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If you have sold or transferred all your securities in **CHINA HANKING HOLDINGS LIMITED**, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**VERY SUBSTANTIAL DISPOSAL IN RELATION TO
THE SALE OF SHARES IN PRIMARY GOLD
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the Extraordinary General Meeting of China Hanking Holdings Limited to be held at Conference Room, 22nd Floor, Hanking Tower, No. 227, Qingnian Street, Shenhe District, Shenyang City, Liaoning Province, the PRC on Thursday, 12 September 2024 at 9:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the Extraordinary General Meeting is also enclosed. Such form of proxy is also published on the websites of the Company (www.hankingmining.com) and of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the Extraordinary General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the Extraordinary General Meeting if they so wish.

22 August 2024

IMPORTANT

FORWARD-LOOKING STATEMENTS

Certain information contained in this circular constitutes forward-looking information. Investors and Shareholders are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. These forward-looking statements include, without limitation, statements relating to the Completion of the Sale of Shares, the effect of the Sale of Shares on the Group and the use of proceeds from the Sale of Shares. Factors that could cause actual results to differ materially include, without limitation, the ability to complete the Sale of Shares, the ability to satisfy the conditions of the Share Sale Agreement, the occurrence of competing proposals, the change in Group's business strategies, and changes in Hong Kong and other relevant securities and commodities markets. There can be no assurance that future developments affecting Group will be those anticipated by management. While Group may elect to update the forward-looking information at any time, Group does not undertake to update it at any particular time or in response to any particular event. Investors and Shareholders should not assume that any forward-looking information in this circular represents the management's estimate as at any date other than the date of this circular.

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context otherwise requires:

“Aoniu Mine”	located at Hou’an Town, Fushun City, an iron mine operated through Aoniu Mining, a subsidiary of the Company
“Aoniu Mining”	Fushun Hanking Aoniu Mining Co., Ltd. (撫順罕王傲牛礦業股份有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of the Company
“AUD” or “Australian dollars”	the lawful currency of Australia (Australian dollars)
“Board”	the board of Directors
“Company”	China Hanking Holdings Limited (中國罕王控股有限公司), a limited company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Competent Person”	has the same meaning ascribed to it in Chapter 18 of the Listing Rules
“Competent Person’s Report”	has the same meaning ascribed to it in Chapter 18 of the Listing Rules
“Completion”	the completion of the sale and purchase of all of the shares in Primary Gold as contemplated in the Share Sale Agreement
“Completion Date”	the date on which the Sale of Shares is completed
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“Cygnet Gold Project”	a gold project which is located in Western Australia and currently has gold resource of approximately 8 million tons at 4.6 g/t for 1.18 million ounce gold (36.7 tons) in accordance with JORC Code.
“Director(s)”	the director (s) of the Company
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at Conference Room, 22nd Floor, Hanking Tower, No. 227, Qingnian Street, Shenhe District, Shenyang City, Liaoning Province, the PRC on Thursday, 12 September 2024 at 9:00 a.m. or any adjournment thereof and notice of which is set out on pages EGM-1 to EGM-2 of this circular
“Group”	the Company and its subsidiaries

DEFINITIONS

“Guarantor”	Inner Mongolia Huineng Coal and Electricity Group Co., Ltd (內蒙古匯能煤電集團有限公司), being the ultimate holding company of the Purchaser, and an Independent Third Party
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“JORC”	Australasian Joint Ore Reserves Committee
“JORC Code”	JORC Code, 2012 Edition
“Latest Practicable Date”	20 August 2024, being the latest practicable date before printing of this circular for ascertaining information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Maogong Mine”	located at Shiwen Town, Fushun City, an iron mine operated through Maogong branch of Aoniu Mining
“Major Project”	projects that are significant, complex and have strategic impact to the Northern Territory economy, as selected and awarded by the Northern Territory Government of Australia (https://cmc.nt.gov.au/advancing-industry/about-major-projects)
“Mt Bundy Gold Project”	a gold project which had JORC Code resources of approximately 3.01 million ounces of gold at an average grade of 0.9 g/t and reserve of approximately 1.64 million ounces of gold at an average grade of 0.9 g/t as of 30 June 2024. For details, please refer to Competent Persons’ Reports
“PRC”	The People’s Republic of China
“Primary Gold”	Primary Gold Pty Ltd, an Australian proprietary company established in Australia and a wholly-owned subsidiary of the Vendor
“Purchase Price”	the aggregate cash price payable for the shares of the Primary Gold on a cash and debt free basis, based on the agreed initial purchase price of AUD300 million plus the environmental bond amount of AUD3,116,653, subject to relevant post Completion adjustment set out in the Share Sale Agreement, which is expected to be no more than AUD20,000

DEFINITIONS

“Purchaser”	Huineng Gold Pty Ltd, an Australian proprietary company established in Australia and an Independent Third Party
“Remaining Group”	the remaining group of the Group after the completion of the disposal of Primary Gold and its subsidiaries
“Reserves”	have the same meaning ascribed to it in Chapter 18 of the Listing Rules
“Resources”	have the same meaning ascribed to it in Chapter 18 of the Listing Rules
“Restricted Share Award Scheme”	a restricted share award scheme adopted by the Company on 29 August 2019
“RMB”	Renminbi, the lawful currency of the PRC
“Sale of Shares”	the proposed sale of 100% shares in Primary Gold by the Vendor to the Purchaser pursuant to the terms of the Share Sale Agreement
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Shangma Mine”	located at Shangma Town, Fushun City, an iron mine operated through Shangma branch of Aoniu Mining
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares of the Company
“Share Sale Agreement”	the share sale agreement dated 1 July 2024 entered into among the Vendor, the Purchaser and the Guarantor in relation to the Sale of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	the lawful currency of the United States of America
“Vendor”	HGM Resources Pty Ltd
“%”	percent

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Yang Jiye
Mr. Zheng Xuezhi
Dr. Qiu Yumin
Ms. Zhang Jing

Non-executive Directors:

Mr. Xia Zhuo
Mr. Zhao Yanchao

Independent Non-executive Directors:

Mr. Wang Ping
Dr. Wang Anjian
Mr. Zhao Bingwen

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Headquarters in the PRC:

22nd Floor, Hanking Tower
No. 227, Qingnian Street
Shenhe District
Shenyang 110016
Liaoning Province
PRC

Principal place of business in Hong Kong:

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

22 August 2024

To the Shareholders,

Dear Sir or Madam,

**VERY SUBSTANTIAL DISPOSAL IN RELATION TO
THE SALE OF SHARES IN PRIMARY GOLD
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

Reference is made to the announcement of the Company dated 5 July 2024 regarding the sale of shares in Primary Gold pursuant to the Share Sale Agreement.

The purpose of this circular is to provide, among other things, (i) further information in relation to the Share Sale Agreement; (ii) financial information of the Group; (iii) financial information of Primary Gold; (iv) pro forma financial information of the Remaining Group; (v) Competent Persons' Reports prepared in accordance with the requirements of Chapter 18 of the Listing Rules; and (vi) the notice of the EGM.

VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE SALE OF SHARES IN PRIMARY GOLD

The Share Sale Agreement

On 4 July 2024, the Board considered and approved the Share Sale Agreement entered into by the Vendor (HGM Resources Pty Ltd) with the Purchaser (Huineng Gold Pty Ltd) and the Guarantor (Inner Mongolia Huineng Coal and Electricity Group Co., Ltd, the ultimate holding company of the Purchaser), pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, 100% of the shares in Primary Gold at the Purchase Price. Primary Gold, a wholly-owned subsidiary of the Vendor, holds the Company's gold exploration and gold mine development business and assets located in the Northern Territory of Australia.

Date

1 July 2024

Parties

The Vendor: HGM Resources Pty Ltd (a subsidiary of the Company)

The Purchaser: Huineng Gold Pty Ltd

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, (i) the Purchaser and its ultimate holding company (the Guarantor) are Independent Third Parties; and (ii) the Purchaser is a newly incorporated company established in Australia for the purposes of acquiring all the shares in Primary Gold and is expected to otherwise be principally engaged in investment holding and is a subsidiary of the Guarantor.

LETTER FROM THE BOARD

The Guarantor: Inner Mongolia Huineng Coal and Electricity Group Co., Ltd (內蒙古匯能煤電集團有限公司) was established in the PRC. It is an integrated upstream supplier of energy, from coal mining, thermal power generation, coal to gas chemicals to renewable energy. It mined 71.6 million tons of coal, generated 1.53 million kilowatts of thermal power and produced 1.6 billion cubic meters of gas from coal in 2023. Its profits was RMB20.2 billion and tax contribution was RMB13.6 billion in 2023. The ultimate beneficial owners of the Guarantor are Mr. Guo Jinshu and Mr. Guo Jianjun.

Sale and Purchase

The Vendor agrees to sell to the Purchaser and the Purchaser agrees to buy from the Vendor all of the shares of Primary Gold held by the Vendor on the Completion Date:

- (i) for the Purchase Price;
- (ii) free from encumbrances;
- (iii) with all rights, including dividend and voting rights, attached or accrued to them on or after the Completion Date; and
- (iv) subject to the Share Sale Agreement.

Purchase Price and Payment Terms

The Purchase Price reflects the aggregate cash price payable for the shares of the Primary Gold on a cash and debt free basis, based on the agreed initial purchase price of AUD300 million plus the environmental bond amount of AUD3,116,653, subject to relevant post Completion adjustment set out in the Share Sale Agreement, which is expected to be no more than AUD20,000. The environmental bond is a cash backed bond with no maturity date. It is the existing disturbance area rehabilitation cost estimated and assessed by the environmental authority of the government of Northern Territory in Australia. The Company has a cash deposit at Commonwealth Bank of Australia to back this bond. The Purchaser will pay this amount of cash to the Company and replace the Company in this environmental bond. The amount of this cash backed bond is currently AUD3,116,653. The payment of Purchase Price will be made in cash upon Completion.

The Purchase Price (including initial purchase price) was offered by the Purchaser following a competitive global sales process¹ and based on an arm's length negotiation between the Vendor and the Purchaser. After taking into account of (i) the current and historical Resources and Reserves of Primary Gold (see below for details); (ii) the feasibility studies of the project disclosed in the announcement of the Company dated 13

Note 1: the competitive global sale process refers to the sale process led by Macquarie Capital (Australia) Limited and supported by the Company's legal advisor, HFW Australia. Macquarie Capital (Australia) Limited sent invitations to more than 50 companies around the world that might be interested in the project. Interested parties were provided with access to the same database and were required to submit non-binding offers in the first round and binding offers in the second round. This is an open and transparent process widely used in the global mining industry for major transactions.

LETTER FROM THE BOARD

November 2023, which indicated the pre-tax net present value² of around AUD765 million, estimated on the assumption of 6% discount rate and self-funding the full AUD394 million development capital with zero finance cost; (iii) the environmental impact statement approvals and the Major Project status awarded by the government of Northern Territory, Australia; (iv) the pre-development works, current status and estimated capital expenditure for construction and development of the Mt Bundy Gold Project; (v) the significant increase in the value of Primary Gold since the acquisition of Primary Gold in 2018 (the “**Acquisition**”) by the Company; (vi) the net asset of Primary Gold (see below Information on Primary Gold for details); (vii) the expected gain of the Sale of Shares which will provide the Company with a pathway to become a gold producer without increase the Company’s debt level and implement its business strategy (see below sections headed “Financial Effect of the Sale of Shares” and “Reasons for and Benefit of the Sale of Shares” for details); and (viii) the other factors, including but not limited to, the gold price, inflation, labour and material cost, supply chain, capital availability and cost, government approval(s), tax rate, royalty and market conditions, the Directors (including all independent non-executive Directors) are of the view that the Purchase Price is fair and reasonable.

This increase in value is mainly attributable to the following reasons:

1. since the Acquisition, Primary Gold has been carrying out exploration activities at the Mt Bundy Gold Project (the major asset of Primary Gold) and has achieved a substantial increase in its Resources and Reserves as illustrated below³:

Mt Bundy Gold Project	Tonnage <i>(thousand metric tons)</i>	Resources Grade <i>(g/t)</i>	Gold contained <i>(KOZ)</i>	Tonnage <i>(thousand metric tons)</i>	Reserves Grade <i>(g/t)</i>	Gold contained <i>(KOZ)</i>
As at the time of Acquisition	54,096	1.0	1,795	775	6.9	175
As of 31 December 2023	108,600	0.9	3,006	55,000	0.9	1,640

2. Primary Gold has been granted numerous approvals since Acquisition, including mining licenses renewal and extensions, and environment impact assessment approvals, etc;
3. the gold price in Australian Dollars has increased since Acquisition. The gold price in Australian Dollar was approximately AUD1,630/ounce at the time of Acquisition in 2018, and has increased to AUD3,512/ounce as at the date of the Share Sale Agreement. It is noted that the gold price is at its historic peak in both USD and AUD as of 1 August 2024, which may be related to the following factors: (i) Russia-Ukraine war and Middle East war; (ii) geopolitical risks; (iii) global economic uncertainty; (iv) monetary policy; and (v) supply and demand imbalance, etc.; and
4. Primary Gold has made significant progress towards the development of the Mt Bundy Gold Project, including completion of a definitive feasibility study in November 2023.

Note 2: the net present value represents the difference between the present value of cash inflows and the present value of cash outflows over a period of time, and is subject to changes of factors, including but not limited to, CPI, inflation rate, development timelines, discount rates, financing cost and tax.

Note 3: for details, please refer to the tables set out in pages IV-20 and IV-31 of Appendix IV to this circular.

LETTER FROM THE BOARD

Guarantee

The Guarantor unconditionally and irrevocably:

- (i) guarantees to the Vendor the due and punctual performance and observance by the Purchaser of all of the obligations contained in or implied under the Share Sale Agreement that must be performed and observed by the Purchaser (“**Guaranteed Obligations**”); and
- (ii) indemnifies and agrees to hold harmless the Vendor against any claim or liability suffered or incurred by the Vendor in relation to:
 - (a) any Guaranteed Obligation (or provision which would be or become a Guaranteed Obligation if enforceable, valid and not illegal) being or becoming unenforceable, invalid or illegal;
 - (b) the Purchaser failing, or being unable, to pay any amount or to perform any of its Guaranteed Obligations in accordance with the Share Sale Agreement; or
 - (c) any amount that the Purchaser is required to pay in respect of its Guaranteed Obligations under the Share Sale Agreement not being recoverable from the Purchaser,

in each case, for any reason and whether or not the Vendor knew or ought to have known about those matters.

If the Purchaser does not pay any amount it is obliged to pay under the Guaranteed Obligations in accordance with the Share Sale Agreement, the Guarantor must pay that amount on demand as if it was the Purchaser. If the Purchaser does not perform any of the other Guaranteed Obligations under the Share Sale Agreement, the Guarantor must perform, or procure the performance of, those obligations (on demand by the Vendor) in accordance with the Share Sale Agreement.

The Guarantor waives any right it may have to require the Vendor to proceed against, or enforce any other rights or claim payment from, any other person before claiming from the Guarantor under the Share Sale Agreement.

The guarantee and indemnity extends to the present and future balance of all the money payable by the Purchaser in connection with the Share Sale Agreement; is not wholly or partially discharged by the payment of any amount payable by the Purchaser under the Share Sale Agreement or the settlement of any account by the Purchaser; and continues until all obligations of the Purchaser under the Share Sale Agreement have been completely fulfilled.

LETTER FROM THE BOARD

Conditions precedent

Completion is expected to occur within 12 months and is conditional upon, among others, the satisfaction or waiver (where permitted) of the following key conditions:

- (i) Either:
 - (a) the Purchaser receives notice in writing from the Treasurer of Australia (the “**Treasurer**”) or his or her agent to the effect that there are no objections under the Australia Foreign Investment Review Board (“**FIRB**”) to the Purchaser acquiring the shares of the Primary Gold in accordance with the Share Sale Agreement and any conditions (other than standard tax conditions) imposed in the no-objection notification are acceptable to the Purchaser (acting reasonably); or
 - (b) the Treasurer is, by reason of lapse of time, no longer empowered to make an order under FIRB in respect of the acquisition contemplated by the Share Sale Agreement.
- (ii) Approval and registration pursuant to the Administrative Measures for the Verification and Approval and Record-Filing of Outbound Investment Projects and Chinese outbound investments from the Chinese National Development and Reform Commission, the Ministry of Commerce and State Administration of Foreign Exchange and the banks appointed by it.
- (iii) The Shareholders approve the Sale of Shares under the Share Sale Agreement, as required by and in accordance with the Listing Rules.

As at the Latest Practicable Date, none of the conditions precedent above has been fulfilled.

Information on the Company and the Vendor

The Company was incorporated in the Cayman Islands on 2 August 2010, and was listed on the Stock Exchange on 30 September 2011 (stock code: 03788). The Group engages in the development of gold mine projects in Australia, and engages in the exploration, mining, processing and sale of iron ore and, relying on its own high-quality iron ore resources, produces the wind power ductile casting iron products in China to supply the high-quality raw materials for the new energy industry.

The Vendor, namely HGM Resources Pty Ltd, was incorporated in Australia and is wholly-owned by Hanking Australia Investment Pty Ltd, a subsidiary held by the Company as to 94% as at the Latest Practicable Date. The remaining equity interest in Hanking Australia Investment Pty Ltd is held by Golden Resource Investment Pty Ltd as to 3% and Independent Third Parties from Australia as to 3% as at the Latest Practicable Date. Golden Resource Investment Pty Ltd is jointly held by Dr. Qiu Yumin and his spouse.

Macquarie Capital (Australia) Limited acted as financial advisor and HFW Australia acted as legal advisor to the Vendor.

LETTER FROM THE BOARD

Information on Primary Gold

Primary Gold was established in Australia on 17 November 2006 and is a wholly-owned subsidiary of the Vendor.

Primary Gold is based in Australia and is principally engaged in gold exploration and gold mine development. Primary Gold, through its wholly-owned subsidiary Primary Minerals Pty Ltd, has exploration licenses, mining permits, a water treatment plant and a 25tpd old processing plant which has not been used since 2008.

The audited net assets of Primary Gold as at 31 December 2023 was approximately AUD32,639,802, and the audited total assets of Primary Gold as at 31 December 2023 was approximately AUD70,678,020. The unaudited net assets of Primary Gold as at 31 March 2024 was approximately AUD32,641,009, and the unaudited total assets of Primary Gold as at 31 March 2024 was approximately AUD71,765,196. Further financial information of Primary Gold is set out as follows:

	For the year ended 31 December	
	2023	2022
	AUD	AUD
	(audited)	(audited)
Revenue	0	0
Loss/profit before taxation	(114,539)	(95,530)
Loss/profit after taxation	<u>(85,049)</u>	<u>(66,872)</u>

Financial Effect of the Sale of Shares

Primary Gold is a development asset, and it currently does not generate any cashflow. The Sale of Shares not only has no negative impact on the Group's operation, but also has material positive cashflow. The excess of the Purchase Price over the unaudited total assets of Primary Gold as at 31 March 2024 was approximately AUD231 million.

As a result of the Sale of Shares, the Group is expected to record an unaudited increase in assets of approximately AUD147 million, an unaudited decrease in liabilities of approximately AUD3 million and an unaudited gain of approximately AUD150 million (equivalent to approximately RMB727 million based on the exchange rate of 4.8484 at 31 December 2023, and taking into account the net assets, amount due to Hanking Australia Investment Pty Ltd, cash and external debt of Primary Gold and financial impact on cash settlement for participants' vested options as at 31 March 2024), subject to relevant post Completion adjustment set out in the Share Sale Agreement. The unaudited gain represents the difference between the Purchase Price and the unaudited net assets as at 31 March 2024 of Primary Gold, after deducting (i) the related transaction fees and taxes, (ii) the intra-Group debts of Primary Gold which amounted to AUD24,293,754 as at 31 March 2024 and will be waived by the Group upon the Completion and (iii) the interests attributable to the minority shareholders of Hanking Australia Investment Pty Ltd. Thus, it is different from the unaudited pro forma gain of approximately RMB803.045 million as set out in page III-16 of Appendix III to this circular, which was estimated based on the financial data of Primary Gold as at 31 December 2023.

