

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



罕王  
HANKING

**CHINA HANKING HOLDINGS LIMITED**

**中國罕王控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 03788)**

### **INSIDE INFORMATION**

## **JORC CODE-COMPLIANT GOLD RESERVES INCREASED by 62.6%**

This announcement is made by China Hanking Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) is pleased to announce that Hanking Gold Mining Pty Ltd (“**Hanking Gold**”, a wholly-owned subsidiary of the Company) has recently completed a new drilling program and new resource estimate, the gold reserves of Hanking Gold under the Australasian Code for Reporting of Mineral Resources and Ore Reserves by the Joint Ore Reserves Committee (version 2012) (“**JORC Code**”) has been increased from 364 thousand ounces to 592 thousand ounces, representing an increase of approximately 62.6%.

Following a significant increase in JORC Code-compliant gold resources at its wholly-owned Axehandle gold deposit, which is part of the Southern Cross Operations gold project (“**SXO Gold Project**”), the Company has completed the reserves estimation and feasibility study in this project according to the JORC Code. Axehandle gold deposit is located at the south of the current open-pit mine of Cornishman and is closer to the Marvel Loch Processing Plant than Cornishmen. It is on the side of the Company’s haul road to the Processing Plant (Figure 1), with excellent condition for exploitation. Based on an optimized open-pit design, the Company completed the reserves estimation in accordance with the JORC Code (Table 1). In the open pit at Axehandle gold deposit, the gold reserves after the mining dilution and loss reached 2,660 thousand tons of ores at an average grade of 2.4 gram/ton for 204 thousand ounces gold, in which 2,083 thousand tons of ores are the proven reserve and 577 thousand tons of ores are the probable reserve (Table 1). In addition, Hanking Gold conducted pit optimisation design, reserves estimate and feasibility study in the JORC Code-

compliant resources of the current open-pit gold mine of Cornishman North in the first half of 2015. According to the results (Table 1), the JORC Code-compliant reserves of such open-pit mine increase to 321 thousand tons of ore and 21 thousand ounces of gold, in which 17 thousand ounces gold are the proven reserves and 4 thousand ounces gold are the probable reserves.

**Table 1: JORC Code-Compliant Open-pit Gold Reserve in the Mining Area at Axehandle and Cornishman North, Hanking Gold**

<b>Pit</b>	<b>Reserve Class</b>	<b>Amount of Gold Ore</b> <i>(Thousand tons)</i>	<b>Grade</b> <i>(g/t)</i>
Axehandle	Proven Reserve	2,083	2.4
	Probable Reserve	577	2.5
	Total Reserve	2,660	2.4
Cornishman North	Proven Reserve	241	2.2
	Probable Reserve	80	1.8
	Total Reserve	321	2.1

- Notes:*
- 1) Axehandle gold reserve data was completed by Charles Hastie, an independent technology consultant. Charles Hastie is a competent person who signed this reserve documentation in accordance with the JORC Code. The main parameters in the JORC Code-compliant reserve include: AUD 1,474/ounce gold, open-pit cut-off grade of 0.69 gram/ton and dilution rate of 10%.
  - 2) Cornishman North reserve was completed by Entech Pty Ltd, an independent technology consulting company of Australia, and the reserve documentation was signed by Shane McLeay who is a competent person in accordance with the JORC Code. The main parameters in the JORC Code-compliant reserve include: AUD 1,435/ounce gold, open-pit cut-off grade of 0.90 gram/ton and dilution rate of 10%.

Commenting on this latest result, the Executive Director of the Company and President and CEO of Hanking Gold, Dr. Qiu Yumin, said that, “The substantial increase in gold reserve proved once again the great potential of our SXO Gold Project, further extended mine life and paved the way for creating greater value for shareholders by increasing gold production and improving the synergistic effect from economy of the scale for 2016 and beyond.”

