium Project Acquisition**

On 9 September 2024, the Company entered into a term sheet to acquire the Grand Codroy uranium project in south-western Newfoundland, pursuant to which the Company agreed acquire 100% of the issued capital of Lithium Rabbit Pty Ltd (GC Transaction).

The following consideration is payable to the vendor shareholders or their nominee/s:

- \$50,000 cash;
- 21,428,571 ordinary Shares (GC Consideration Shares), equating to a value of \$150,000 at a deemed issue price of \$0.007 per Share; and
- a further number of fully paid ordinary Shares (GC Deferred Consideration Shares) equal to a value of \$100,000, with an issue price of the previous 20 trading day volume weighted average price for the Company's Shares trading on the ASX or \$0.005 each, whichever is the greater. The GC Deferred Consideration Shares are to be issued 12 months after the date of acquisition and the maximum number of GC Deferred Consideration Shares will be 20,000,000 Shares.

Additionally, Lithium Rabbit Shareholders will retain a 2% Net Smelter Royalty on all materials produced from the Grand Codroy Project. The Company has a right to buy-back 1% of the Net Smelter Royalty for the sum of \$1,000,000.

Completion of the Grand Codroy acquisition is conditional upon the following:

- AKN successfully conducting a due diligence in relation to Lithium Rabbit Pty Ltd and the Grand Codroy mineral claim within 21 days from signing; and
- AKN obtaining shareholder approval under ASX Listing Rule 7.1 to enable the Company to have sufficient capacity to issue the 21,428,571 shares noted above.

The conditions are to be satisfied on or before 30 October 2024, failing which the agreement may be terminated by either party.

### **Extension and assignment of Short Term Loan Facility**

On 14 August 2024, the Company announced that an agreement was reached between Evolution and the Company's Chairman (Peter Tighe) whereby the rights of Evolution under the short term loan facility assigned to Mr Tighe under the following terms:

<b>Lender:</b>	Mr Peter Tighe (having purchased these rights from Evolution Capital Pty Ltd)
<b>Facility Limit:</b>	\$750,000
<b>Term:</b>	30 November 2024
<b>Interest:</b>	15% per annum payable monthly in arrears

### **Further Share Placements**

The Company has completed two share placements after the reporting period:

- On 22 July 2024, the Company announced a placement to sophisticated and professional investors to raise \$150,000 (before costs) through the issue of 10,000,000 shares at an issue price of 1.51c each (July Placement Shares). An additional series of free-attaching options will be issued with the July Placement Shares on a 1:2 basis exercisable at 3c on or before 30 April 2027. This placement was effected in conjunction with the Company's proposed acquisition of the Myoff Creek niobium/REE project in Canada. Empire Capital Partners Pty Ltd managed the placement on behalf of the Company.
- On 11 September 2024, the Company announced a placement to sophisticated and professional investors to raise \$130,000 (before costs) through the issue of 16,883,116 shares at an issue price of 0.77c each (September Placement Shares). An additional series of free-attaching options will be issued with the September Placement Shares on a 3:2 basis exercisable at 3c on or before 30 April 2027. The placement was effected in conjunction with the Company's proposed acquisition of the Grand Codroy uranium project in Newfoundland, Canada. Peak Asset Management Pty Ltd managed this placement on behalf of the Company.

**NOTE 12 EVENTS AFTER BALANCE SHEET DATE (continued)**

***Rights Issue***

On 12 September 2024, the Company has announced a pro-rata non-renounceable entitlement offer to existing shareholders:

- entitlement offer of ordinary shares (New Shares) to existing shareholders on a 2 for 3 entitlement basis at an issue price of 0.7 cents per share to raise approximately \$1.48 million.
- For every two New Shares issued to a holder as part of their subscriptions under the Entitlement Offer, the holder will also receive one unlisted attaching option exercisable at 3 cents and expiring 30 April 2027.
- Entitlement Offer is to fund:
  - the planned drilling program at the Mkuju uranium project in southern Tanzania;
  - a proposed radiometric survey over the Myoff Creek niobium/REE project in eastern BC, Canada;
  - a planned RC drilling program at Sandiego North, part of the Koongie Park copper/zinc project;
  - initial soil sampling program at the newly-acquired Great Codroy uranium project in Newfoundland, Canada; and
  - the costs of the Entitlement Offer and for general working capital purposes.

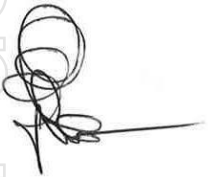
## DIRECTORS' DECLARATION

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 2024 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



Paul Williams  
Managing Director  
13 September 2024

## 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 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the half-year ended on that date, material accounting policy information 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 2024 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(e) 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 true and fair and 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 2024 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

A handwritten signature in dark ink, appearing to read 'T R Mann', is written over a faint, stylized 'BDO' logo.

T R Mann  
Director

Brisbane, 13 September 2024