LETTER FROM THE BOARD

Upon Completion, the Company will be able to maintain sufficient operations under Rule 13.24 of the Listing Rules based on its remaining gold, iron ore and high-purity iron businesses, which will continue to be the core businesses that drive the sustainable development of the Company. The remaining gold business of the Company includes the Cygnet Gold Project located in Western Australia which is the key development project of the Company, and the remaining iron ore business of the Company includes Maogong Mine, Aoni Mine and Shangma Mine located in the Mainland China.

Shareholders of the Company should note that the above figures are for illustrative purpose only. The actual gain on the Sale of Shares may be different from the above and will be determined based on the financial position of Primary Gold on the Completion Date of Sale of Shares and the review by the Group's auditors upon finalization of the consolidated financial statements of the Group.

Upon Completion, the Company will cease to have any interest in Primary Gold, which will cease to be a subsidiary of the Company and the financial results of Primary Gold will no longer be consolidated into the consolidated financial statements of the Company.

Use of Proceeds

The Company intends to use the net proceeds from the Sale of Shares for the following purposes: (i) approximately two thirds for the Company becoming a sustainable gold producing company, including but not limited to, gold resource and ore reserve growth work, permitting and mine development of Cygnet Gold Project; and (ii) approximately one third for dividend to the Shareholders.

Reasons for and Benefit of the Sale of Shares

The primary reasons for the Sale of Shares are to focus our limited resources in both personnel and finance on the exploration, permitting, and feasibility studies for the development of the Cygnet Gold Project in Western Australia, potentially providing the Company with a faster pathway to become a gold producer. Cygnet Gold Project is located in Western Australia and currently has gold resource of approximately 8 million tons at 4.6 g/t for 1.18 million ounce gold (36.7 tons) in accordance with JORC Code. The Company has been drilling at Cygnet since the completion of acquisition in late 2023. The Company has also started permitting and technical studies for the development of Cygnet Gold Project.

Compared with Cygnet Gold Project, Mt Bundy Gold Project is at a more advanced stage as the Company has completed a lot of value adding tasks, including major increase in Resource and Reserves, various approvals and the definitive feasibility study. The proceeds of Sale of Shares will be more than enough to cover the development capital for Cygnet Gold Project.

With the experience in Australia, the Company will assist the Purchaser to enable the Mt Bundy Gold Project to be put into operation as soon as possible. The Company will use its knowledge and experience to support the Purchaser to produce as soon as possible, which includes introduction to relevant government authorities, potential contractors and industry bodies, and recommending personals for Purchaser's team building. Should there be any binding arrangements with regard to the assistance provided by the Company, the Board will ensure that the Company's assistance to the Purchaser is fair and reasonable and in the interests of the Company and the Shareholders at no direct financial cost to the Company.

LETTER FROM THE BOARD

The Company intends to focus on its existing business, and does not have any specific intention on acquisition or disposal of its existing business/assets. In addition, the Sale of Shares will improve the Company's balance sheet and realize value for the Shareholders.

The Directors (including all independent non-executive Directors) consider that the terms of the Share Sale Agreement are fair and reasonable and are on normal commercial terms, and the Sale of Shares is in the interests of the Company and the Shareholders as a whole.

Implications under the Listing Rules

As the highest applicable percentage ratio for the Sale of Shares is more than 75%, the Sale of Shares constitutes a very substantial disposal for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, and shareholders' approval requirements under the Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder of the Company is required to abstain from voting to approve the ordinary resolution in respect of the Share Sale Agreement and the transactions contemplated thereunder at the EGM.

Dr. Qiu Yumin, an executive Director of the Company and who does not hold Shares of the Company, abstained from voting from the Board meeting of the Company to consider the Sale of Shares. Since Dr. Qiu Yumin has abstained from voting from the Board meeting to consider the Sale of Shares, there would be no risk that he might exercise influence to the Sale of Shares by taking advantage of his directorship in the Company. Save as disclosed above, none of the other Directors has any material interest in the transaction contemplated under the Share Sale Agreement and therefore none of the other Directors has abstained from voting on such Board resolution.

Competent Persons' Reports

Competent Persons' Reports prepared in accordance with Chapter 18 of the Listing Rules are set out in Appendix IV to this circular. The Competent Persons' Reports for the Mineral Resource Estimate of the Mt Bundy Gold Project was signed by Mr. Brian Fitzpatrick of Cube Consulting Pty Ltd ("**Cube Consulting**"), and Ore Reserve Report was signed by Mr. Steve Craig and Mr. Julian Broomfield of Orelogy Consulting Pty Ltd ("**Orelogy Consulting**") in accordance with JORC Code on 30 June 2024. Both Cube Consulting and Orelogy Consulting are well established renowned specialised firms in Mineral Resource and Ore Reserve estimates in the Australian mining industry, respectively. The Competent Persons have consented to release the Competent Persons' Reports in accordance with JORC Code.

As disclosed in the Competent Persons' Reports, the Mt Bundy Gold Project had JORC Code Resources of approximately 3.01 million ounces of gold at an average grade of 0.9 g/t and Reserve of approximately 1.64 million ounces of gold at an average grade of 0.9 g/t as of 30 June 2024.

EGM

A notice convening an Extraordinary General Meeting of China Hanking Holdings Limited to be held at Conference Room, 22nd Floor, Hanking Tower, No. 227, Qingnian Street, Shenhe District, Shenyang City, Liaoning Province, the PRC on Thursday, 12 September 2024 at 9:00 a.m., or any adjournment thereof, is set out on pages EGM-1 to EGM-2 of this circular.

LETTER FROM THE BOARD

A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Company (www.hankingmining.com) and of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof.

Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the transaction contemplated by the Share Sale Agreement is fair and reasonable and are in the best interests of Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) therefore advise the Shareholders to vote in favour of the resolution at the EGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the general information set out in the appendices to this circular. If there is any inconsistency between this circular and the Chinese translation of this circular, this circular shall prevail.

By Order of the Board
China Hanking Holdings Limited
Yang Jiye
Chairman and Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2021, 2022 and 2023 are disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Group (www.hankingmining.com):

- The annual report of the Group for the year ended 31 December 2021 dated 19 April 2022 (pages 75-204);
- The annual report of the Group for the year ended 31 December 2022 dated 20 April 2023 (pages 74-198); and
- The annual report of the Group for the year ended 31 December 2023 dated 16 April 2024 (pages 76-190).

2. STATEMENT OF INDEBTEDNESS

At the close of business on 15 July 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the publication of this circular, the Group had the following indebtedness:

Bank borrowings

The following table sets forth a breakdown of the Group's borrowings as at 15 July 2024:

	<i>RMB'000</i>
Bank loans	<u>760,040</u>
Secured and unguaranteed (<i>note 1</i>)	199,040
Secured and guaranteed (<i>note 2</i>)	449,000
Unsecured and guaranteed (<i>note 3</i>)	110,000
Unsecured and unguaranteed	<u>2,000</u>
	<u><u>760,040</u></u>

The ranges of effective interest rate of the Group's interest-bearing borrowings are as follows:

	<i>%</i>
Fixed-rate borrowings	<u>3.45 – 8.60</u>

Notes:

- (1) The secured and unguaranteed bank borrowings of RMB87,900,000 were secured by pledged bank deposits and RMB111,140,000 were secured by bills receivables of the Group.
- (2) The secured and guaranteed bank borrowings were guaranteed by Mr. Yang Jiye, who is also the chief executive officer, president and executive Director of the Company, and Ms. Yang Min (collectively, the “**Controlling Shareholders**”) and the companies controlled by them. Among the secured and guaranteed bank borrowings, RMB328,000,000 were secured by certain property, plant and equipment, mining rights, right-of-use assets and shares of subsidiaries of the Group, and RMB121,000,000 were secured by certain assets of the companies controlled by the Controlling Shareholders and shares of subsidiaries of the Group.
- (3) The unsecured bank borrowings of RMB110,000,000 were guaranteed by subsidiaries of the Group, the Controlling Shareholders and the companies controlled by them.

Loan from a related party

The Group had outstanding loan from a related party of approximately RMB15,819,354 which were unsecured and unguaranteed, interest-free and payable on demand as at 15 July 2024. The lender, Liaoning Hanking Investment Co., Ltd., is controlled by Mr. Yang Jiye, one of the Controlling Shareholders of the Company.

Other payable – payable for mining rights on instalments

The Group had a payable amounting to RMB10,000,000 which is unsecured and unguaranteed for the purchase of mining rights to a government authority as at 15 July 2024.

Lease Liabilities

The Group, as lessees, had the following lease liabilities for the remainder the relevant lease terms as at 15 July 2024:

	<i>RMB’000</i>
Secured by rental deposits and unguaranteed	605
Unsecured and unguaranteed	2,374
	<u>2,979</u>

The incremental borrowing rates applied to lease liabilities is 4.35%.

Bills payables under note financing arrangement

The following table sets forth a breakdown of the Group’s bills payables as at 15 July 2024:

	<i>RMB'000</i>
Secured and unguaranteed (<i>note 1</i>)	376,648
Secured and guaranteed (<i>note 2</i>)	<u>236,000</u>
	<u><u>612,648</u></u>

Notes:

- (1) The secured and unguaranteed bills payables of RMB347,000,000 were secured by pledged bank deposits, RMB29,548,000 were secured by pledged bank deposits and bills receivables of the Group and RMB100,000 were secured by bills receivables of the Group.
- (2) The secured and guaranteed bills payables were guaranteed by subsidiaries of the Group, Mr. Yang Jiye and the companies controlled by him. Among the secured and guaranteed bills payables, RMB50,000,000 were secured by certain right-of-use assets of the Group, RMB86,000,000 were secured by pledged bank deposits and certain property, plant and equipment of the Group, and RMB100,000,000 were secured by pledged bank deposits, shares of the companies controlled by the Controlling Shareholders and shares of subsidiaries of the Group.

General

Except as disclosed above and otherwise mentioned in this circular, the Group did not have any debt securities authorised or created but unissued, issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities as at 15 July 2024.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that after taking into account the present internal resources, together with other financial resources available to the Group and the estimated net proceeds from the Sale of Shares, the Group has sufficient working capital for its present requirements, that is for at least the next twelve months from the date of this circular, in the absence of any unforeseeable circumstances. The Company has obtained the relevant confirmations as required under Rule 14.66(12) of the Listing Rules.

4. MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP

Set out below is the management discussion and analysis on the Remaining Group for the three years ended 31 December 2023. For further financial information of the Remaining Group, please refer to the section headed "Management Discussion and Analysis" of the Company's annual report for the year ended 31 December 2023, the annual report for the year ended 31 December 2022 and the annual report for the year ended 31 December 2021.

For the year ended 31 December 2023***Financial review***

For the year ended 31 December 2023, the revenue of the Remaining Group recorded approximately RMB3,028,155,000, representing an increase of approximately 16%, as compared with approximately RMB2,601,833,000 in the corresponding period in 2022. The increase was mainly attributable to the increase of the selling volume of high-purity iron.

The gross profit of the Remaining Group for the year ended 31 December 2023 was approximately RMB621,950,000, representing an increase of approximately RMB263,947,000 or approximately 73.73%, as compared with approximately RMB358,003,000 in the corresponding period in 2022. The profit after taxation of the Remaining Group for the year ended 31 December 2023 was approximately RMB151,303,000, representing a significant increase of approximately RMB204,000,000 as compared with loss after taxation approximately RMB52,697,000 in the corresponding period in 2022. The variance was mainly attributable to the increase of the output of iron ore concentrates, the increase of the selling volume of high-purity iron and the decrease in unit cost of high-purity iron.

Segment Information***Iron Ore Business***

Mysteel.com showed that in 2023, the overall price of iron ore rose, fell and rose again, presenting an overall “N” shaped upward trend. The average annual price of iron ore was USD119.46 per metric ton, representing a year-on-year decrease of USD0.6 per metric ton. According to data from the General Administration of Customs, China imported a total of 1,179,060,000 metric tons of iron ore in 2023, representing a year-on-year increase of 6.6%.

In 2023, the production of the Remaining Group’s iron ore business was stable. The iron concentrate output was 1,000,000 metric tons, representing a year-on-year increase of 227,000 metric tons or 29.37%. The increase in production resulted in a decrease in fixed costs apportioned to a single metric ton of iron ore concentrate, which, coupled with the improved management efficiency by digital means and the optimized management and organization of mining and processing, made the Remaining Group’s average cash operating cost of a single metric ton of iron ore concentrate amount to RMB364 per metric ton, representing a year-on-year decrease of RMB21 per metric ton or 5.45%. As of the end of 2023, the Remaining Group owned approximately 89,160 thousand metric tons of iron ore resources and approximately 23,800 thousand metric tons of JORC Code iron ore reserves.

High-purity Iron Business

According to statistics from the National Energy Administration, as of the end of 2023, the cumulative installed capacity of wind power in the PRC was 440 million kilowatts, representing a year-on-year increase of 20.7%. The newly-added installed capacity was 75.9GW, representing a year-on-year increase of 101.7%, among which, the newly-added installed capacity of offshore wind

power was 6.8GW, representing a year-on-year increase of 67.8%, and the newly-added installed capacity of onshore wind power was 69.1GW, representing a year-on-year increase of 105.8%. Wind power installed capacity was still in a sustained growth phase.

After experiencing events such as power rationing and pandemic control in 2022, the Remaining Group focused on production and marketing, and achieved a significant increase in production and sales in 2023. The stable production measures made the blast furnace operate smoothly, and the hit rate of varieties of iron was also improved. In 2023, the output of high-purity iron was 871,000 metric tons, representing a year-on-year increase of 31.17%, and its sales volume was 896,000 metric tons, representing a year-on-year increase of 45.45%, among which the sales volume of wind power ductile casting iron accounted for approximately 88% of the total sales volume. Such achievements consolidated the Remaining Group's position as the "No. 1 supplier of wind power ductile casting iron in the PRC market".

Gold Business in Australia

According to the World Gold Council, global gold demand (excluding over-the-counter (OTC) transactions) was 4,448 metric tons in 2023, down just 5% from a strong demand in 2022. The average gold price reached USD1,940.54 per ounce in 2023, which was 8% higher than in 2022 and hit a record high. Meanwhile, central banks of economic entities continued to buy gold aggressively, with net purchases of 1,037 metric tons for the year, which was just 45 metric tons less than the 2022 record.

As of June 2023, our Mt Bundy Gold Project received all the environmental approvals. In November 2023, the definitive feasibility study for the Mt Bundy Gold Project was also completed, confirming it as a robust and highly profitable venture. After more than five years of efforts, we have made significant progress in the Mt Bundy Gold Project, including resource increases, mining plan optimization, processing optimization, various government approvals, and construction plans. These advances have greatly enhanced the value of the Mt Bundy Gold Project.

Another achievement in our gold business is the acquisition of a major equity interest in the Cygnet Gold Project in Western Australia through capital increase in 2023. The Cygnet Gold Project currently has resources of approximately 1,180,000 ounces (36.7 tons). Acquiring a major equity interest in the Cygnet Gold Project in Western Australia is another implementation of our strategy focusing on Australian gold project. This strategy will lead the Remaining Group to continuously realize value discovery, creation and realization in Australia.

Liquidity, financial resources and capital structure

For the year ended 31 December 2023, the Remaining Group managed its capital to ensure that the group entities would be able to continue as a going concern while maximizing the return to Shareholders through the optimisation of the debt and equity balances. The management of the Remaining Group reviewed the capital structure on an annual basis by considering the cost of capital and the risks associated with each class of capital.

As at 31 December 2023, the Remaining Group incurred net current liabilities of approximately RMB274,585,000 as compared to the net current liabilities of approximately RMB285,886,000 at 31 December 2022. The decrease in net current liabilities was mainly attributable to the increase of cash and cash equivalents.

As at 31 December 2023, the cash and cash equivalents of the Remaining Group amounted to approximately RMB270,224,000.

As at 31 December 2023, there were RMB55,000,000 long term and RMB728,621,000 short term interest-bearing bank borrowings owed by the Remaining Group and the fixed-rate bank loans were RMB783,621,000. Therefore, as at 31 December 2023, the gearing ratio of the Remaining Group is 62%. The gearing ratio is calculated by dividing total liabilities by total assets.

Pledge of assets

As at 31 December 2023, the Remaining Group pledged bank deposits, bank acceptance bills, property, plant and equipment, mining rights and right-of-use assets in an aggregate net carrying amount of approximately RMB886,906,000 to banks for notes payable and borrowings.

Employees

As at 31 December 2023, the Remaining Group maintained an aggregate of 1,762 employees as compared with 1,760 employees at 31 December 2022.

During the year ended 31 December 2023, the staff costs of the Remaining Group (including directors' remuneration in the form of salaries and other allowances) were approximately RMB219,324,000, representing an increase of approximately 11.65% as compared with approximately RMB196,444,000 in the corresponding period in 2022.

The salary and bonus policy of the Remaining Group is principally determined by the performance and working experience of the individual employee and with reference to prevailing market conditions.

In order to motivate the employees to participate in the development of the Remaining Group in concerted efforts, the Remaining Group adopted the share option scheme of Hanking Australia Investment Pty Ltd on 25 January 2019, the expiry date of which was 25 January 2023.

In order to (i) recognize and motivate the contribution of the key management personnel and core employees of the Remaining Group; (ii) help the Remaining Group retain and attract the selected participants in attaining the long term business objectives of the Remaining Group; and (iii) further align the interests of the selected participants directly to the Shareholders through ownership of Shares, the Remaining Group adopted a Restricted Share Award Scheme on 29 August 2019.

In order to improve the overall quality and professional skills of the employees, the Remaining Group has developed and implemented the Administrative System on Training.

Risk in foreign exchange

Most of the Remaining Group's business activities are transacted in RMB, which is the reporting currency of the Remaining Group. However, the Remaining Group owns assets in Australia. Their assets and liabilities are denominated in AUD, which are subject to fluctuation in the foreign exchange rate and may affect the net assets value and profit of the Remaining Group to some extent. The management of the Remaining Group will continue to monitor the currency matching between the revenue and costs of the Remaining Group and exchange risks, and may consider taking appropriate measures to hedge material exchange risks when necessary.

Significant investment held

The Remaining Group did not hold any significant investment as at 31 December 2023.

Material acquisition and disposal

There was no material acquisition or disposal of subsidiaries and associated companies by the Remaining Group during the period.

Contingent liabilities

As at 31 December 2023, the Remaining Group had no material contingent liabilities.

For the year ended 31 December 2022*Financial review*

For the year ended 31 December 2022, the revenue of the Remaining Group recorded approximately RMB2,601,833,000, representing a decrease of approximately 17%, as compared with approximately RMB3,126,648,000 in the corresponding period in 2021. The decrease was mainly due to the decrease of the sales volume of iron ore concentrate and the decrease of the selling prices of high-purity iron and iron ore concentrate.

The gross profit of the Remaining Group for the year ended 31 December 2022 was approximately RMB358,003,000, representing a decrease of approximately RMB857,342,000 or approximately 71%, as compared with approximately RMB1,215,345,000 in the corresponding period in 2021. The loss after taxation of the Remaining Group for the year ended 31 December 2022 was approximately RMB52,697,000, representing a decrease in profit of approximately RMB688,636,000, as compared with the profit after taxation of approximately RMB635,939,000 in the corresponding period in 2021. The decrease was mainly attributable to the decrease of the selling prices of high-purity iron and iron ore concentrate and the decrease of the sales volume of iron ore concentrate.