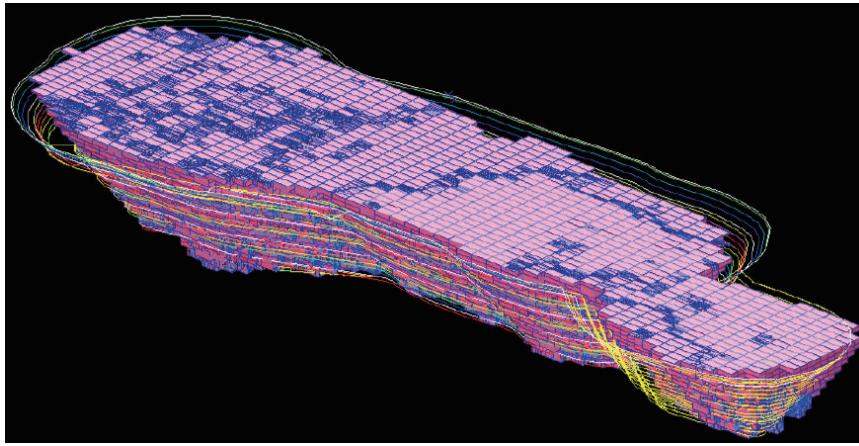
As of the end of June 2015, JORC Code-compliant resource at SXO Gold Project was 25.055 million tons with an average grade of 3.7 gram/ton containing 3 million ounces of gold (Table 2), representing an increase of 25% since its acquisition, and its total JORC Code-compliant reserve was 592 thousand ounces (Table 3), representing an increase of 62.6% as compared to that of the end of 2014. Currently, while continuously improving the gold output of SXO Gold Project, Hanking Gold has also been accelerating the preparation work before the development of Axehandle gold mine and will start to develop the gold mine in the near future, in order to achieve synergies and scale effects.

Moreover, for the 3,000 thousand ounces JORC Code-compliant gold resources owned by the Company, it will further upgrade reserves of resources, making preparations for increasing production to improve the value of SXO Gold Project.

With the implementation of its strategy of “internationalization and diversification”, the Group’s emerging business areas witness continuous expansion. As such, Dr. Pan Guocheng, Executive Director, President and CEO of the Company, pointed out, “Although the Group’s iron ore business was the main contributor to the current cash flow of the Group during the sluggish market, by leveraging its outstanding advantage of low production cost, its gold mining business has become a new growth momentum for the Group’s profitability, and soon will even become the Group’s leading business.”



Figure 1: Tenements and major gold mines of Hanking Gold’s SXO Gold Project



**Figure 2: Estimated reserves of open pit at Hanking Gold's Axehandle gold mine**

**Table 2: Total JORC Code-compliant Gold Resources at SXO Gold Project, Hanking Gold**

Deposit	Cut Off Grade (g/t)	Measured			Indicated			Inferred			Total		
		Ore (KT)	grade (g/t)	Au (KoZ)	Ore (KT)	grade (g/t)	Au (KoZ)	Ore (KT)	grade (g/t)	Au (KoZ)	Ore (KT)	grade (g/t)	Au (KoZ)
Marvel Loch	2.2	287	3.1	29	2,930	3.2	299	1,400	2.5	112	4,617	3.0	440
Nevoria	0.6 (OC); 2.0 (UG)	0	0	0	3,730	3.4	407	328	4.0	42	4,058	3.4	449
Transvaal	Note 1 (OC); 2.6 (UG)	0	0	0	1,630	4.7	249	1,800	4.9	286	3,430	4.8	535
Jaccoletti	2.6	0	0	0	0	4.6	0	715	5.5	126	715	5.5	126
Axehandle	0.7	2,330	2.6	193	990	2.5	78	440	2.2	31	3,760	2.5	301
Cornishman	0.9 (OC); 2.5 (UG)	1,161	4.2	158	778	4.2	104	493	5.1	81	2,433	4.4	343
Edwards Find area	0.7	0	0	0	381	3.1	38	363	2.6	30	744	2.8	68
Frasers	Note 2	0	0	0	1,117	4.6	165	1,474	6.1	289	2,591	5.5	454
Yilgarn Star	4.0	0	0	0	385	6.6	82	0	0	0	385	6.6	82
Others	Note 3	367	1.0	12	1,610	2.7	140	345	4.5	50	2,322	2.7	202
<b>Total</b>		<b>4,145</b>	<b>2.9</b>	<b>392</b>	<b>13,551</b>	<b>3.6</b>	<b>1,562</b>	<b>7,358</b>	<b>4.4</b>	<b>1,047</b>	<b>25,055</b>	<b>3.7</b>	<b>3,000</b>

OC = Open Cut; UG = Underground.

