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ASX RELEASE

Saudi Arabia Joint Venture Update – AuKing grants option to acquire its JV Interests

AuKing Mining Limited (ASX: AKN) wishes to advise that it has entered into a binding term sheet with ASX-listed Resource Mining Corporation Limited (ASX:RMI) granting RMI an option to purchase all of AuKing’s interests in its Joint Venture arrangements that have been established in Saudi Arabia.

AuKing’s Managing Director, Mr Paul Williams, said that on 27 November 2024, the Company announced to the ASX the proposed transaction with Orion Resources Pty Ltd (“Orion”), which included the proposed earn-in of 15% of the Cloncurry Project interests via an acquisition of shares in Orion. Since that announcement, the newly-constituted Board of AuKing has taken the decision that it cannot now direct resources and available funds to the new Saudi Joint Venture. As a consequence (and with permission from the local Saudi partner, Barg Alsaman Mining Co (“BSMC”)), AuKing has entered into the option with RMI, providing for that company to assume AuKing’s position in the Saudi JV with BSMC.

Saudi Joint Venture Update

In conjunction with BSMC, AuKing has now established its Joint Venture in Saudi Arabia with BSMC (“Saudi JV”) and a new JV company has been incorporated. Under the terms of the Saudi JV, AuKing has the right to earn a 70% joint venture interest by incurring project-related expenditure up to the stage of a feasibility study for the particular project. At the present time, the Saudi JV has two (2) project interests – first, the BSMC-owned project known as “Wadi Salamah” and the Shaib Marqan project awarded by the Saudi Ministry of Industry and Mineral Resources (“Ministry”) (see ASX announcement by AuKing on 6 November 2024). An exploration licence has just been granted for Wadi Salamah and steps are being taken with the Ministry in order to secure the Shaib Marqan licence.

RMI Option

As a consequence of the Board’s decision to focus efforts on Orion’s Cloncurry Project and its other existing exploration interests, AuKing has entered into a binding term sheet with RMI, whereby RMI has an exclusive right to acquire AuKing’s interests in the Saudi JV. Key provisions of the term sheet include the following:

- RMI has an option to purchase all of AuKing's rights, obligations and interests in the Saudi JV, for a period of thirty (30) days commencing after the grant by the Ministry of the Shaib Marqan licence ("RMI Option");
- No consideration is payable by RMI to AuKing in respect of the exercise of the RMI Option, other than RMI's agreement to:
 - Assume all of AuKing's obligations under the Saudi JV; and
 - (at its own expense and at no cost to AuKing), RMI assisting BSMC to secure grant of the Shaib Marqan licence and the commencement of exploration activities at the Wadi Salamah project.
- In the event that the RMI Option is not exercised, AuKing's interest in the Saudi JV will automatically revert to BSMC, for no consideration.

AuKing will keep the market updated as this proposed transaction progresses.

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