*Segment Information**Iron Ore Business*

In 2022, the domestic iron ore market experienced high prices and then low, and the continuous downturn in domestic real estate investment and the unexpected drop in overseas non-mainstream ore shipments caused the fundamentals of iron ore to show a pattern of weak supply and demand. The Federal Reserve initiated a series of aggressive interest rate hikes during the year, with the US dollar index hitting a 20-year high, depressing global commodity prices, including iron ore prices.

In 2022, affected by the closure of Aoni Mine and the technical commissioning of Maogong Mine, the Remaining Group's iron concentrate output was 773,000 metric tons, representing a decrease of 279,000 metric tons or 26.52% compared with the same period last year. The decrease in production resulted in an increase in fixed costs apportioned to a single metric ton of iron ore concentrate, however, the Remaining Group managed to control the average cash operating cost of a single metric ton of iron ore concentrate to RMB385 through continuously building a smart mine system and improvement in management efficiency, representing an increase of only RMB11 per metric ton or 2.94% compared with the same period last year. As of the end of 2022, the Remaining Group owned approximately 93,760 thousand metric tons of iron ore resources and approximately 19,490 thousand metric tons of JORC Code iron ore reserves.

High-purity Iron Business

According to statistics from the National Energy Administration, as of the end of December 2022, the cumulative installed capacity of wind power in the PRC was about 370 million kilowatts, representing a year-on-year increase of 11.2%. Of which, approximately 37.6GW of wind power was newly installed in 2022, representing a year-on-year decrease of 21% as compared to 2021. In 2022, the newly installed capacity was less than expected, however, combined with the high boom in bidding data, demand in general showed a steady pick-up trend.

In 2022, the output of high-purity iron was 664,000 metric tons, representing an increase of 81,000 metric tons or 13.89% over the same period last year, and its sales volume was 616,000 metric tons, representing an increase of 2,000 metric tons or 0.33% over the same period last year, among which the sales volume of wind power ductile casting iron accounted for approximately 82% of the total sales volume.

Gold Business in Australia

According to the report of the World Gold Council, in 2022, the annual gold demand rose to its highest level since 2011 due to the combined effects of strong gold buying by central banks, strong buying by individual investors and a slowdown in gold ETF outflows. In 2022, the annual gold demand (excluding over-the-counter (OTC) transactions) jumped to 4,741 metric tons, representing an increase of 18% as compared to last year. Total annual supply of gold increased by 2% to 4,755 metric tons in 2022. Gold production rose to a four-year high of 3,612 metric tons. The annual average of the LBMA (London Bullion Market Association) midday gold price was a record high of USD1,800 per ounce in 2022.

In 2022, with regard to the definitive feasibility study of the project, we have completed the tasks such as reserves renewal estimation, mineral processing test, process design for the mineral processing plant, design of tailings pond, and the geological drilling and testing for filed projects; with regard to the environmental approvals, we have completed the publication of the environmental impact report and submitted all the supplementary materials in accordance with the requirements of the environmental protection authority of Northern Territory; with regard to pre-mining preparations, a bridge with weight-bearing of 110-tonne has been put into operation, and the dewatering of the existing pit at Rustlers Roost gold mine has also been commenced. All of this work has laid a solid foundation for the upcoming construction phase of the Rustlers Roost open-pit mine.

Liquidity, financial resources and capital structure

For the year ended 31 December 2022, the Remaining Group managed its capital to ensure that the group entities would be able to continue as a going concern while maximizing the return to Shareholders through the optimisation of the debt and equity balances. The management of the Remaining Group reviewed the capital structure on an annual basis by considering the cost of capital and the risks associated with each class of capital.

As at 31 December 2022, the Remaining Group incurred net current liabilities of approximately RMB285,886,000 as compared to approximately RMB37,819,000 net current assets at 31 December 2021. The increase in net current liabilities was mainly attributable to the decrease of the bills receivables and cash and cash equivalents.

As at 31 December 2022, the cash and cash equivalents of the Remaining Group amounted to approximately RMB134,411,000.

As at 31 December 2022, there were RMB57,000,000 long term and RMB541,400,000 short term interest-bearing bank borrowings owed by the Remaining Group. And the fixed-rate bank loans were RMB598,400,000. Therefore, as at 31 December 2022, the gearing ratio of the Remaining Group is 64%. The gearing ratio is calculated by dividing total liabilities by total assets.

Pledge of assets

As at 31 December 2022, the Remaining Group pledged bank deposits, property, plant and equipment, mining rights and right-of-use assets in an aggregate carrying amount of approximately RMB832,074,000 to banks for notes payable and borrowings.

Employees

The Remaining Group had 1,760 employees as at 31 December 2022, and 1,725 employees as at 31 December 2021.

During the year ended 31 December 2022, the staff costs of the Remaining Group (including directors' remuneration in the form of salaries and other allowances) were approximately RMB196,444,000, representing an increase of approximately 5.73%, as compared with approximately RMB185,798,000 in the corresponding period in 2021.

The salary and bonus policy of the Remaining Group is principally determined by the performance and working experience of the individual employee and with reference to prevailing market conditions.

In order to motivate the employees to participate in the development of the Remaining Group in concerted efforts, the Remaining Group adopted the share option scheme of Hanking Australia Investment Pty Ltd on 25 January 2019, the expiry date of which was 25 January 2023.

In order to (i) recognize and motivate the contribution of the key management personnel and core employees of the Remaining Group; (ii) help the Remaining Group retain and attract the selected participants in attaining the long term business objectives of the Remaining Group; and (iii) further align the interests of the selected participants directly to the Shareholders through ownership of Shares, the Remaining Group adopted a Restricted Share Award Scheme on 29 August 2019.

In order to improve the overall quality and professional skills of the employees, the Remaining Group has developed and implemented the Administrative System on Training.

Risk in foreign exchange

Most of the Remaining Group's business activities are transacted in RMB, which is the reporting currency of the Remaining Group. However, the Remaining Group owns assets in Australia. Their assets and liabilities are denominated in AUD, which are subject to fluctuation in the foreign exchange rate and may affect the net assets value and profit of the Remaining Group to some extent. The management of the Remaining Group will continue to monitor the currency matching between the revenue and costs of the Remaining Group and exchange risks, and may consider taking appropriate measures to hedge material exchange risks when necessary.

Significant investment held

The Remaining Group did not hold any significant investment as at 31 December 2022.

Material acquisition and disposal

There was no material acquisition or disposal of subsidiaries and associated companies by the Remaining Group during the year.

Contingent liabilities

As at 31 December 2022, the Remaining Group had no material contingent liabilities.

For the year ended 31 December 2021***Financial review***

For the year ended 31 December 2021, the revenue of the Remaining Group recorded approximately RMB3,126,648,000, representing an increase of approximately 17%, as compared with approximately RMB2,675,912,000 in the corresponding period in 2020. The increase was mainly attributable to the increase of the selling prices of high-purity iron and iron ore concentrate.

The gross profit of the Remaining Group for the year was approximately RMB1,215,345,000, representing a significant increase of approximately RMB297,362,000 or approximately 32%, as compared with approximately RMB917,983,000 in the corresponding period in 2020. The profit after taxation of the Remaining Group for the year was approximately RMB635,939,000, compared with profit after taxation of approximately RMB378,232,000 in the corresponding period in 2020. The increase was mainly attributable to the increase of the selling prices of high-purity iron and iron ore concentrate.

Segment Information***Iron Ore Business***

In 2021, under the combined influence of various factors such as global economic recovery, low supply elasticity of the industry and resilience of the demand side, the overall iron ore futures prices showed a pattern of “rising in fluctuation – falling from a high level – stabilizing and rebounding”. In May 2021, iron ore spot prices once rose above RMB1,600 per metric ton, reaching a record high.

In 2021, the Remaining Group’s iron ore concentrate output and sales volume decreased due to the closure of the ramp in Maogong Mine, but through the smart mine construction to improve management efficiency, the Remaining Group was able to control the average cash operating cost of iron ore concentrate per metric ton to RMB374 (2020: RMB331), representing an increase of RMB43 per metric ton or 12.99% as compared with that for the corresponding period of last year, mainly due to the increase in taxes per metric ton as a result of the increase in selling price of iron ore concentrate per metric ton. As of the end of 2021, the Remaining Group owned approximately 96,190 thousand metric tons of iron ore resources and approximately 23,540 thousand metric tons of JORC Code iron ore reserves.

High-purity Iron Business

In 2021, the increased on-grid installed capacity of wind power in China was 47.57GW, representing a year-on-year decrease of 34%. With the continuous reduction in the cost of wind machines, the wind power industry has entered a rapid growth stage. In 2021, China’s total installed capacity of the offshore wind power ranked first in the world.

In 2021, after adjusting the production plan due to the power limitation, the Remaining Group produced 583,000 metric tons of high-purity iron for the year, representing a decrease of 57,000 metric tons or 8.91%, as compared to that of the previous year. With the decrease in output, the

Remaining Group communicated deeply with its long-term customers to understand their inventories and to meet their demands by arranging supply management in a planned manner. In 2021, the sales volume of high-purity iron was 614,000 metric tons, representing a decrease of 37,000 metric tons or 5.68%, as compared to that of the previous year, among which, the sales volume of wind power iron accounted for approximately 85.10% of the total sales volume.

Gold Business in Australia

In 2021, gold prices started the year with a decline and fell below USD1,700 per ounce in the first quarter and have since fluctuated at the USD1,800 level due to a combination of factors such as global monetary policy, inflation levels, the degree of economic recovery and global pandemic affecting gold prices. On 31 December 2021, the most actively traded contract for NYMEX gold futures closed at USD1,828.6 per ounce, down approximately 3.5% from the year-end close in 2020.

As the core asset of the gold business, the Remaining Group implemented extensive exploration on the Mt Bundy Gold Project in 2021 with significant results: a 67% increase in gold resources to over 3 million ounces as compared to that of the time when acquisition was made; and a 703% increase in reserves to over 1.4 million ounces. The project has become one of the largest reserves and lowest strip ratio (1.55:1) untapped open-pit mines in Australia. And, new drilling has shown a high probability of locally locating high-grade ore bodies on the mineralized zone of the project. The project was awarded as a “Major Project” by the Northern Territory Government in 2021, demonstrating the scale of the project and the importance and strong government support for the project.

Liquidity, financial resources and capital structure

For the year ended 31 December 2021, the Remaining Group managed its capital to ensure that the group entities would be able to continue as a going concern while maximizing the return to Shareholders through the optimisation of the debt and equity balances. The management of the Remaining Group reviewed the capital structure on an annual basis by considering the cost of capital and the risks associated with each class of capital.

As at 31 December 2021, the Remaining Group incurred net current assets of approximately RMB37,819,000 as compared to approximately RMB142,634,000 net current liabilities as at 31 December 2020. The reason for having a net current assets was mainly due to the increase of the bills receivables and cash and cash equivalents.

As at 31 December 2021, the cash and cash equivalents of the Remaining Group amounted to approximately RMB279,486,000.

As at 31 December 2021, there were RMB122,500,000 long term and RMB514,163,000 short term interest-bearing bank borrowings owed by the Remaining Group, and the fixed-rate bank loans were RMB636,663,000. Therefore, as at 31 December 2021, the gearing ratio of the Remaining Group is 61%. The gearing ratio is calculated by dividing total liabilities by total assets.

Pledge of assets

As at 31 December 2021, the Remaining Group pledged bank deposits, property, plant and equipment, and right-of-use assets in an aggregate amount of approximately RMB928,563,000 to banks for notes payable and borrowings.

Employees

The Remaining Group had 1,725 employees as at 31 December 2021, and 1,576 of employees as at 31 December 2020.

During the year ended 31 December 2021, the staff costs of the Remaining Group (including directors' remuneration in the form of salaries and other allowances) were approximately RMB185,798,000, representing an increase of approximately 24.87%, as compared with approximately RMB148,798,000 in the corresponding period in 2020. The increase was mainly attributable the acquisition of Benxi Yuqilin New Material Limited (本溪玉麒麟新材料有限公司, a wholly-owned subsidiary of the Group) and the reduction and exemption of the social insurance for the pandemic in 2020 according to the state policy but no reduction and exemption in 2021.

The salary and bonus policy of the Remaining Group are principally determined by the performance and working experience of the individual employee with reference to prevailing market conditions.

In order to motivate the employees to participate in the development of the Remaining Group in concerted efforts, the Remaining Group adopted the share option scheme of Hanking Australia Investment Pty Ltd on 25 January 2019, the expiry date of which was 25 January 2023.

In order to (i) recognize and motivate the contribution of the key management personnel and core employees of the Remaining Group; (ii) help the Remaining Group retain and attract the selected participants in attaining the long term business objectives of the Remaining Group; and (iii) further align the interests of the selected participants directly to the Shareholders through ownership of Shares, the Remaining Group adopted a Restricted Share Award Scheme on 29 August 2019.

In order to improve the overall quality and professional skills of the employees, the Remaining Group has developed and implemented the Administrative System on Training.

Risk in foreign exchange

Most of the Remaining Group's business activities are transacted in RMB, which is the reporting currency of the Remaining Group. However, the Remaining Group owns assets in Australia. Their assets and liabilities are denominated in AUD, which are subject to fluctuation in the foreign exchange rate and may affect the net assets value and profit of the Remaining Group to some extent. The management of the Remaining Group will continue to monitor the currency matching between the revenue and costs of the Remaining Group and exchange risks, and may consider taking appropriate measures to hedge material exchange risks when necessary.

Significant investment held

The Remaining Group did not hold any significant investment as at 31 December 2021.

Material acquisition and disposal

There was no material acquisition or disposal of subsidiaries and associated companies by the Remaining Group during the year.

Contingent liabilities

As at 31 December 2021, the Remaining Group had no material contingent liabilities.

5. FINANCIAL AND TRADING PROSPECTS

Upon Completion, the Remaining Group will focus its limited resources in both personnel and finance on the exploration, permitting, and feasibility studies for the development of the Cygnet Gold Project in Western Australia, potentially providing the Remaining Group with a faster pathway to become a gold producer. Cygnet Gold Project currently has gold resource of approximately 8 million tons at 4.6 g/t for 1.18 million ounce gold (36.7 tons) in accordance with JORC Code. The Remaining Group has been drilling at Cygnet since the acquisition. The Remaining Group has also started permitting and technical studies for the development of Cygnet gold project.

Primary Gold is a development asset, and it currently does not generate any cashflow. The Sale of Shares not only has no negative impact on the Remaining Group's operation, but also has material positive cashflow. The Remaining Group does not have any specific intention on acquisition or disposal of its existing business/assets, and intends to focus on its existing business, including the gold business in Australia and the iron ore and high-purity iron business in China.

Mineral resources are the cornerstones of the Remaining Group's business. In terms of iron ore business, the Remaining Group will proceed with exploration in the existing mines and surrounding areas and promote the work of transforming the existing exploration results into resources to continuously enhance the Remaining Group's high quality iron ore resources reserves; and continuously optimize its management through smart mine system construction.

In 2024, the Remaining Group plans to produce approximately 0.95 million metric tons of iron concentrate, so as to solidify its competitive advantages with high-quality and low cost. In 2024, the Remaining Group plans to produce approximately 840,000 metric tons of high-purity iron, taking advantages of the Company in resources, production capacity, technology and market in high-purity iron sector to provide high-quality raw materials for the wind power industry, and seek to expand the share of clients in other highend manufacturing applications.

UNAUDITED FINANCIAL INFORMATION OF PRIMARY GOLD PTY LTD (THE “DISPOSAL COMPANY”) AND ITS SUBSIDIARY (TOGETHER THE “DISPOSAL GROUP”)

Set out below are the unaudited consolidated statements of financial position of the Disposal Group as at 31 December 2021, 2022 and 2023 and 31 March 2024 and the unaudited consolidated statement of profit or loss and other comprehensive income, unaudited consolidated statements of changes in equity and unaudited consolidated statements of cash flows and certain explanatory notes of the Disposal Group for each of the three years ended 31 December 2021, 2022 and 2023 and the three months ended 31 March 2023 and 2024 (the “**Unaudited Financial Information**”).

The Unaudited Financial Information has been presented on the basis set out in Note 2 and prepared in accordance with the accounting policies adopted by the Company and paragraph 14.68 (2) (a) (i) of the Listing Rules.

The Unaudited Financial Information is prepared by the Directors solely for the purpose of inclusion in this circular in connection with the disposal of the Disposal Group (the “**Disposal**”). The Unaudited Financial Information has been extracted from audited financial statements of the Disposal Group for each of the three years ended 31 December 2021, 2022 and 2023 (“**Audited Financial Statements**”) and reviewed interim financial statements for each of the three months ended 31 March 2023 and 2024 (“**Reviewed Interim Financial Statements**”). Both the Audited Financial Statements and the Reviewed Interim Financial Statements were prepared in accordance with the measurement and recognition requirements of International Financial Reporting Standards. The auditor of the Disposal Group has issued an unqualified audit report for each of the Audited Financial Statements. Those audits were performed in accordance with International Auditing Standards. The auditor of the Disposal Group has also issued an unqualified review report for the Reviewed Interim Financial Statements. The review was performed in accordance with International Standard on Review Engagement *ISRE 2410 Engagement to Review Historical Financial Information*. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently did not enable the Auditor of the Disposal Group to obtain assurance that the Auditor of the Disposal Group would become aware of all significant matters that might be identified in an audit.

APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December 2021 A\$000	As at 31 December 2022 A\$000	As at 31 December 2023 A\$000	As at 31 March 2024 A\$000
Assets				
Cash and cash equivalents	1	–	7	8
Trade receivables	<u>35</u>	<u>83</u>	<u>70</u>	<u>46</u>
Total current assets	36	83	77	54
Deposit	3,005	3,055	3,117	3,117
Exploration and evaluation assets	55,826	59,001	64,558	65,668
Property, plant and equipment	<u>–</u>	<u>2,012</u>	<u>2,926</u>	<u>2,926</u>
Total non-current assets	<u>58,831</u>	<u>64,068</u>	<u>70,601</u>	<u>71,711</u>
Total assets	<u>58,867</u>	<u>64,151</u>	<u>70,678</u>	<u>71,765</u>
Liabilities				
Trade and other payables	342	240	116	313
Inter Company Loan	15,473	19,333	23,751	24,294
Employee benefits	<u>–</u>	<u>–</u>	<u>1</u>	<u>14</u>
Total current liabilities	<u>15,815</u>	<u>19,573</u>	<u>23,868</u>	<u>24,621</u>
Rehabilitation provision	3,005	3,055	3,117	3,117
Defer Tax Liability	<u>7,255</u>	<u>8,798</u>	<u>11,053</u>	<u>11,386</u>
Total non-current liabilities	<u>10,260</u>	<u>11,853</u>	<u>14,170</u>	<u>14,503</u>
Total liabilities	<u>26,075</u>	<u>31,426</u>	<u>38,038</u>	<u>39,124</u>
Net assets	<u>32,792</u>	<u>32,725</u>	<u>32,640</u>	<u>32,641</u>
Equity				
Share capital	29,090	29,090	29,090	29,090
Accumulated losses	<u>3,702</u>	<u>3,635</u>	<u>3,550</u>	<u>3,551</u>
Total equity	<u>32,792</u>	<u>32,725</u>	<u>32,640</u>	<u>32,641</u>

APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited				
	For the year ended 31 December			For the three months ended 31 March	
	2021 <i>A\$'000</i>	2022 <i>A\$'000</i>	2023 <i>A\$'000</i>	2023 <i>A\$'000</i>	2024 <i>A\$'000</i>
Revenue	-	-	-	-	-
Cost of sales	-	-	-	-	-
Gross profit	-	-	-	-	-
Other income and gain	21	-	-	-	-
Administration expenses	(50)	(52)	(75)	(15)	-
Gain on sale of subsidiary <i>Note 3</i>	7,747	-	-	-	-
Other expenses	-	-	-	-	-
Depreciation and amortisation	(9)	-	-	-	-
Finance Income	11	2	6	-	2
Finance Costs	(46)	(46)	(46)	-	-
Impairment of exploration assets	(60)	-	-	-	-
Gain/(Loss) before taxation	7,614	(96)	(115)	(15)	2
Taxation	(2,745)	29	30	5	(1)
Gain/(Loss) for the year/period	4,869	(67)	(85)	(10)	1
Item that may be reclassified subsequently to profit or loss:					
Share of other comprehensive loss of a joint venture	-	-	-	-	-
Other comprehensive gain/(loss) for the year/period	-	-	-	-	-
Total comprehensive gain/(loss) for the year/period, net of tax	<u>4,869</u>	<u>(67)</u>	<u>(85)</u>	<u>(10)</u>	<u>1</u>
Gain/(Loss) for the year/period attributable to Owner of the Disposal Company	<u>4,869</u>	<u>(67)</u>	<u>(85)</u>	<u>(10)</u>	<u>1</u>

APPENDIX II
FINANCIAL INFORMATION OF THE DISPOSAL GROUP

	Unaudited				
	For the year ended 31 December			For the three months ended 31 March	
	2021 <i>A\$'000</i>	2022 <i>A\$'000</i>	2023 <i>A\$'000</i>	2023 <i>A\$'000</i>	2024 <i>A\$'000</i>
Total comprehensive gain/(loss) attributable to Owner of the Disposal Company	<u>4,869</u>	<u>(67)</u>	<u>(85)</u>	<u>(10)</u>	<u>1</u>

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited			
	Share capital	Fair Value reserve	Accumulated	Total
	<i>A\$'000</i>	<i>A\$'000</i>	<i>A\$'000</i>	<i>A\$'000</i>
At as 1 January 2021	29,090	–	(1,167)	27,923
Profit for the year	–	–	7,614	7,614
Other comprehensive income for the year:				
Tax benefit	<u>–</u>	<u>–</u>	<u>(2,745)</u>	<u>(2,745)</u>
Total comprehensive gain/(loss)	<u>–</u>	<u>–</u>	<u>4,869</u>	<u>4,869</u>
As at 31 December 2021 and 1 January 2022	29,090	–	3,702	32,792
Loss for the year	–	–	(96)	(96)
Other comprehensive income for the year:				
Tax benefit	<u>–</u>	<u>–</u>	<u>29</u>	<u>29</u>
Total comprehensive loss for the year	<u>–</u>	<u>–</u>	<u>(67)</u>	<u>(67)</u>
At as 31 December 2022 and 1 January 2023	29,090	–	3,635	32,725
Debt Converted to Equity	–	–	–	–
Loss for the year	–	–	(115)	(115)
Other comprehensive income for the year:				
Tax benefit	<u>–</u>	<u>–</u>	<u>30</u>	<u>30</u>
Total comprehensive profit for the year	<u>–</u>	<u>–</u>	<u>(85)</u>	<u>(85)</u>
At as 31 December 2023	<u>29,090</u>	<u>–</u>	<u>3,550</u>	<u>32,640</u>

APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited			
	Share capital	Fair Value	Accumulated	Total
	<i>A\$'000</i>	<i>reserve</i>	<i>A\$'000</i>	<i>A\$'000</i>
At as 1 January 2024	29,090	–	3,550	32,640
Issue new Shares	–	–	–	–
Profit for the period	–	–	2	2
Other comprehensive income for the period:				
Tax benefit	–	–	(1)	(1)
Total comprehensive loss for the period	–	–	1	1
At as 31 March 2024	<u>29,090</u>	<u>–</u>	<u>3,551</u>	<u>32,641</u>
At as 1 January 2023	29,090	–	3,635	32,725
Debt Converted to Equity	–	–	–	–
Loss for the period	–	–	(15)	(15)
Other comprehensive income for the period:				
Tax benefit	–	–	5	5
Total comprehensive loss for the period	–	–	(10)	(10)
At as 31 March 2023	<u>29,090</u>	<u>–</u>	<u>(3,625)</u>	<u>32,715</u>

APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited				
	Year ended 31 December			Three months ended 31 March	
	2021	2022	2023	2023	2024
	<i>A\$'000</i>	<i>A\$'000</i>	<i>A\$'000</i>	<i>A\$'000</i>	<i>A\$'000</i>
Cash flows from operating activities					
Cash receipts from customers	–	–	–	–	–
Cash paid to suppliers and employees	(46)	(248)	(230)	(15)	(32)
Cash received from operating					
Cash received from operating activities	–	–	–	–	–
Interest received	12	2	6	–	1
	<u>12</u>	<u>2</u>	<u>6</u>	<u>–</u>	<u>1</u>
Net cash received from/(used in) operating activities	<u>(34)</u>	<u>(246)</u>	<u>(224)</u>	<u>(15)</u>	<u>(31)</u>
Cash flows from investing activities					
Payment of deposit	(111)	(51)	(62)	–	–
Payment for property, plant and equipment	–	(2,012)	(913)	(138)	–
Payment of tenement acquisition <i>Note 4</i>	(5,729)	–	–	–	–
Payment for exploration and evaluation assets	(7,551)	(3,124)	(5,496)	(750)	(843)
Proceeds from sale of subsidiary <i>Note 3</i>	14,000	–	–	–	–
	<u>14,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Net cash used in investing activities	<u>609</u>	<u>(5,187)</u>	<u>(6,471)</u>	<u>(888)</u>	<u>(843)</u>
Cash flows from financing activities					
Funding provided by parent company	(574)	5,432	6,702	903	875
Issue of new shares	–	–	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Net cash received from/(used in) financing activities	<u>(574)</u>	<u>5,432</u>	<u>6,702</u>	<u>903</u>	<u>875</u>
Net increases/(decreases) in cash and cash equivalents	1	(1)	7	–	1
Cash and cash equivalents at 1 January	–	1	–	–	7
	<u>–</u>	<u>1</u>	<u>–</u>	<u>–</u>	<u>7</u>
Cash and cash equivalents at the end of the year/period	<u>1</u>	<u>–</u>	<u>7</u>	<u>–</u>	<u>8</u>

NOTES TO THE UNAUDITED FINANCIAL INFORMATION**1 General Information**

On 4 July 2024, the Company approved the Share Sale Agreement entered into by the Vendor with the Purchaser and the Guarantor, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, 100% of the shares in the Disposal Company. Upon the completion of the Disposal, the Vendor will cease to have control over the Disposal Group.

2 Basis of Preparation

The Unaudited Financial Information of Disposal Group has been prepared in accordance with paragraph 14.68 (2) (a) (i) of the Listing Rules and solely for the purpose of inclusion in the circular to be issued by the Company in connection with the disposal of the Disposal Group.

The Unaudited Financial Information of the Disposal Group has been prepared in accordance with the accounting policies adopted by the Company in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB). The Unaudited Financial Information is prepared by the Directors solely for the purpose of inclusion in this circular and has been prepared under the historical cost. The Unaudited Financial Information of the Disposal Group has been prepared under the historical cost convention, and is presented in Australian dollars. All values are rounded to the nearest thousand (AUD\$'000) except when otherwise indicated.

The Unaudited Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in International Accounting Standard 1 “Presentation of Financial Statements” or an interim financial report as defined in International Accounting Standard 34 “Interim Financial Reporting” issued by the IASB.

3 Gain on sale of subsidiary

On 23 August 2021, Primary Gold Pty Ltd (“Primary Gold”), a subsidiary of the Company, entered into a share sale agreement with Beacon Mining Pty Ltd, who was an independent third party, pursuant to which Primary Gold agreed to sell, and Beacon Mining Pty Ltd agreed to purchase, the entire 100% of equity interest of MacPhersons Reward Pty Ltd (“MacPhersons Reward”) held by Primary Gold for a total consideration of AUD14,000,000 (equivalent to RMB64,967,000). The Group’s disposal of MacPhersons Reward was completed on 23 August 2021. A gain on disposal of AUD7,747,000 (equivalent to RMB35,950,000) was recognised as other gains and losses.

4 Payment of tenement acquisition

The Company made its first investment in Mt Bundy Gold Project by becoming a 19.9% strategic shareholder of in then ASX-listed Primary Gold Ltd (ASX: PGO) in 2014. This was followed by a friendly takeover of Primary Gold in 2018, which at the time only 80% of the core asset (Rustlers Roost mining lease MLN1083) was owned by Primary Gold. The remaining 20% were held privately by the other two parties under a JV agreement. In 2021, with FIRB approval the Company acquired those remaining 20% interests at AUD5,729,000 including stamp duty and therefore owns 100% of the core asset (Rustlers Roost).

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP**Introduction**

On 4 July 2024, China Hanking Holdings Limited (the “**Company**”) approved the share sale agreement (the “**Share Sale Agreement**”) entered into by HGM Resources Pty Ltd (the “**Vendor**”, a subsidiary of the Company) with Huineng Gold Pty Ltd (the “**Purchaser**”) and Inner Mongolia Huineng Coal and Electricity Group Co., Ltd (the “**Guarantor**”, the ultimate holding company of the Purchaser), pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, 100% of the shares in Primary Gold Pty Ltd and its subsidiary (hereafter collectively referred to as the “**Disposal Group**”) (the “**Disposal**”).

The unaudited pro forma financial information of the Group after the disposal of the Disposal Group (hereafter referred to as the “**Remaining Group**”) (the “**Unaudited Pro Forma Financial Information of the Remaining Group**”), comprising the unaudited pro forma consolidated statement of financial position of the Remaining Group as at 31 December 2023, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023, has been prepared by the directors of the Company (the “**Directors**”) in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of illustrating the effect of the proposed disposal of the Disposal Group.

The preparation of the Unaudited Pro Forma Financial Information of the Remaining Group is based on the audited consolidated statement of financial position, the consolidated results and cash flows of the Group as at 31 December 2023 which has been extracted from the annual report of the Group published on 16 April 2024 for the year ended 31 December 2023; and adjusted in accordance with the unaudited pro forma adjustments described in the notes thereto, to illustrate (a) the consolidated financial position of the Remaining Group as if the Disposal had been completed on 31 December 2023 and (b) the consolidated results and cash flows of the Remaining Group as if the Disposal had been completed on 1 January 2023.

A narrative description of the unaudited pro forma adjustments of the Disposal that are directly attributable to the transactions and factually supportable, is summarised in the accompanying notes.

The Unaudited Pro Forma Financial Information of the Remaining Group has been prepared based on a number of assumptions, estimates, uncertainties, currently available information and are prepared for illustrative purpose only. Because of its hypothetical nature, it may not give a true picture of the results of operations, financial positions or cash flows of the Remaining Group had the Disposal been completed as at the respective dates to which it is made up to or for any future periods or at any future dates, whichever is applicable.

APPENDIX III

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The Unaudited Pro Forma Financial Information of the Remaining Group should be read in conjunction with the financial information of the Group as set out in Appendix I to this circular, the annual report of the Group published on 16 April 2024 for the year ended 31 December 2023, the financial information of the Disposal Group and other financial information included elsewhere in this circular.

Unaudited Pro Forma Consolidated Statement of Financial Position of the Remaining Group

	Unaudited pro forma adjustments for the Disposal							Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 31 December 2023 RMB'000
	Audited consolidated financial position of the Group as at 31 December 2023 RMB'000	Exclusion of 100% equity interest in Disposal Group as at 31 December 2023 RMB'000 (note 1)	Recognition of proceeds and gains/waiver of the amount due to the Remaining Group in accordance with the Share Sale Agreement RMB'000 (note 2)	Estimated professional fee in respect of the Disposal RMB'000 (note 4)	Estimated capital gain tax in respect of the Disposal RMB'000 (note 5)	Adjustment of deferred tax due to the Disposal RMB'000 (note 6)	Sub-total of unaudited pro forma adjustments for the Disposal RMB'000	
Non-current Assets								
Property, plant and equipment	736,243	(14,185)	—	—	—	—	(14,185)	722,058
Goodwill	209,132	—	—	—	—	—	—	209,132
Intangible assets	564,565	(313,005)	—	—	—	—	(313,005)	251,560
Right-of-use assets	192,259	—	—	—	—	—	—	192,259
Interests in associates	18,536	—	—	—	—	—	—	18,536
Financial assets at fair value through profit or loss ("FVTPL")	2,563	—	—	—	—	—	—	2,563
Deferred tax assets	97,742	—	—	—	—	—	—	97,742
Deposits on acquisition of long-lived assets	12,581	—	—	—	—	—	—	12,581
Restricted deposits	37,347	(15,111)	—	—	—	—	(15,111)	22,236
Pledged bank deposits	71,994	—	—	—	—	—	—	71,994
Investment deposits	7,000	—	—	—	—	—	—	7,000
	1,949,962	(342,301)	—	—	—	—	(342,301)	1,607,661

APPENDIX III
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	Unaudited pro forma adjustments for the Disposal							Unaudited pro forma consolidated statement of financial positional of the Remaining Group as at 31 December 2023 RMB'000
	Audited consolidated statement of financial position of the Group as at 31 December 2023 RMB'000	Exclusion of 100% equity interest in Disposal Group as at 31 December 2023 RMB'000 (note 1)	Recognition of proceeds and gains/waiver of the amount due to the Remaining Group in accordance with the Share Sale Agreement RMB'000 (note 2)	Estimated professional fee in respect of the Disposal RMB'000 (note 4)	Estimated capital gain tax in respect of the Disposal RMB'000 (note 5)	Adjustment of deferred tax due to the Disposal RMB'000 (note 6)	Sub-total of unaudited pro forma adjustments for the Disposal RMB'000	
Current Assets								
Inventories	232,356	—	—	—	—	—	—	232,356
Trade and other receivables	188,307	(341)	—	—	—	—	(341)	187,966
Receivables at fair value through other comprehensive income ("FVTOCI")	394,685	—	—	—	—	—	—	394,685
Pledged bank deposits	572,944	—	—	—	—	—	—	572,944
Cash and cash equivalents	270,258	(34)	1,469,096	(47,029)	(294,219)	—	1,127,814	1,398,072
Amount due from a related party	6,047	—	—	—	—	—	—	6,047
	1,664,597	(375)	1,469,096	(47,029)	(294,219)	—	1,127,473	2,792,070
Current Liabilities								
Trade, bills and other payables	1,100,073	(569)	—	—	—	—	(569)	1,099,504
Amount due to a related party	2,742	—	—	—	—	—	—	2,742
Borrowings	728,621	—	—	—	—	—	—	728,621
Lease liabilities	3,303	—	—	—	—	—	—	3,303
Contract liabilities	76,877	—	—	—	—	—	—	76,877
Tax liabilities	142,914	—	—	—	—	—	—	142,914
Amount due to the Remaining Group	—	(115,156)	115,156	—	—	—	—	—
	2,054,530	(115,725)	115,156	—	—	—	(569)	2,053,961
Net Current (Liabilities) Assets	(389,933)	115,350	1,353,940	(47,029)	(294,219)	—	1,128,042	738,109
Total Assets Less Current Liabilities	1,560,029	(226,951)	1,353,940	(47,029)	(294,219)	—	785,741	2,345,770

APPENDIX III
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	Unaudited pro forma adjustments for the Disposal							Unaudited pro forma consolidated statement of financial positional of the Remaining Group as at 31 December 2023 RMB'000
	Audited consolidated statement of financial position of the Group as at 31 December 2023 RMB'000	Exclusion of 100% equity interest in Disposal Group as at 31 December 2023 RMB'000 (note 1)	Recognition of proceeds and gains/waiver of the amount due to the Remaining Group in accordance with the Share Sale Agreement RMB'000 (note 2)	Estimated professional fee in respect of the Disposal RMB'000 (note 4)	Estimated capital gain tax in respect of the Disposal RMB'000 (note 5)	Adjustment of deferred tax due to the Disposal RMB'000 (note 6)	Sub-total of unaudited pro forma adjustments for the Disposal RMB'000	
Capital and Reserves								
Share capital	160,203	—	—	—	—	—	—	160,203
Reserves	1,243,715	(158,251)	1,272,704	(44,337)	(276,566)	(52,615)	740,935	1,984,650
Equity attributable to owners of the Company	1,403,918	(158,251)	1,272,704	(44,337)	(276,566)	(52,615)	740,935	2,144,853
Non-controlling interests (note 3)	46,639	—	81,236	(2,692)	(17,653)	(3,358)	57,533	104,172
Total Equity	1,450,557	(158,251)	1,353,940	(47,029)	(294,219)	(55,973)	798,468	2,249,025
Non-current Liabilities								
Borrowings	55,000	—	—	—	—	—	—	55,000
Lease liabilities	2,098	—	—	—	—	—	—	2,098
Provision	42,374	(15,111)	—	—	—	—	(15,111)	27,263
Other long-term liabilities	10,000	—	—	—	—	—	—	10,000
Deferred tax liabilities	—	(53,589)	—	—	—	55,973	2,384	2,384
	109,472	(68,700)	—	—	—	55,973	(12,727)	96,745
Total Equity and Non-current Liabilities	1,560,029	(226,951)	1,353,940	(47,029)	(294,219)	—	785,741	2,345,770

APPENDIX III

**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

**Unaudited Pro Forma Consolidated Statement of Profit or Loss and Other Comprehensive
Income of the Remaining Group**

	Unaudited pro forma adjustments for the Disposal							Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 31 December 2023 RMB'000
	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2023 RMB'000	Exclusion of the results of the Disposal Group for the year ended 31 December 2023 RMB'000 (note 7)	Recognition of proceeds and gains/waiver of the amount due to the Remaining Group in accordance with the Share Sale Agreement RMB'000 (note 8)	Estimated professional fee in respect of the Disposal RMB'000 (note 4)	Estimated capital gain tax in respect of the Disposal RMB'000 (note 9)	Adjustment of deferred tax due to the Disposal RMB'000 (note 6)	Sub-total of unaudited pro forma adjustments for the Disposal RMB'000	
Revenue	3,028,155	-	-	-	-	-	-	3,028,155
Cost of sales	(2,406,205)	-	-	-	-	-	-	(2,406,205)
Gross Profit	621,950	-	-	-	-	-	-	621,950
Other income	23,268	(30)	1,182,021	-	-	-	1,181,991	1,205,259
Other gains and losses	(40,334)	-	-	(45,759)	-	-	(45,759)	(86,093)
Impairment losses under expected credit loss ("ECL") model, net of reversal	601	-	-	-	-	-	-	601
Distribution and selling expenses	(97,951)	-	-	-	-	-	-	(97,951)
Administrative expenses	(224,665)	578	-	-	-	-	578	(224,087)
Research and development expenses	(2,981)	-	-	-	-	-	-	(2,981)
Other expenses	(1,805)	-	-	-	-	-	-	(1,805)
Share of results of associates	(4,152)	-	-	-	-	-	-	(4,152)
Finance costs	(70,326)	-	-	-	-	-	-	(70,326)
Profit (loss) before tax	203,605	548	1,182,021	(45,759)	-	-	1,136,810	1,340,415
Income tax expense	(52,708)	(141)	-	-	(304,028)	(2,243)	(306,412)	(359,120)
Profit (loss) for the year	150,897	407	1,182,021	(45,759)	(304,028)	(2,243)	830,398	981,295