Note 1: West Lode (Oxidized) = 1.08; West Lode (Fresh) = 1.73; East Lode (Oxidized) = 0.96; East Lode (Fresh) = 1.23.

Note 2: Inside Designed Pit = 1.0; Outside Designed Pit = 2.5.

Note 3: GVG Sulfide Lode = 1.0; GVG Open Pit = 0.7; New Zealand Gully = 2.5; Ruapehu = 2.6; Low Grade Stockpiles = N/A

Competent Person:

1. the information about Frasers, Cornishman and Axehandle in this table is based on the resources reports provided by Dr. Bielin Shi (“**Dr. Shi**”) in 2014. Dr. Shi is the Principle Resource Geologist of CSA Global Pty Ltd and has sufficient experience relevant to the types of deposits under consideration.
2. the information for the rest deposits in this table are based on the SBM 2012 Resources Statement which was compiled by Mr. Phillip Uttley, a Fellow of the Australian Institute of Mining and Metallurgy.

**Table 3: Total JORC Code-compliant Gold Reserves at SXO Gold Project, Hanking Gold (updated to 30 June 2015)**

<b>Deposit</b>	<b>Resource Category</b>	<b>Amount (KT)</b>	<b>Au Grade (g/t)</b>	<b>Contained Gold (KOZ)</b>
Cornishman	Proven	828	3.4	91
	Probable	285	2.2	20
	<b>Total</b>	<b>1,113</b>	<b>3.1</b>	<b>111</b>
Nevoria	Proven	–	–	–
	Probable	1,043	3.1	105
	<b>Total</b>	<b>1,043</b>	<b>3.1</b>	<b>105</b>
Frasers	Proven	–	–	–
	Probable	340	3.4	37
	<b>Total</b>	<b>340</b>	<b>3.4</b>	<b>37</b>
Aquarius	Proven	–	–	–
	Probable	616	3.3	65
	<b>Total</b>	<b>616</b>	<b>3.3</b>	<b>65</b>
Axehandle	Proven	2,083	2.4	161
	Probable	577	2.5	46
	<b>Total</b>	<b>2,660</b>	<b>2.4</b>	<b>207</b>
Nevoria East Underground	Proven	–	–	–
	Probable	547	3.8	67
	<b>Total</b>	<b>547</b>	<b>3.8</b>	<b>67</b>
Sub total Open pit	Proven	2,911	2.7	252
	Probable	2,861	3.0	274
	<b>Total</b>	<b>5,772</b>	<b>2.8</b>	<b>525</b>
Total	Proven	2,911	2.7	252
	Probable	3,408	3.1	341
	<b>Total</b>	<b>6,319</b>	<b>2.9</b>	<b>592</b>

By order of the Board  
**China Hanking Holdings Limited**  
*Chairlady and Executive Director*  
**Yang Min**

Shenyang, the PRC, 31 July 2015

*As at the date of this announcement, the executive directors of the Company are Ms. Yang Min, Mr. Yang Jiye, Mr. Pan Guocheng, Mr. Xia Zhuo, Mr. Qiu Yumin and Mr. Liao Pin Tsung; the non-executive directors of the Company are Mr. Zheng Xuezhi, Mr. Kenneth Jue Lee and Mr. Lan Fusheng; and the independent non-executive directors of the Company are Mr. Wang Ping, Mr. Wang Anjian, Mr. Jiang Zhouhua and Mr. Victor Yang.*