APPENDIX III

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Unaudited pro forma adjustments for the Disposal								
Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2023	Exclusion of the results of the Disposal Group for the year ended 31 December 2023	Recognition of proceeds and gains/waiver of the amount due to the Remaining Group in accordance with the Share Sale Agreement	Estimated professional fee in respect of the Disposal	Estimated capital gain tax in respect of the Disposal	Adjustment of deferred tax due to the Disposal	Sub-total of unaudited pro forma adjustments for the Disposal	Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 31 December 2023	
RMB'000	RMB'000 (note 7)	RMB'000 (note 8)	RMB'000 (note 4)	RMB'000 (note 9)	RMB'000 (note 6)	RMB'000	RMB'000	
Other comprehensive income:								
Exchange differences on translation of financial statements of foreign operations	14,367	-	-	-	-	-	-	14,367
Impairment loss for receivables at FVTOCI included in profit or loss	1,949	-	-	-	-	-	-	1,949
Other comprehensive income for the year	16,316	-	-	-	-	-	-	16,316
Total comprehensive income (expense) for the year	167,213	407	1,182,021	(45,759)	(304,028)	(2,243)	830,398	997,611
Profit (loss) for the year attributable to:								
Owners of the Company	151,796	383	1,111,100	(43,142)	(285,786)	(2,108)	780,447	932,243
Non-controlling interests	(899)	24	70,921	(2,617)	(18,242)	(135)	49,951	49,052
	150,897	407	1,182,021	(45,759)	(304,028)	(2,243)	830,398	981,295
Total comprehensive income (expense) for the year attributable to:								
Owners of the Company	167,727	383	1,111,100	(43,142)	(285,786)	(2,108)	780,447	948,174
Non-controlling interests	(514)	24	70,921	(2,617)	(18,242)	(135)	49,951	49,437
	167,213	407	1,182,021	(45,759)	(304,028)	(2,243)	830,398	997,611

Unaudited Pro Forma Consolidated Statement of Cash Flows of the Remaining Group

	Unaudited pro forma adjustments for the Disposal					Sub-total of unaudited pro forma adjustments for the Disposal	Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023
	Audited consolidated statement of cash flows of the Group for the year ended 31 December 2023	Exclusion of cash flows of the Disposal Group for the year ended 31 December 2023	Adjustments as if the Disposal would have been carried out and completed as at 1 January 2023	Estimated professional fee in respect of the Disposal	Estimated capital gain tax in respect of the Disposal		
	RMB'000	RMB'000 (note 7)	RMB'000 (note 8)	RMB'000 (note 4)	RMB'000 (note 9)	RMB'000	RMB'000
OPERATING ACTIVITIES							
Profit (loss) before tax	203,605	548	1,182,021	(45,759)	-	1,136,810	1,340,415
Adjustments for:							
Finance costs	70,326	-	-	-	-	-	70,326
Share of results of associates	4,152	-	-	-	-	-	4,152
Interest income	(20,970)	-	-	-	-	-	(20,970)
Write-down of inventories	785	-	-	-	-	-	785
Impairment loss of property, plant and equipment	11,807	-	-	-	-	-	11,807
Impairment loss of interests in associates	19,252	-	-	-	-	-	19,252
Impairment losses under ECL model, net of reversal	(601)	-	-	-	-	-	(601)
Loss on disposal of property, plant and equipment	199	-	-	-	-	-	199
Loss relating to termination of a lease	49	-	-	-	-	-	49
Depreciation of property, plant and equipment	126,479	-	-	-	-	-	126,479
Amortisation of intangible assets	20,833	-	-	-	-	-	20,833
Amortisation of right-of-use assets	16,650	-	-	-	-	-	16,650
Fair value gain on financial assets at FVTPL	(384)	-	-	-	-	-	(384)
Net foreign exchange loss	1,825	-	-	-	-	-	1,825
Recognition of equity-settled share-based payments	2,656	-	-	-	-	-	2,656
(Gain) loss on disposal of the Disposal Group	-	-	(1,182,021)	45,759	-	(1,136,262)	(1,136,262)

APPENDIX III
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	Unaudited pro forma adjustments for the Disposal					Sub-total of unaudited pro forma adjustments for the Disposal RMB'000	Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023 RMB'000
	Audited consolidated statement of cash flows of the Group for the year ended 31 December 2023 RMB'000	Exclusion of cash flows of the Disposal Group for the year ended 31 December 2023 RMB'000 (note 7)	Adjustments as if the Disposal would have been carried out and completed as at 1 January 2023 RMB'000 (note 8)	Estimated professional fee in respect of the Disposal RMB'000 (note 4)	Estimated capital gain tax in respect of the Disposal RMB'000 (note 9)		
Operating cash flow before movements in working capital	456,663	548	-	-	-	548	457,211
Decrease in inventories	161,888	-	-	-	-	-	161,888
Decrease (increase) in trade and other receivables	7,479	(60)	-	-	-	(60)	7,419
Increase in receivables at FVTOCI	(314,870)	-	-	-	-	-	(314,870)
Increase in trade, bills and other payables	94,371	619	-	-	-	619	94,990
Decrease in contract liabilities	(34,923)	-	-	-	-	-	(34,923)
Decrease in deferred income	(437)	-	-	-	-	-	(437)
Decrease in rehabilitation provision	(2,513)	(4)	-	-	-	(4)	(2,517)
Cash generated from operations	367,658	1,103	-	-	-	1,103	368,761
Income tax paid	(48,693)	-	-	-	(304,028)	(304,028)	(352,721)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	318,965	1,103	-	-	(304,028)	(302,925)	16,040

APPENDIX III
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	Unaudited pro forma adjustments for the Disposal					Sub-total of unaudited pro forma adjustments for the Disposal RMB'000	Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023 RMB'000
	Audited consolidated statement of cash flows of the Group for the year ended 31 December 2023 RMB'000	Exclusion of cash flows of the Disposal Group for the year ended 31 December 2023 RMB'000 (note 7)	Adjustments as if the Disposal would have been carried out and completed as at 1 January 2023 RMB'000 (note 8)	Estimated professional fee in respect of the Disposal RMB'000 (note 4)	Estimated capital gain tax in respect of the Disposal RMB'000 (note 9)		
INVESTING ACTIVITIES							
Payments for acquisition of property, plant and equipment	(42,220)	4,367	-	-	-	4,367	(37,853)
Payments for acquisition of intangible assets	(82,170)	26,277	-	-	-	26,277	(55,893)
Payments for acquisition of right-of-use assets	(9,219)	-	-	-	-	-	(9,219)
Proceeds on disposal of property, plant and equipment	141	-	-	-	-	-	141
Interest received	20,970	(30)	-	-	-	(30)	20,940
Withdrawal of restricted deposits	6	-	-	-	-	-	6
Placement of restricted deposits	(512)	294	-	-	-	294	(218)
Advance to third parties	(20,000)	-	-	-	-	-	(20,000)
Advance received from third parties	20,000	-	-	-	-	-	20,000
Settlement of consideration payable for acquisition of Emerald Planet Group	(37,200)	-	-	-	-	-	(37,200)
Net cash outflow on acquisition of Cygnet Gold Pty Ltd	(36,751)	-	-	-	-	-	(36,751)
Withdrawal of pledged bank deposits in relation to borrowings and bills payables	1,418,946	-	-	-	-	-	1,418,946
Placement of pledged bank deposits in relation to borrowings and bills payables	(1,340,964)	-	-	-	-	-	(1,340,964)
Payment of investment deposits	(7,000)	-	-	-	-	-	(7,000)
Proceeds on disposal of the Disposal Group	-	-	1,427,413	(45,759)	-	1,381,654	1,381,654
Proceeds from disposal of unlisted managed investment funds	1,000	-	-	-	-	-	1,000
Funding from the Remaining Group to the Disposal Group	-	(32,042)	-	-	-	(32,042)	(32,042)
NET CASH (USED IN) FROM INVESTING ACTIVITIES	(114,973)	(1,134)	1,427,413	(45,759)	-	1,380,520	1,265,547

APPENDIX III
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	Unaudited pro forma adjustments for the Disposal					Sub-total of unaudited pro forma adjustments for the Disposal RMB'000	Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023 RMB'000
	Audited consolidated statement of cash flows of the Group for the year ended 31 December 2023 RMB'000	Exclusion of cash flows of the Disposal Group for the year ended 31 December 2023 RMB'000 (note 7)	Adjustments as if the Disposal would have been carried out and completed as at 1 January 2023 RMB'000 (note 8)	Estimated professional fee in respect of the Disposal RMB'000 (note 4)	Estimated capital gain tax in respect of the Disposal RMB'000 (note 9)		
FINANCING ACTIVITIES							
New borrowings raised	684,455	-	-	-	-	-	684,455
Repayments of borrowings	(464,650)	-	-	-	-	-	(464,650)
Proceeds from notes financing	2,653,728	-	-	-	-	-	2,653,728
Payments for notes financing	(2,730,978)	-	-	-	-	-	(2,730,978)
Payments of lease liabilities	(3,994)	-	-	-	-	-	(3,994)
Interest paid	(68,397)	-	-	-	-	-	(68,397)
Dividend paid to owners of the Company	(38,610)	-	-	-	-	-	(38,610)
Loans raised from related parties	267,479	-	-	-	-	-	267,479
Repayment of advance from a related party	(328,175)	-	-	-	-	-	(328,175)
Purchase of ordinary shares pursuant to the restricted share award scheme	(5,518)	-	-	-	-	-	(5,518)
Repayment of amount due to an independent third party	(32,500)	-	-	-	-	-	(32,500)
NET CASH USED IN FINANCING ACTIVITIES	(67,160)	-	-	-	-	-	(67,160)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	136,832	(31)	1,427,413	(45,759)	(304,028)	1,077,595	1,214,427
TOTAL CASH AND CASH EQUIVALENTS AT 1 JANUARY 2023	134,411	(2)	-	-	-	(2)	134,409
Effect of foreign exchange rate changes	(985)	(1)	-	-	-	(1)	(986)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER 2023	270,258	(34)	1,427,413	(45,759)	(304,028)	1,077,592	1,347,850
Represented by cash and cash equivalents	270,258	(34)	1,427,413	(45,759)	(304,028)	1,077,592	1,347,850

Notes:

- (1) The adjustment represents the exclusion of the assets and liabilities of the Disposal Group as if the Disposal had been taken place on 31 December 2023.
- (2) The adjustments reflects the unaudited pro forma adjustments as if the Disposal would have been carried out and completed as at 31 December 2023.
- (i) The adjustment reflects the unaudited pro forma gain on the Disposal, assuming that the Disposal had been taken place on 31 December 2023. The unaudited pro forma gain on the Disposal, before deducting the estimated professional fee and capital gain tax, is calculated as follow:

	RMB'000
Initial consideration at 31 December 2023 (<i>note 2 (ii)</i>)	1,469,631
Less: adjustment to consideration (<i>note 2 (iii)</i>)	<u>(535)</u>
Adjusted consideration from the Disposal (excluding payment of professional fee and capital gain tax)	<u>1,469,096</u>
Less: carrying amount of net assets (<i>note 2 (v)</i>)	<u>(273,407)</u>
	<u><u>1,195,689</u></u>

- (ii) Under the Share Sale Agreement, initial consideration consists of purchase price of AUD300 million plus the environmental bond of the Disposal Group in the amount of AUD3,116,653 (equivalent to RMB1,469,631,000 in aggregate) on 31 December 2023. The environmental bond of the Disposal Group is a cash backed bond with no maturity date. It is the existing disturbance area rehabilitation cost estimated and assessed by the environmental authority of the government of Northern Territory in Australia. The Company has a cash deposit at Commonwealth Bank of Australia to back this bond. The Purchaser will pay this amount of cash to the Company.
- (iii) Pursuant to the Share Sale Agreement, the excess of external debt over cash of the Disposal Group amounted to AUD110,383 (equivalent to RMB535,000) shall be deducted from the purchase price.

APPENDIX III**UNAUDITED PRO FORMA FINANCIAL
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- (iv) This adjustment is to eliminate the effect on reserve of the Remaining Group following the adjustment in note 1 and the Disposal gain (before professional fee and capital gain tax) of the Remaining Group to be recognised.

RMB'000

Reinstatement of reserves of the Disposal Group at 31 December 2023	158,251
Unaudited pro forma gain on the Disposal included in the Remaining Group's reserve before deducting professional fee and capital gain tax as separately presented in notes 4 and 5 respectively (<i>note 2 (i)</i>)	<u>1,195,689</u>
	<u><u>1,353,940</u></u>

- (v) Under the Share Sale Agreement, amount due to Hanking Australia Investment Pty Ltd shall be waived. The carrying amount of net assets of the Disposal group is calculated as follow:

RMB'000

Waiver of amount due to Hanking Australia Investment Pty Ltd	115,156
Carrying amount of net assets of the Disposal Group before the waiver	<u>158,251</u>
	<u><u>273,407</u></u>

- (3) It represents 6% non-controlling interests in the equity of Hanking Australia Investment Pty Ltd.
- (4) The adjustment represents the estimated professional fee of RMB47,029,000 in respect of the Disposal as if the Disposal had been taken place on 31 December 2023 or RMB45,759,000 on 1 January 2023, among which RMB44,862,000 would be paid by Hanking Australia Investment Pty Ltd and RMB2,167,000 would be paid by the Company on 31 December 2023, or RMB43,616,000 paid by Hanking Australia Investment Pty Ltd and RMB2,143,000 paid by the Company on 1 January 2023. The actual cost of the Disposal is subject to change at completion of the Disposal.
- (5) The adjustment represents the estimated capital gain tax of 30% in Australia to be incurred and paid on disposal of the Disposal Group as if the Disposal had been taken place on 31 December 2023. The estimated capital gain tax of 30% in Australia to be incurred and paid on the Disposal is calculated as follow:

RMB'000

Initial consideration (<i>note 2(ii)</i>)	1,469,631
Less: cost base of net assets of the Disposal Group for the purpose of calculating capital gain tax	(157,777)
Less: tax losses of Hanking Australia Investment Pty Ltd as at 31 Dec 2023	(286,261)
Less: professional fee incurred and paid by Hanking Australia Investment Pty Ltd (<i>note 4</i>)	<u>(44,862)</u>
	<u><u>980,731</u></u>
Capital gain tax @ 30% thereon	<u><u>294,219</u></u>

APPENDIX III**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

- (6) The adjustment represents (i) the removal of deferred tax liabilities of the Remaining Group previously recognised by the Disposal Group; and (ii) gross-up the additional deferred tax liability as the tax loss of the Remaining Group is no longer sufficient for offsetting after being firstly applied to reduce the deemed capital gain tax as set out in notes 5 and 9.
- (7) The adjustment represents the exclusion of the consolidated results and cash flows of the Disposal Group as if the Disposal had been taken place on 1 January 2023.
- (8) The adjustments reflects the pro forma adjustments as if the Disposal would have been carried out and completed as at 1 January 2023.
- (i) The adjustment reflects the pro forma gain on the Disposal, assuming that the Disposal had been taken place on 1 January 2023. The pro forma gain on the Disposal before deducting professional fee and capital gain tax is calculated as follow:

RMB'000

Initial consideration (<i>note 8 (ii)</i>)	1,428,541
Less: adjustment to consideration (<i>note 8 (iii)</i>)	<u>(1,128)</u>
Adjusted consideration from the Disposal (excluding payment of professional fee and capital gain tax)	<u>1,427,413</u>
Less: carrying amount of net assets at 1 January 2023 (<i>note 8 (iv)</i>)	<u>(245,392)</u>
	<u><u>1,182,021</u></u>

- (ii) Under the Share Sale Agreement, initial consideration consists of purchase price of AUD300 million plus the environmental bond amount of AUD3,055,101 (equivalent to RMB1,428,541,000 in aggregate) on 1 January 2023.
- (iii) Pursuant to the Share Sale Agreement, the excess of external debt over cash of the Disposal Group amounted to AUD239,281 (equivalent to RMB1,128,000) shall be deducted from the purchase price.
- (iv) Under the Share Sale Agreement, amount due to Hanking Australia Investment Pty Ltd shall be waived. The carrying amount of net assets is calculated as follow:

RMB'000

Waiver of amount due to Hanking Australia Investment Pty Ltd	91,134
Carrying amount of net assets before the waiver	<u>154,258</u>
	<u><u>245,392</u></u>

APPENDIX III**UNAUDITED PRO FORMA FINANCIAL
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- (9) The adjustment represents the estimated capital gain tax of 30% in Australia to be incurred and paid on disposal of the Disposal Group as if the Disposal had been taken place on 1 January 2023.

	RMB'000
Initial consideration (<i>note 8 (ii)</i>)	1,428,541
Less: cost base of net assets for the purpose of calculating capital gain tax	(132,972)
Less: tax losses of Hanking Australia Investment Pty Ltd as at 1 January 2023	(238,527)
Less: professional fee to be incurred and paid by Hanking Australia Investment Pty Ltd (<i>note 4</i>)	<u>(43,616)</u>
	<u>1,013,426</u>
Capital gain tax @ 30% thereon	<u>304,028</u>

- (10) Foreign currency of the transactions in respect of the Disposal in the Unaudited Pro Forma Financial Information is translated with the exchange rate announced by the state foreign currency administration bureau at the respective dates assuming the Disposal had been taken place.

- (11) All of the adjustments are not expected to have a continuing effect on the Remaining Group.

The information presented below are for illustrative purpose only, and do not form part of the Unaudited Pro Forma Financial Information of the Remaining Group.

According to share option scheme of Hanking Australia Investment Pty Ltd, the Disposal triggered an vesting event. Options which has not been forfeited or lapsed will vest and become exercisable by the participant on the occurrence of the vesting event. Hanking Australia Investment Pty Ltd and participant of share option scheme agree that Hanking Australia Investment Pty Ltd will settle all of the participants' vested options at a cash consideration calculated by reference to the realisation price instead of issuing shares to the participants upon exercising the vested options, in which case, the participant's vested options will cease to be exercisable. Hanking Australia Investment Pty Ltd must pay to the participant (or procure the payment of) an amount equal to the difference between the realisation price and the exercise price in respect of each vested option.

- (i) Realisation price of an option means the amount calculated as follows:

where: $\frac{A}{B}$

A = the equity value, which is calculated based on the initial consideration less adjustment to consideration, and net of professional fee paid by Hanking Australia Investment Pty Ltd; and

B = the total number of shares on a fully diluted basis immediately prior to completion of an vesting event.

Accordingly, Hanking Australia Investment Pty Ltd is required to pay cash to participants amounting to AUD12,493,000 (Equivalent to RMB60,573,000) as if the Disposal had been taken place on 31 December 2023.

- (ii) Under Section 40-800 of the ITTA 1997 issued by Australian Taxation Office, the cash payments for settlement of participants' vested options are deductible at capital gain tax rate of 30% over 5 years in equal proportions, starting in the year in which it is incurred and paid. The net of first year tax impact of cash settlement for participants' vested options would be RMB56,939,000.

APPENDIX III**UNAUDITED PRO FORMA FINANCIAL
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For illustrative purpose only, which do not form part of the Unaudited Pro Forma Financial Information of the Remaining Group, the unaudited pro forma gain on the Disposal attributable to the Company as if the Disposal had been taken place on 31 December 2023 and the financial impact on cash settlement for participants' vested options are presented as follow:

	<i>RMB'000</i>
(a) Unaudited pro forma gain on the Disposal before deducting the estimated professional fee and capital gain tax (<i>note 2 (i)</i>)	1,195,689
Less:	
– professional fee paid by Hanking Australia Investment Pty Ltd (<i>note 4</i>)	(44,862)
– capital gain tax (<i>note 5</i>)	<u>(294,219)</u>
	<u>856,608</u>
Unaudited pro forma gain on the Disposal attributable to the Company before deducting professional fee paid by the Company (94% of RMB856,608,000)	<u>805,212</u>
Less:	
– professional fee paid by the Company (<i>note 4</i>)	<u>(2,167)</u>
Unaudited pro forma gain on the Disposal attributable to the Company	<u><u>803,045</u></u>
(b) Financial impact on cash settlement for participants' vested options:	
	<i>RMB'000</i>
Gross amount of cash consideration charge to equity of the Company	60,573
Tax deduction as set out in (ii) above	<u>(3,634)</u>
	<u><u>56,939</u></u>
Amount attributable to the Company (94%)	<u><u>53,523</u></u>

**B. ACCOUNTANTS' REPORT FROM THE REPORTING ACCOUNTANTS ON UNAUDITED
PRO FORMA FINANCIAL INFORMATION**

The following is the text of the independent reporting accountants' assurance report received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this circular.

Deloitte.**德勤****INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To the Directors of China Hanking Holdings Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of China Hanking Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 31 December 2023, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023, the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2023 and related notes as set out on pages III-2 to III-14 of the circular issued by the Company dated 22 August 2024 (the “**Circular**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on page III-1 of the Circular.

The unaudited pro forma financial information has compiled by the Directors to illustrate the impact of the disposal of Primary Gold Pty Ltd and its subsidiary (together the “**Disposal Group**”) (the “**Disposal**”) on the Group's financial position as at 31 December 2023 and the Group's financial performance and cash flows for the year ended 31 December 2023 as if the Disposal had been taken place at 31 December 2023 and 1 January 2023 respectively. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the Directors from the Group's financial statements for the year ended 31 December 2023, on which an auditor's report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2023 or 1 January 2023 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong, 22 August 2024

1 INTRODUCTION

1.1 Context

The Competent Persons' Reports prepared in accordance with JORC Code, for both the Mineral Resources and Ore Reserve Estimates, that satisfy Chapter 18 of the Listing Rules are available at www.hankingmining.com for the Shareholders and the general public to review. The core contents of the Competent Persons' Reports for the Mineral Resource Estimates are abstracted and summarized in Appendix IV to this circular. The Full Ore Reserve Statements of the Competent Persons' Reports are attached in Appendix IV in this Circular.

The Competent Persons' Reports for the Mineral Resource Estimate of the Primary Gold's Mt Bundy Gold Project was signed by Mr. Brian Fitzpatrick of Cube Consulting Pty Ltd ("**Cube Consulting**"), and Ore Reserve Report was signed by Mr. Steve Craig and Mr. Julian Broomfield of Orelogy Consulting Pty Ltd ("**Orelogy Consulting**") in accordance with JORC Code on 30 June 2024. Both Cube Consulting and Orelogy Consulting are well established renowned specialised firms in Mineral Resource and Ore Reserve estimates in the Australian mining industry, respectively. The Competent Persons have consented to release the Competent Persons' Reports in accordance with JORC Code.

As disclosed in the Competent Persons' Reports, the Mt Bundy Gold Project has JORC Code Mineral Resources of approximately 3.01 million ounces of gold at an average grade of 0.9 g/t and Ore Reserve of approximately 1.64 million ounces of gold at an average grade of 0.9 g/t as of 30 June 2024.

1.2 Authors of the Reports – Qualifications, Experience and Competence

Orelogy Consulting

Orelogy Consulting is a member of Perenti company, which is a global diversified mining service company, specialising in open pit and underground mining services, currently operating in more than 10 countries across four continents.

The expert team of Orelogy Consulting includes Mr. Steve Craig and Mr. Julian Broomfield:

Mr. Steve Craig is a Fellow of Australia Institute of Mining and Metallurgy (No. 112346). Mr. Steve is a well known mining executive in the international mining industry, he co-founded Orelogy Consulting more than 20 years ago and he has been managing Orelogy Consulting. Mr. Steve has more than 30 years experience in the mining industry. Mr. Steve has acted as Competent Person in accordance with JORC Code and Qualified Person in accordance with 43-101 code for many projects in Australia, Africa and Canada for companies listed on the Australian, Canadian and Hong Kong Stock Exchanges.

Mr. Steve has also previously acted as Competent Person for Ore Reserves of the Mt Bundy Project, as released to the market through the Stock Exchange by the Company in 2021, 2022 and 2023.

Mr. Julian Broomfield is a Principal Mining Consultant/Underground Team Leader of Orelogy Consulting, with a First Class Mine Managers certificate. With over 25 years of experience in mine planning, operations, project management, consultancy and contracting, Mr. Julian has worked with a variety of mining methods and operations, both within Australia and internationally. Mr. Julian is experienced in mine design and scheduling, project management, technical studies (PEA/Scoping through to Feasibility), strategic/life of mine planning, as well as Reserve/43-101 statements generation and sign off. Mr. Julian is a Competent Person in accordance with JORC Code and Qualified Person in accordance with 43-101 code. Mr. Julian is a member of the Australia Institute of Mining and Metallurgy (Member No 222417).

It should be noted that all Competent Person Reports were peer reviewed by the group's expert panel members in accordance with JORC Code.

Cube Consulting

Cube Consulting is a well known mining service group, renowned for its service in Mineral Resource Estimate and due diligence studies.

The expert team of Cube Consulting includes Mr. Brian Fitzpatrick:

Mr. Brian Fitzpatrick, B.Sc., MAusIMM CP (Geo), a Principal Geologist with Cube Consulting and a Competent Person as defined by JORC Code and a Qualified Person as defined by NI 43-101. Mr. Fitzpatrick has worked as a professional geologist for more than 38 years. Relevant experience has been gained from working in the gold and base metal mining and exploration industry in various mineral provinces throughout Australia and other countries. This includes exploration, open pit and underground mining experience in greenstone hosted gold deposits, epithermal gold deposits and Volcanogenic Massive Sulphide (VMS) poly-metallic deposits.

Mr. Fitzpatrick was Competent Person for the Company's Australian gold resource estimates released to the market through the Stock Exchange in 2016, 2017, 2020, 2021 and 2022, including the Very Substantial Disposal of SXO Gold Mine in 2017, by the Company.

The information contained in each Mineral Resource Estimate Technical Report was compiled by Mr Fitzpatrick on behalf of Cube Consulting, the competent persons statement is as follows:

The estimation and reporting of Mineral Resources is based on information compiled by Mr. Fitzpatrick. Mr. Fitzpatrick is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM CP) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

Mr. Fitzpatrick is a full-time employee of Cube Consulting, which specialises in mineral resource estimation, evaluation and exploration. It should be noted that all Competent Person Reports were peer reviewed by the group's expert panel members in accordance with JORC Code.

1.3 Reporting Standard

Both the Mineral Resource Estimate reports and the Ore Reserve Report have been prepared in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).

1.4 Independence

The Competent Persons, i.e. Mr. Brian Fitzpatrick, Mr. Steve Craig and Mr. Julian Broomfield, are independent of the Company, its directors, senior management and advisers. They have no economic or beneficial interest (present or contingent) in any of the assets being reported on and are not remunerated with a fee dependent on the findings of the Competent Person's Reports. Neither of the Competent Persons is an officer, employee or proposed officer of the Company or any group, holding or associated company of the Company.

Neither Cube Consulting nor Orelogy Consulting is a group, holding or associated company of the Company. None of their partners or officers are the officers or proposed officers of any group, holding or associated company of the Company.

2 SUMMARIES OF COMPETENT PERSONS' REPORTS

2.1 Summary of Mineral Resource Estimate Report for Rustlers Roost

Cube Consulting Pty Ltd (Cube) was requested by Hanking Australia Investment (Hanking) to undertake an update of the Mineral Resource estimate (MRE) for the Rustlers Roost Gold Project (Rustlers Roost), including the Annie Oakley Prospect, in June 2024. The objectives of the 2024 MRE were to quantify and update the global in situ gold resource optimization, and MRE reporting, with assigned Mineral Resource classification categories, after incorporating all new drilling data and updating geological and mineralisation interpretations.

The gold mineralisation at Rustlers Roost is located on both sides of the west to SW dipping fold limb between the Backhoe Syncline to the west and the Dolly Pot Anticline to the east. Elevated gold grades (>0.5 g/t Au over 2m intervals) were obtained mostly from intervals that contain one or more sulphidic chert beds. These chert beds are generally only 5-20 cm thick and less commonly 20-40 cm thick and comprise only 10-20% of the sample intervals, predominantly from RC and diamond drilling. The gold mineralization at Annie Oakley prospect is along the Tanya Anticline hinge zone. Recent RC drilling has identified a previously un-discovered zone containing two broad, sub-vertically dipping gold mineralisation domains over a strike length of 350 m and 150m vertical depth. The resource for Annie Oakley prospect is about 2% of the whole Rustlers Roost project.

Oxide resources of 4.71 MT at 1.05 g/t Au (VVI, 2004) were mined and heap-leach treated by RRMPL between June 1994 and March 1998 for a return of 113,000 ounces of gold (estimated at 71% recovery). Since the completion of open pit mining several pre-feasibility studies and resource estimates have been completed on the project, most recently in December 2021 by Cube.

From 2017 to 2021, further infill, step out and deep drilling programs have been conducted within the resource area and on nearby prospects. A total of 158 holes for 21,630 m of RC and diamond drilling has been completed by Hanking since the previous resource work in 2017, including regional prospects drilling. New drill holes completed in 2021 that were used to inform the December 2021 MRE updated totalled 63 holes for 6,615 m of RC drilling.

There are no active mining operations at Rustlers Roost, and the open pit workings are currently inaccessible to the base of the pit, although the geology in the upper pit walls was visible and some higher benches were accessible in July 2014. Brian Fitzpatrick (Principal Geologist at Cube), who is acting as the Competent Person, undertook a review of the historic data in the drill hole database along with reports and some historical mining data available from electronic data rooms supplied by Hanking.

In situ Resources

Cube has classified and reported the resource in accordance with The 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). Table 1 of the 2012 JORC Code demonstrating the resource estimation criteria can be referred to the Company website at: <https://www.hankingmining.com/gold/>.

June 2024 In situ Mineral Resource estimates for the Rustlers Roost Gold Project are summarised in Table 1-1. This MRE update includes new Indicated and Inferred Resources estimated for the Annie Oakley Prospect. All resources are reported at a range of cut-offs which are deemed acceptable based on industry costings associated with the likely mining method (open pit, bulk-tonnage).

Table 1-1 Rustlers Roost Gold Project – MRE Summary for In situ Resources, as at 30 June 2024

Res Cat	COG	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Au Oz)
Indicated	0.3	63.43	0.8	1,533,000
	0.5	40.95	1.0	1,252,000
	0.8	22.21	1.2	870,000
	1	14.13	1.4	637,000
	1.5	4.10	1.9	250,000
Inferred	0.3	28.45	0.5	490,000
	0.5	12.00	0.7	289,000
	0.8	3.57	1.0	120,000
	1	1.54	1.3	63,000
	1.5	0.21	1.9	13,000
ALL Resources	0.3	91.89	0.7	2,023,000
	0.5	52.95	0.9	1,541,000
	0.8	25.78	1.2	990,000
	1	15.67	1.4	700,000
	1.5	4.31	1.9	263,000

Notes:

- Figures may not add up due to rounding.
- All resources have been depleted by open pit mining based on the most recent surface topography digital terrain models (“DTM”).
- The average bulk density assigned to the mineralisation is 2.3 for oxide material, 2.5 for transition, and 2.7 g/cm³ for fresh rock.
- Mineral Resources that are not Mineral Reserves have not demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio- political, marketing, or other relevant issues.
- For the localized uniform conditioning (“LUC”) model a selected selective mining unit (“SMU”) of 5 mN x 5 mE x 5 mRL was chosen as the smallest sized blocks that can be reasonably mined. The model is reported inclusive of reasonable mining dilution. Annie Oakley Prospect mineralisation was estimated using Ordinary Kriging (“OK”) and inverse distance to the power of 2 (“ID2”) estimation methods.

Resources Inside Optimised Pit Shells

As an example to demonstrate the economic consideration, Cube used gold price of A\$2,800 to generate an optimization pit shell, and the open pit resources at a cut-off grade of 0.3g/t within the shell is summarized in Table 1-2. Resources within the pit shell optimization will be larger if a higher gold price is applied. High grade resource below the open pit design has potential for underground mining activities in future.

Table 1-2 Rustlers Roost Gold Project – MRE Summary Inside Pit Shell (A\$ 2800), as at 30 June 2024

Res Cat	Oxidation	Cut Off	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Au Oz)
Indicated	Ox	0.3	10.10	0.6	202,000
	Tr	0.3	8.70	0.8	213,000
	Fr	0.3	38.34	0.8	1,004,000
	Sub Total		57.14	0.8	1,419,000
Inferred	Ox	0.3	0.23	0.4	3,000
	Tr	0.3	0.41	0.6	7,000
	Fr	0.3	10.32	0.6	204,000
	Sub Total		10.96	0.6	215,000
TOTAL	Ox	0.3	10.33	0.6	205,000
	Tr	0.3	9.12	0.8	220,000
	Fr	0.3	48.65	0.8	1,208,000
	TOTAL		68.10	0.7	1,633,000

Notes:

- Figures may not add up due to rounding.
- All resources have been depleted by open pit mining based on the most recent surface topography DTM.
- The average bulk density assigned to the mineralisation is 2.3 for oxide material, 2.5 for transition, and 2.7 g/cm³ for fresh rock.
- Mineral Resources that are not Mineral Reserves have not demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio- political, marketing, or other relevant issues.
- MRE is reported at a lower cut-off grade of 0.3 g/t Au for open pit resources.

- MRE is constrained within A\$ 2,800 per ounce optimised pit shells based on parameters derived from preliminary studies.

Conclusions

Following the initial Mineral Resource Estimates and the progress in pre-feasibility studies, with the written Consent of the Competent Person, the Company reported the 0.3 g/t cut off in-situ Mineral Resource of 2.023 Moz gold at average grade of 0.7g/t for Rustlers Roost in accordance with JORC 2012 Code in July 2021. As no further major exploration work has been done and no mining has been made, there has been no change in the Mineral Resources for Rustlers Roost, as confirmed by the Competent Person in his 30 June 2024 Competent Person's Report.

2.2 Summary of Mineral Resource Estimate Report for Quest 29

Cube Consulting Pty Ltd (Cube) was requested by Hanking Australia Investment (Hanking) to undertake an update of the Mineral Resource estimate (MRE) for the Quest 29 Gold Project (Quest 29). The objectives of the MRE were to quantify and update a global in situ gold resource, and MRE reporting, with assigned Mineral Resource classification categories, after incorporating all new drilling data and updating geological and mineralisation interpretations.

The Quest 29 project have several mineralised zones along a 3.5km strike length with two parallel north- south mineralized trends. The zones comprises ML29781 – ML29786 tenements and were initially granted to Geopeko Ltd in the 1970's as 36 separate MCN's and MLN's which were later acquired by Renison Consolidated Mines Limited and Toms Gully Gold Mines Limited. Open pit mining occurred between 1999 and 2001 on several of the prospects, most notably the West Koolpin Pit, with additional ore material mined from the Zamu Dolerite Zone, Taipan, North Koolpin and BHS Reef (Mobile Hill) Pits. A total of approximately 670,000t was mined at a grade of 0.7g/t Au for 15,000t of gold, mainly from a heap leach operation. Included in these figures is a total of 60,000 t at 1.5 – 2.0 g/t Au that was trucked to Toms Gully for treatment up to 2003. GBS Gold acquired the tenements in 2007 from Renison before going into voluntary administration in 2008. Crocodile Gold Australia Pty Ltd acquired the tenements from GBS Gold in November 2009 and subsequently sold the licenses to Primary Minerals Ltd (PGL) in February 2013.

Since a takeover by Hanking in 2018, significant brown field exploration and resource development drilling has been undertaken and this drilling has been used for updating the mineral resources for the Mt Bundy Gold Projects. From 2020 to 2023, Hanking has undertaken a systematic program of infill, step out and deep drilling within the five project areas. A total of 174 holes for 23,041 m of RC and diamond drilling has been completed. Both the 2017 and the 2020-21 drilling make up 44% of all drill metres used to inform the December 2021 MRE.

The CP has previously undertaken a site visit to the Mt Bundy leases in July 2014, which included a field mapping of the Quest 29 open pit workings and an inspection of the sample processing facilities near the decommissioned Toms Gully plant. The CP undertook a review

of the historic data in the drill hole database along with reports and some historical mining data available from GEMIS, i.e. the Northern Territory (NT) government mineral exploration reports website.

The following key points summarise the modelling process and key parameters used by Cube for the estimation work:

- A review and update of mineralised and geological domains based on collated historical drilling information and other data. The existing mineralised domains for all resources, were modified by Cube based on continuity of geology/mineralisation along strike at a nominal cutoff of 0.3 g/t Au
- The drilling database validation involved collation of a large number of historical records and included the importing of pit grade control blast hole samples into an MS Access database created by Cube
- Cube carried out data validation and verification checks where the information was able to be located from the historical records
- The database created by Cube is the most complete set of information currently in place for Quest 29
- The database was flagged with a unique database code (zone code) for all mineralised intervals passing through the interpreted mineralisation domains. Downhole compositing was carried out independently for each mineralised zone using the unique zone codes stored in the database. A downhole composite length of 1 m was used for the mineralised zones
- Statistical analysis of the downhole composite data was carried out to determine the appropriate high grade assay cut to apply. A metal sensitivity analysis was combined with the statistical analysis to quantify the impact that the high grade assay cuts would have on metal content
- A single block model to encompass all mineralised zones was constructed using a parent block size of 5 mE x 10 mN x 10 mRL (elevation)
- Ordinary Kriging was used to interpolate gold into the parent cells for the mineralised domains for each oxidation zone. The parent cells were sub-celled to 2.5 mE x 5.0 mN x 5.0 mRL
- The dynamic anisotropy search feature in Surpac was used in which the search neighbourhood ellipse dip and dip direction are defined separately for each block approximating the orientation of each of the mineralised zones.

- Experimental variograms were generated for each mineralised zone and sub-domains based on weathering profiles. The variogram and search parameters for well-informed were used to represent the poorly informed domains.
- The validation of the block model included visual checks in 3D software, statistical and graphical spatial comparison checks and volumetric and grade comparisons between composite data and block model estimates. Validation results showed good correlation of the input data to the estimated gold grades.

The Quest 29 Mineral Resource have been classified as Indicated and Inferred and reported in accordance with the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code).

Blocks have been classified as Indicated or Inferred based on drillhole data spacing and search distance used for the estimation. Indicated Mineral Resources are defined by drilling at a grid spacing of 40m x 20m to 20m x 10m. Inferred Mineral Resources are defined by data density greater than 40m spaced sections and reduced confidence in the continuity of geology and mineralisation along strike and at depth. Where insufficient data has resulted in uncertainty with the geological and/or gold grade continuity, these areas of the mineralisation have not been classified.

The June 2024 Mineral Resource has increased the overall resource inventory due to the following:

- A significant amount of new RC and DD drilling information across all five Quest 29 zones
- Discovery of new gold mineralisation and significant extensions of mineralisation domains at depth and along strike, mainly for Taipan-West Koolpin, North Koolpin and Mobile Hill.
- Bulk-mineralised domain modelling estimated by dynamic Ordinary Kriging (OK) method, with hard boundary domains at a 0.3 g/t Au threshold.

In situ Resources

Cube has classified and reported the resource in accordance with The 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). Table 1 of the 2012 JORC Code demonstrating the resource estimation criteria can be referred to the Company website at: <https://www.hankingmining.com/gold/>.

The June 2024 In situ Mineral Resource estimates for the Quest 29 Gold Project are summarised in Table 1-1. All resources are reported at a range of cut-offs which are deemed acceptable based on industry costings associated with the likely mining method (open pit, bulk-tonnage).

**Table 1-1 Quest 29 Gold Project – MRE Summary for In situ Resources, as at
30 June 2024**

Resource Category	COG	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Oz Au)
Indicated	0.3	17.6	0.7	384,000
	0.55	8.3	1.0	261,000
	0.8	4.0	1.3	171,000
	1.0	2.5	1.6	128,000
Inferred	0.3	12.1	0.7	289,000
	0.55	5.9	1.1	207,000
	0.8	3.2	1.5	152,000
	1.0	2.1	1.8	120,000
ALL Resources	0.3	29.7	0.7	673,000
	0.55	14.2	1.0	468,000
	0.8	7.2	1.4	323,000
	1.0	4.6	1.7	248,000

Notes:

- Figures may not add up due to rounding.
- All resources have been depleted by open pit mining based on the most recent surface topography DTM and most recent pit survey pickups available.
- The bulk densities are assigned and based on average values from diamond core samples measured by weathering type and rock type.
- Mineral Resources that are not Mineral Reserves have not demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio- political, marketing, or other relevant issues.
- No mining optimisation parameters have been applied to the In Situ Mineral Resources.

Resources Inside Optimised Pit Shells

As an example to demonstrate the economic consideration, Cube used gold price of A\$2,800 to generate an optimization pit shell, and the open pit resources at a cut-off grade of 0.4g/t within the shell is summarized in Table 1-2. High grade resource below the open pit design has potential for underground mining activities in future.

Table 1-2 Quest 29 Gold Project – MRE Summary Inside Pit Shell (A\$ 2800), as at 30 June 2024

Res Cat	Material	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Oz Au)
Indicated	Oxide	1.19	0.8	29,000
	Trans	1.87	0.8	47,000
	Fresh	6.38	0.9	183,000
	Sub-Total	9.43	0.9	259,000
Inferred	Oxide	0.56	0.8	14,000
	Trans	0.67	0.9	18,000
	Fresh	2.46	1.2	92,000
	Sub-Total	3.69	1.0	124,000
ALL Resources	Oxide	1.75	0.8	43,000
	Trans	2.54	0.8	65,000
	Fresh	8.83	1.0	274,000
	TOTAL	13.13	0.9	383,000

Notes:

- Figures may not add up due to rounding.
- All resources have been depleted by open pit mining based on the most recent surface topography DTM.
- The bulk densities are assigned and based on average values from diamond core samples measured by weathering type and rock type.
- Mineral Resources that are not Mineral Reserves have not demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio- political, marketing, or other relevant issues.
- Mineral Resources are reported at a lower cut-off grade of 0.4 g/t Au for open pit mining methods.
- Mineral Resources are constrained by a preliminary pit shell generated in mining software and are estimated using a long-term gold price of A\$ 2,800 per ounce.

Conclusions

Key Findings from the MRE work are summarised as follows:

- Data Quality:

- o Most of the drilling successfully intersected gold mineralisation within sedimentary units consistent with previous interpretation and 3D modelling. Significant gold intersections enabled the confirmation of current understanding of the mineralisation, but also provided new information regarding the structural model based on oriented core drilled by Hanking.
- o Compilation of all drilling data information highlighted that most drilling programs do not have complete logging records of old drilling data.
- Geological Interpretation:
 - o Structural measurements from oriented DD core drilled have been imported into 3D software to assist with interpretation of bedding, and other logged structural features. The detailed information has been used to project down dip and down plunge projections of stratigraphic units, major structural features.
 - o 3DM structural surfaces have been used to guide the overall mineralisation trends within the model. These were based on the changing orientation of the interpreted domain trends the host units.
- Mineralisation Interpretation:
 - o A gold mineralisation envelope was modelled to a nominal grade cut-off of approximately 0.3g/t Au cut-off, which allowed the model shape to have optimum continuity in a loosely defined vein corridor and provided a robust model for OK estimation. Whilst local zones of higher grade gold mineralisation exist in the deposit, the use of this low grade cut-off resulted in the creation of a simplified mineralised domain boundaries.
 - o The Mineral Resource area has increased depth as a result of the new RC and DD drilling, to depths of 200 m, along with new domains, and improved continuity of previously modelled zones.
- Exploratory data analysis
 - o For the Quest 29 deposit, visually there are high grade mineralised trends that could not be domained out manually in order to maintain continuity and wireframe integrity for a bulk open pit mining scenario.
 - o Cube has used domain boundary analysis to assess that using a 0.3 g/t Au threshold defines mineralised (ore) zones along with waste halo within the currently drilled extents in each resource area.

- Estimation
 - o OK estimation was used, as this method provides a global resource estimate, with all Indicated Mineral Resources available for economic evaluation.
 - o Modelling has provided an understanding of the global grade distribution – but not the local grade distribution. Close spaced grade control drilling is required to gain an understanding of the local grade distribution and local mineralisation controls
 - o Validation checks of the OK estimate demonstrated that the estimates have honoured the raw sample data satisfactorily.
 - o Check estimates using ID2 estimation showed similar outcomes and confirm the robustness of the OK estimation.
- Classification and Reporting
 - o The Mineral Resource has been classified as Indicated and Inferred based on data spacing and using a combination of historical knowledge of mining history, geological and mineralisation continuity, as well as the drill spacing and geostatistical measures to provide confidence in the tonnage and grade estimates
 - o The results of the OK estimation indicates that the project has potential for large scale open pit mining.
 - o The 2021 resource model is sensitive to cut-off grade and is subsequently sensitive to prevailing gold price variations and other economic considerations.
 - o Based on the available information provided from the drilling, pit mapping, previous technical reports, and reconciliation data, the Quest 29 Mineral Resource estimate has demonstrated sufficient geological and grade continuity to support the definition of a mineral resource and enable classification in accordance with the JORC Code (2012 edition).

In summary, the Mineral Resource estimate appropriately reflects the Competent Person's view of the Quest 29 Gold Deposit.

The Quest 29 Mineral Resources have demonstrated sufficient geological and gold grade continuity to support the definition of a Mineral Resource for classification under the JORC Code (2012 edition).

It has been assumed that the resource would be mined using open pit methods, which is supported by the previous mining methods used at Quest 29.

- With written consent from the Competent Person, the Company reported a 0.3 g/t cut off In-situ Mineral Resource of 648,000 ounces gold at average grade of 1 g/t in accordance with JORC 2012 Code on 16 December 2021. As no further major exploration work has been done and no mining has been made, there has been no change in the Mineral Resources for Quest 29, as confirmed by the Competent Person in his 30 June 2024 Competent Person's report.

2.3 Summary of Mineral Resource Estimate Report for Tom's Gully

Cube Consulting Pty Ltd (Cube) was requested by Hanking Australia Investment (Hanking) to undertake an update of the Mineral Resource estimate (MRE) for the Toms Gully Gold Project (Toms Gully). The objectives of the MRE were to quantify and update a global in situ gold resource, classified in accordance with JORC (2012), after incorporating five recently drilled holes by Hanking and updating geological and mineralisation interpretations.

The Toms Gully Project consists of an open pit (mined to a vertical depth of 90 m) and underground workings developed to a vertical depth of 260 m. In 2009, the project vendors undertook a rehabilitation program at the mine including the extension of the decline at depth, spending approximately A\$8 M. The current decline provides access to over 1,000 m of mineralisation in the down-dip direction, with historic ore stoping essentially restricted to the initial 200 m of the decline. This means that approximately 700 m in the down-dip direction remains to be fully developed and stoped.

The geology of Toms Gully comprises shallow dipping quartz reefs, hosted in graphitic shale and siltstone of the Wildman Siltstone unit. The mineralisation lies predominantly within a broad, planar quartz sulphide vein striking east-west and dipping south at 30° near surface before flattening out at depth.

Locally, the reef appears to be conformable with the south dipping sediments. The sediments are generally well banded with little structural fabric, however, within 1 to 2 m of the reef, a deformation fabric consisting of shearing and brecciation is typically present.

Gold mineralisation is associated with multiple south-southwest plunging sulphidic ore shoots and possible thrust related brecciation, re-crystallisation of early barren quartz. When early quartz is absent from the thrust, gold mineralisation is not well developed, indicating that secondary brittle fracturing was integral for sulphide and gold deposition. Gold also occurs in the enveloping sheared and brecciated wall rocks so that the mineralised envelope averages around 2 m in thickness. Two sub-vertically dipping south-southwest striking fault zones bound the reef to the east and west.

The mineralised quartz reef has a thickness of 0.5 m – 5 m and a down dip extent to the SSW of 1.65 km. The across strike width from grid west to east varies from 390 m (upper zone), 310 m (central zone, to 160 m (deeps zone). Mineralisation pre-surface mining extended from surface to approximately 320 m vertical depth below surface. Mineralisation is open at depth.

Initial exploration in the Toms Gully/Rustlers Roost region was carried out by Carpentaria Exploration (CEC) a division of Mt Isa Mines Pty Ltd in 1986. The outcropping Toms Gully Lode was identified during a regional stream sediment sampling program conducted by CEC during that time

Initial drilling of the prospect began in April 1987 which led to the commencement of an open cut mine in 1988. Carpentaria Gold Pty Ltd (CGPL) operated the Toms Gully Open Cut Mine from 1988 – 1991, mining to a depth of 90 m and producing 100,000 oz of gold from 330,000 t of ore. CGPL commenced a decline from the base of the pit to access ore below the pit floor, but this was terminated due to difficult ground conditions in the Crabb Fault at the eastern end of the ore body.

Kakadu Resources NL (Kakadu) acquired Toms Gully from Esmeralda and built and commissioned a plant in May 1995 to re-treat the tailings. It is estimated that Kakadu treated some 65,000 t of tailings at an overall recovery of about 35%. Kakadu went into receivership in 1995 and was re-organised into Sirocco resources NL in 1997, renamed Renison in 2002.

Renison added a crushing circuit, re-commissioned the Toms Gully treatment plant and commenced mining from the nearby Quest 29 open pits in the latter part of 1999. Approximately 450,000 t of ore was mined and treated at either the Toms Gully treatment plant or the Quest 29 dump leach facility

Since the completion of open pit mining, several resource estimates, pre-feasibility studies and underground mining operations have been completed on the project by the various owners as noted below:

- In 2003-2004, Renison undertook a feasibility study on Toms Gully underground and in 2005 commenced underground operations, continuing until 2007 when the mine was placed on care and maintenance. Underground mining by Renison yielded some 63,000 t of ore grading 3.7 g/t Au (PGL, 2015).
- GBS Gold acquired the Toms Gully Project in July 2007 and undertook a feasibility study on the project which supported a planned 35,000 oz per annum project for 3.5 years at 7.1 g/t Au. GBS commenced mining in 2008, however, only minimal mine development was completed before mining was suspended and GBS was placed in administration.
- In 2009, Crocodile Gold Australian Operations Pty Ltd (CGA) acquired the Toms Gully Project from the administrators and in 2010 the development of Toms Gully re-commenced, however in August 2010 operations at Toms Gully were put on hold.

- In February 2013, Primary Gold Ltd (PGL) purchased the Toms Gully and greater Mt Bundy Project from CGA and announced a feasibility study for Toms Gully in August 2013.
- In 2014, Cube was commissioned by PGL to undertake a MRE for the Toms Gully underground resource following the completion of nine RC pre-collar and NQ diamond drilling (3,089 m). The 2014 MRE estimated 1.09 Mt at 9.9 g/t AU for 311,000 oz Au (at a cut-off grade of 6.0 g/t Au).
- Since a takeover by Hanking in 2018, PGL has conducted significant brown field exploration and resource development drilling which have been used for updating the mineral resources for the Mt Bundy Gold Projects.

No significant exploration or resource development activity has occurred at Toms Gully until the recent resource development drilling programs following a takeover of PGL by Hanking in 2018. The new drilling informing the 2021 MRE update consists of HQ diamond drilling with an RC pre-collar, i.e. five holes for 1,387.5 m.

The following key points summarise the modelling process and key parameters used by Cube for the estimation work:

- A review and update of main quartz reef zone interpretation is based on collated historical and recent drilling information and other data.
- The drilling database validation involved collation of a historical records and included the importing of pit grade control blast hole samples and underground face samples into an MS Access database created by Cube.
- Cube carried out data validation and verification checks where the information was able to be located from the historical records.
- The database was flagged with a unique database code (zone code) for all mineralised intervals passing through the interpreted mineralisation domain. Interval compositing was used, whereby each drill hole intercept is composited into one point.
- Statistical analysis of the downhole composite data was carried out to determine the appropriate high-grade assay cut to apply.
- A single block model to encompass the mineralised envelope was constructed using a parent block size of 20 mE x 20 mN x 5 mRL (elevation).
- Ordinary Kriging was used to interpolate gold into the parent cells for the mineralised domains. The parent cells were sub-celled to 5 mE x 5.0 mN x 1.25 mRL

- The validation of the block model included visual checks in 3D software, statistical and graphical spatial comparison checks and volumetric and grade comparisons between composite data and block model estimates. Validation results showed good correlation of the input data to the estimated gold grades.
- Blocks have been classified as Indicated or Inferred based on drill hole data spacing and search distance used for the estimation.
 - o Indicated Mineral Resources – defined generally on 40 m x 40 m or better spaced drilling. The continuity and position of the quartz reef is consistent with the interpretation validated by extensive surface and underground mining.
 - o Inferred Mineral Resources – defined by 80 m x 80 m spaced drilling and confidence that the continuity of geology and mineralisation can be extended to the east and west fault boundaries. The part of the resource classified as Inferred represents the sparsely drilled, down-plunge extension of the quartz reef. This area is defined by wide spaced drilling with the geological interpretation being consistent with the better defined up dip parts of the resource.

In situ Resources

Cube has classified and reported the resource in accordance with the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). Table 1 of the 2012 JORC Code demonstrating the resource estimation criteria can be referred to the Company website at: <https://www.hankingmining.com/gold/>.

In situ Mineral Resource estimates for the Toms Gully Gold Project are summarised in Table 1-1. All resources are reported at a range of cut-offs which are deemed acceptable based on the likely mining method (underground, room and pillar).

**Table 1-1 Toms Gully Gold Project – MRE Summary for In situ Resources, as at
30 June 2024**

Resource Category	COG	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Oz Au)
Indicated	1.50	2.68	5.7	491,000
	3.00	2.26	6.3	459,000
	6.00	1.12	8.2	293,000
Inferred	1.50	0.31	5.8	58,000
	3.00	0.28	6.1	55,000
	6.00	0.14	7.5	35,000
ALL Resources	1.50	2.99	5.7	549,000
	3.00	2.54	6.3	514,000
	6.00	1.26	8.1	328,000

Notes:

- Figures may not add up due to rounding.
- All resources have been depleted by open pit and underground mining based on survey pickups by previous owners of the project.
- The bulk densities are assigned using a regression formula based on the assayed As value and the logged proportions of arsenopyrite and pyrite. This method resulted in an overall mean BD of 3.01 t/m³.
- Mineral Resources that are not Mineral Reserves have not demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio- political, marketing, or other relevant issues.
- No mining optimisation parameters have been applied to the In Situ Mineral Resources.

Conclusions

Key Findings from the 2024 MRE work are summarised as follows:

- Data Compilation
 - o All resource definition drilling and assay data available was fully validated with no material errors
 - o Updated topography and open pit survey noted that a portion of the Toms Gully pit has been backfilled.

- o Underground survey pickups from the previously sourced data rooms provided by PGL in 2014 have missing development and stoped areas. These voids have been accounted for in the resource depletion.
- o Bulk Density determinations taken from 64 diamond core samples (27% of diamond drill holes), unchanged from 2014
- o Additional documentation not included in the PGL data room in 2014 and relating to Toms Gully was located from the online NT Govt GEMIS records.
- Geology and Mineralisation Interpretation
 - o All mineralised domain interpretations were reviewed and updated by Cube to incorporate the recent drill hole intercepts prior to commencing the resource estimation.
 - o The 2024 interpretation of the quartz reef has been projected in the upper and central area of the main reef past the interpreted William Fault, following evidence of the main reef continuity from previous drilling. The fault was previously mapped from surface and was used to bound the western limit of the main reef mineralisation for the previous model. The evidence for the projection of the Williams Fault on the limits or potential offset of the mineralisation continuity remains unclear and will need further analysis for future model work as more data becomes available.
 - o In the previous model, these sub-reef veins were either bulked with the main quartz reef or were too narrow or low grade and were excluded from this interpretation. For the interpretation, in order to maintain consistency, all logged main reef and sub-reef intervals were combined as part of the quartz reef mineralisation domain zone.
- Estimation
 - o For the previous estimate, Cube applied a 2D modelling approach, based on an accumulation variable, incorporating mineralised reef vertical width and intercept grade. For the current estimate, Cube applied a 3D approach only, and used OK and ID2 check estimation methods. The estimate contained broader SMU thickness of 2.0 m. Mineralised reef grades were composited across the entire mineralised interval resulting in a single intercept composite.
 - o At Toms Gully, the bulk density is highly variable due to the presence of massive and disseminated sulphides closely associated with gold mineralisation. The correlation between gold grade and density due to the relationship between gold and sulphides has been documented previously and most recently by a Cube review in 2014. Some previous estimates used a regression formula, utilising logged sulphide percentages to calculate a density value for sample intervals with

no bulk density measurement. This theoretical formula method is considered by Cube to be a reasonable approach as it enables the replication of the variation in sulphide content and density within the deposit.

- Classification and Reporting
 - o The Mineral Resource has been classified as Indicated and Inferred based on data spacing and using a combination of historical knowledge of mining history, geological and mineralisation continuity, as well as the information derived from the results of new drilling. Additions to the inferred category were based on re-interpretation of main reef/sub-reef mineralisation along the western margin between 4600 N and 5000 N.
 - o The 2021 resource model is sensitive to cut-off grade and is subsequently sensitive to prevailing gold price variations and other economic considerations.
 - o Based on the available information provided from the drilling, pit mapping, previous technical reports, and reconciliation data, the Toms Gully Mineral Resource estimate has demonstrated sufficient geological and grade continuity to support the definition of a mineral resource and enable classification in accordance with the JORC Code (2012 edition).

With the written consent from the Competent Person, the 3 g/t cut off In-situ Mineral Resource of 514,000 ounces at an average grade 6.7 g/t gold was reported by the Company in accordance with JORC 2012 Code on 16 December 2021. As no further major exploration work has been done and no mining has been made, there has been no change in the Mineral Resources for Tom's Gully, as confirmed by the Competent Person in his 30 June 2024 Competent Person's report.

The global In-situ JORC 2012 Code Mineral Resource of the Company at 30 June 2024 is summarized in the table below:

Deposit Resources	Cut-off Grade (g/t)	Indicated			Inferred			ALL Resources		
		Tonnes	Grade	Cont. Metal	Tonnes	Grade	Cont. Metal	Tonnes	Grade	Cont. Metal
		(Mt)	(g/t Au)	(Koz Au)	(Mt)	(g/t Au)	(Koz Au)	(Mt)	(g/t Au)	(Koz Au)
Rustlers Roost	0.3	63.4	0.8	1,533	28.5	0.5	491	91.9	0.7	2,023
Toms Gully	3	2.3	6.3	459	0.3	6.1	55	2.5	6.3	514
Quest 29	0.55	8.3	1	261	5.9	1.1	207	14.2	1	468
Total	Total	73	0.9	2,221	36	0.7	785	109	0.9	3,006

2.4 Full Reserve Report for Mt Bundy Gold Project

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Glossary of Acronyms/Abbreviations

ASL	Above Sea Level
BCM	Bank Cubic Metres (i.e. In-situ volume)
bgl/mbgl	below ground level/metres below ground level
COG	Break-even Cut-off Grade – Grade above which mineralisation is reported
CV's	Coefficient of Variation
dmt	dry metric tonne (i.e. exclusive of water content)
Ha	Hectare
HME	Heavy Mining Equipment
hr	hour
HSE	Health, Safety and Environment
km	Kilometre
ktpa	Thousand tonnes per annum
LCM	Loose Cubic Metres (i.e. after blasting and excavation)
LOM	Life of Mine
m	Metres
Mbcm	Million Bank Cubic Metres
Mlcm	Million Loose Cubic Metres
mRL	Metres Relative Level
Mt	Million tonnes
Mtpa	Million tonnes per annum
PFS	Preliminary Feasibility Study
BFS	Bankable Feasibility Study

QA/QC	Quality Assurance/Quality Control
RC	Reverse Circulation
RFBP	Request for Budget Pricing
RoM	Run of Mine
SR	Strip Ratio (i.e. waste/ore)
t	Tonne (metric)
TSF	Tailings Storage Facility
UCS	Uniaxial Compressive Strength
wmt	wet metric tonne (i.e. inclusive of water content)
WRD	Waste Rock Dump

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Orelogy has no beneficial interest in the outcome of this technical study.

1 INTRODUCTION

Primary Gold Pty Ltd (Primary) have completed pre-feasibility studies on the Rustlers Roost, Q29 and Annie Oakley (Mt Bundy Gold Project) and the Toms Gully Gold Project during 2021 and 2023 respectively. Orelogy Consulting (Orelogy) have been assisting Primary with these studies as well as providing Ore Reserve Statements for both projects.

Primary Gold is part of the investment vehicle Hanking Australia Investments Pty Ltd which is listed on the Hong Kong Stock Exchange. As part of their listing requirements the Ore Reserve needs to be validated each year to maintain listing compliance. This report effectively covers this requirement by reviewing the previous Ore Reserve statement and providing relevant commentary on each of the modifying factors which are developed to derive an Ore Reserve.

The Mt Bundy and Toms Gully Gold Projects are both located together approximately 100km southeast of Darwin as shown in Figure 1-1.

Figure 1-1 Project Locations



Since commencing of the feasibility studies, Orelogy have been involved in all facets of the mine planning process for both Mt Bundy and Toms Gully including:

- Mt Bundy
 - o July 2021 – Rustlers Roost and Q29 PFS. – *0761_PrimaryGold_MtBundy_PFS_7_210705.pdf*
 - o March 2022 – Mt Bundy PFS Update – *0843_PrimaryGold_MtBundy_PFS_Update_220317_Rev_0.3.pdf*

- o June 2023 – Mt Bundy Mining Cost Estimate Update –
0970_Orelogy_EquipmentHire_Background_230623_2.pdf
- Toms Gully
 - o May 2020 – Toms Gully PFS –
0697_HAI_Toms_Gully_ORE_Update_20200810_Draft.pdf
 - o Nov 2023 – Toms Gully PFS Update –
0972_HAI_Toms_Gully_Reserves_Release_Doc_2023_VI_Final_20231114.pdf

Note, all references to costs/revenues are in Australian Dollars (AUD) and all ore from both the Mt Bundy and Toms Gully project will be processed at the proposed 5.0 Mtpa processing plant and TSF at Rustlers Roost.

To date, all studies have used a gold price of \$2,350/oz. Given the gold price has increased in the order of approximately 50% to \$3,500/oz, the impact through reducing the cut-off grades for each of these projects could have a significant effect on project size, and underground mining method scale. Given the significance of this increase, Primary Gold are considering revising the studies to reflect the significant change to the gold price as well as reviewing each of the key cost items to determine a revised ore reserve towards the end of 2024.

2 MODIFYING FACTORS

2.1 Mt Bundy

There have been no changes to the following modifying factors since the last ore reserve update completed in March 2022:

- Resource models including changes to resource classification.
- Geotechnical parameters.
- Open Pit mining costs and methods.
- Processing costs and recoveries.
- Gold price and selling costs.

The project physicals are somewhat sensitive to changes in costs/recoveries but are most sensitive to changes in the gold price. The gold price used for the July 2021 ore reserve was Au\$2,350/oz, however, lower revenue factor shells (0.92 for Rustlers Roost and 0.90 for Q29 respectively) were used resulting in a conservative shell selection. Annie Oakley used a revenue factor of 1.00 for design purposes.

2.2 Toms Gully

The November 2023 Ore Reserve was completed as part of the DFS of the integrated Mt Bundy Gold Project with Orelogy responsible for the mining component of the Toms Gully Underground Mining Study.

For this Ore Reserve statement update there has been no changes to the following modifying factors since that completed in November 2023:

- Resource models including changes to resource classification.
- Geotechnical parameters.
- Underground mining costs and methods.
- Processing costs and recoveries.
- Gold price and selling costs.

Similarly to the other Mt Bundy assets, the project physicals are somewhat sensitive to changes in costs/recoveries but are most sensitive to changes in the gold price. The gold price used for the November 2023 Ore Reserve was also Au\$2,350/oz for consistency between the various projects.

3 ORE RESERVE

3.1 Mt Bundy

An ore reserve estimate for Mt Bundy was completed on March 11, 2022, with the Ore Reserve developed in accordance with the guidelines of the JORC Code 2012. Since the completion of Feasibility Studies in November 2023, there has been no changes on the status of the Project. Table 1 of the 2012 JORC Code demonstrating the reserve estimation criteria can be referred to the Company website at: <https://www.hankingmining.com/gold/>.

Mineral Resources were converted to Ore Reserves in line with the material classifications which reflect the level of confidence within the resource estimate. The Ore Reserve reflects that portion of the Mineral Resource which can be economically extracted by open pit mining methods. The Ore Reserve considers the modifying factors and other parameters outlined in the preceding sections of this report and detailed in the following sections, including but not limited to the mining, metallurgical, social, environmental, statutory and financial aspects of the project. The Ore Reserve includes an allowance for mining dilution and ore loss. Orelogy developed open pit mining models for each deposit with dilution averaging 2.4% (on a block-by-block basis) and an average ore loss of 3.3% for Q29. As the Rustlers Roost model used an LUC estimation method, dilution is already modelled, and a 1.5% ore loss was included.

In line with the JORC 2012 guidelines, the Proven Ore Reserve estimate is based on mineral resources classified as Measured and the Probable Ore Reserve is based on Indicated classified mineral resources.

The reported Mineral Resource estimate is inclusive of the resources converted to Ore Reserves. The total Pre-Feasibility Study Update Ore Reserve is outlined in Table 3-1.

Table 3-1 Mt Bundy Open-pit Ore Reserve Summary.

Description	Units	Rustlers Roost (CoG of 0.32 g/t Au)	Annie Oakley (CoG of 0.32 g/t Au)	Q29 (CoG of 0.35 g/t Au)	Total
Probable	Mt	47.8	0.7	5.1	53.6
	g/t	0.8	1.0	0.9	0.8
	Mozs	1.22	0.02	0.14	1.39
Waste	Mt	65.0	6.9	17.4	89.2
Total	Mt	112.7	7.6	22.5	142.8
Strip Ratio	w:o	1.4	9.8	3.4	1.7

A summary of the high-level assessment and validation of the previous Ore Reserve statement and relevant commentary on inputs/modifying factors is as follows:

- No updated resource model (including possible changes to resource classification) has been provided. Orelogy is not aware of any work conducted that would warrant a revised/updated resource model to that completed by Cube Consulting, to be issued.
- Geotechnical parameters have not changed to that provided by Peter O'Bryan and Associates for the open pit PFS and as such there is no impact to this Reserve update assessment.
- The mining method planned for the open pit operation is a standard excavator and truck open pit mining operation supported by an appropriately sized ancillary fleet. This mining method has been selected in all mining studies to date and there is no new information or mining methods that are considered appropriate.
- Mining costs based on equipment hire were prepared during July 2023 and this demonstrated that the cost base was still within the $\pm 15\%$ of the PFS estimate. Given this, the impact to any change in the Reserves would not be significant and considered to be within acceptable limits of accuracy.
- Any possible change in the processing costs used for the 2023 Reserve is believed to be minimal and not significant to the update of this assessment.

- Oreology is not aware of any further test work (to that reported in the 2021 Reserve) undertaken to refine/update processing recoveries.
- The significant increase in the gold price has the potential to impact the Reserve through a reduction in the cut-off grade used for the assessment. This higher commodity price (if applied) will likely only improve/increase the Reserve base and further work would be required to quantify the extent of the increase.
- Sensitivity analysis indicates that the Rustlers Roost and Annie Oakley is less sensitive to changes in several of the above modifying factors when compared to Q29. However, they are all sensitive to changes in gold price and given the ~50% increase in price, any positive change to the applied gold price will have a significant change to the Q29 due to changes in cut-off grade and project size. Rustlers Roost will most likely increase slightly with some of the deeper, lower grade becoming economic as well as changes to cut-off grades.

3.2 Toms Gully

An Ore Reserve estimate for Toms Gully was conducted in accordance with the guidelines of the JORC Code 2012. Since the completion of Feasibility Studies in November 2023, there has been no changes on the status of the Project. Table 1 of the 2012 JORC Code demonstrating the reserve estimation criteria can be referred to the Company website at: <https://www.hankingmining.com/gold/>.

Mineral Resources were converted to Ore Reserves in line with the material classifications which reflect the level of confidence within the resource estimate. The Ore Reserve reflected that portion of the Mineral Resource which can be economically extracted by underground mining methods. The Ore Reserve considered the modifying factors and other parameters outlined in the report and covers areas, including but not limited to the mining, metallurgical, social, environmental, statutory and financial aspects of the project. The Ore Reserve included an allowance for mining dilution and ore loss. Oreology developed underground mining designs for Toms Gully that were scheduled and costed.

In line with the JORC 2012 guidelines, the Proved Ore Reserve estimate is based on mineral resources classified as Measured and the Probable Ore Reserve is based on Indicated classified mineral resources.

The reported Mineral Resource estimate is inclusive of the Indicated classified mineral resources converted to Ore Reserves. The total Toms Gully Underground – Mining Study Update Ore Reserve is outlined in Table 3-2 below.

Table 3-2 Toms Gully Ore Reserve Summary.

Area	Deposit	Proved			Probable			Total Ore Reserve		
		Tonnes Mt	Au g/t	Au Moz	Tonnes Mt	Au g/t	Au Moz	Tonnes Mt	Au g/t	Au Moz
Mount Bundy	Toms Gully UG (CoG of 3.6 g/t Au)	-	-	-	1.435	5.4	0.248	1.435	5.4	0.248
Total		-	-	-	1.435	5.4	0.248	1.435	5.4	0.248

The Competent Person for the November 2023 Ore Reserve statement, Mr Andrew Cooper is no longer a full-time employee of Orelogy. This assessment and update has been conducted by Mr Julian Broomfield, who meets the requirements under JORC 2012 as a Competent Person and is currently a full-time employee of Orelogy.

A summary of the high-level assessment and validation of the previous Ore Reserve statement and relevant commentary on inputs/modifying factors is as follows:

- Orelogy is not aware of any work conducted that would warrant a revised/updated resource model to that completed by Cube Consulting, be issued.
- Geotechnical parameters have not changed to that provided by Entech for the underground PFS and as such there is no impact to this Reserve update assessment.
- The mining method planned for the flat dipping and narrow width of the orebody is room and pillar stoping. This mining method has been selected in all mining studies to date and there is no new information or mining methods that are considered appropriate.
- Current trends in the mining industry would suggest mining costs used for the 2023 Reserve are still applicable, and potentially may have decreased. Given this, the impact to any change in the Reserves would not be significant and considered to be within acceptable limits of accuracy.
- As per the mining costs, any possible change in the processing costs used for the 2023 Reserve is believed to be minimal and not significant to the update of this assessment.
- Orelogy is not aware of any further test work (to that reported in the 2023 Reserve) undertaken to refine/update processing recoveries.
- Significant increase in the gold price has the potential to impact the Reserve through a reduction in the cut-off grade used for the assessment. This higher commodity price (if applied) will likely only improve/increase the Reserve base. Further work would be required to quantify the extent of the increase, if any. Geological structures and orebody extents may restrict any increase to the 2023 Reserve.

Sensitivity analysis in the order of +/- 15% (processing recovery and costs, mining cost and gold price) undertaken as part of the PFS Reserve cost modelling showed positive value (NPV @ 6%) in the Toms Gulley underground for all the sensitivity analysis scenarios.

Mt Bundy project total JORC 2012 Code Ore Reserves, as of 30 June 2024, are summarized in the Table below:

Deposit Resources	Cut-off Grade (g/t)	Proved			Probable			Total Reserve		
		Tonnes	Grade	Cont. Metal	Tonnes	Grade	Cont. Metal	Tonnes	Grade	Cont. Metal
		(kt)	(g/t Au)	(Koz Au)	(Mt)	(g/t Au)	(Moz Au)	(Mt)	(g/t Au)	(Moz Au)
Rustlers Roost	0.32	0	0	0	47.8	0.8	1.23	47.8	0.8	1.23
Annie Okaley	0.32	0	0	0	0.7	1	0.02	0.7	1	0.02
Quest 29	0.35	0	0	0	5.1	0.9	0.14	5.1	0.9	0.14
Toms Gully	3.6	0	0	0	1.4	5.4	0.25	1.4	5.4	0.25
Total	-	0	0	0	55.04	0.8	1.64	55.0	0.9	1.64

APPENDICES

APPENDIX A MT BUNDY ORE RESERVE TABLE 4

Appendix Table 1: Mt Bundy – Section 4 Estimation and Reporting of Ore Reserves


Criteria	Explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	<p><i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i></p> <p><i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i></p>	<p>The original Mineral Resource Estimate for Rustlers Roost was produced in 2021 and was used as a basis for the feasibility study.</p> <p>An updated report on the 15th Dec 2021 and 30th Jun 2024 also provided the mineral resource for the Annie Oakley resource which is located ~1 km directly east of the Rustlers Roost project.</p> <p>An updated Q29 resource report was provided in 15th Dec 2021 and 30th Jun 2024.</p> <p>Mr Brian Fitzpatrick from Cube Consulting Pty Ltd is the Competent Person for all resources.</p> <p>The current Mineral Resource estimate, after further drilling, is 81.0 Mt at 0.74 g/t Au (Indicated) and 40.6 Mt at 0.6 g/t Au (Inferred) with a cut-off grade of 0.3 g/t.</p> <p>The Mineral Resources are reported inclusive of the Ore Reserves.</p>
Site visits	<p><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></p> <p><i>If no site visits have been undertaken indicate why this is the case.</i></p>	<p>The Competent Person (Mr Steve Craig) has visited the proposed mining site of the project in 25/26th September 2019. The following observations were incorporated:</p> <ul style="list-style-type: none"> • The project is made up of two main mining areas at Rustlers Roost and Q29. The Annie Oakley resource is located within the proposed TSF envelope and will be mined prior to the commencement of processing. • The project area is located approximately 10 km to the southeast of Darwin. • All sites are accessible. • The topography in and around the sites can be considered generally flat with some minor topographical relief.
Study status	<p><i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i></p> <p><i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i></p>	<p>A Pre-Feasibility Study (PFS) for the Mt Bundy and Toms Gully Gold Project was compiled by Orelogy on behalf of Primary Gold including contributions from specialist consultants:</p> <ul style="list-style-type: none"> • Cube Consultants Pty Ltd (geology & resources), • Peter O'Bryan and Associates (Geotech), • Knight Piésold Pty Ltd (Tailings Storage), • ECOZ – (environmental assessments), • CDM Smith – (waste rock geochemistry), • Orelogy Consulting Pty Ltd (mine design, planning and cost estimation), and • GR Engineering Services (metallurgical test work process design and processing and capital costs.). <p>Ongoing work during the second half of 2021 and early 2022 by GR Engineering has improved the process recovery to 88% (from 85.1%).</p>

Criteria	Explanation	Commentary															
Cut-off parameters	<i>The basis of the cut-off grade(s) or quality parameters applied.</i>	<p>A cost model was established to estimate the COG by area after considering all mining, process, site services, and G& A costs. COG's were established for each resource and are summarised below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Deposit</th> <th colspan="3">At Au\$2,350/Oz</th> </tr> <tr> <th>OXIDE</th> <th>TRANS</th> <th>FRESH</th> </tr> </thead> <tbody> <tr> <td>Rustlers Roost</td> <td>0.32</td> <td>0.32</td> <td>0.32</td> </tr> <tr> <td>Q29</td> <td>0.35</td> <td>0.35</td> <td>0.35</td> </tr> </tbody> </table>	Deposit	At Au\$2,350/Oz			OXIDE	TRANS	FRESH	Rustlers Roost	0.32	0.32	0.32	Q29	0.35	0.35	0.35
Deposit	At Au\$2,350/Oz																
	OXIDE	TRANS	FRESH														
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Q29	0.35	0.35	0.35														
Mining factors or assumptions	<p><i>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</i></p> <p><i>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</i></p> <p><i>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</i></p> <p><i>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</i></p> <p><i>The mining dilution factors used.</i></p> <p><i>The mining recovery factors used.</i></p> <p><i>Any minimum mining widths used.</i></p> <p><i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i></p> <p><i>The infrastructure requirements of the selected mining methods.</i></p>	<p>Detailed mine designs were undertaken in MineSight and Vulcan mining software packages, incorporating all available geotechnical and practical considerations. The mining method selected was a standard truck/shovel supported by a standard ancillary fleet. These methods are considered appropriate and assessed as feasible by the geotechnical evaluation, and they also provide a good balance of economic recovery of the resource, cost minimisation, and safety. There are two block models used for optimisation, mine design and scheduling. Dilution and ore loss were modelled on a resource basis and are a function of block size, geometry and equipment. The dilution and ore loss factors are summarised below.</p> <table border="1"> <thead> <tr> <th>Model</th> <th>Dilution</th> <th>Ore Loss</th> </tr> </thead> <tbody> <tr> <td>Rustlers Roost</td> <td>Included in model</td> <td>1.5%</td> </tr> <tr> <td>Q29 - 0.2 g/t COG</td> <td>2.4%</td> <td>3.3%</td> </tr> </tbody> </table> <p>Measured/Indicated-only material was used for optimisation, design, and scheduling for the purposes of declaring Ore Reserves which demonstrates the project is economically and technically viable.</p> <p>Infrastructure requirements include areas cleared for the process plant, tailings dam, all-weather access road, and waste dump sites from open pit operations. Areas will be provided on surface for contractors, lay-down and a workshop.</p>	Model	Dilution	Ore Loss	Rustlers Roost	Included in model	1.5%	Q29 - 0.2 g/t COG	2.4%	3.3%						
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<p>Metallurgical factors or assumptions</p>	<p><i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i></p> <p><i>Whether the metallurgical process is well-tested technology or novel in nature.</i></p> <p><i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</i></p> <p><i>Any assumptions or allowances made for deleterious elements.</i></p> <p><i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i></p> <p><i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i></p>	<p>The metallurgical process proposed is conventional gold extraction by CIL for all ores. Extensive metallurgical test work has been undertaken on oxide, transition, and primary mineralisation domains for the Rustlers Roost and Q29 deposits and included:</p> <ul style="list-style-type: none"> • Comprehensive head analysis, • Comminution, • Gravity concentration, • Direct cyanide leaching, • Carbon kinetics, • Thickening, • Rheology, • Oxygen uptake, • Cyanide detoxification, and • Variability testing. <p>Metallurgical domaining is by oxide, transition and primary mineralisation as defined in the Mineral Resource models.</p> <p>An update on the test work by GRES outlined that the process recovery has increased from the 2021 program from 85% to 88.1% as summarised below.</p> <p style="text-align: center;">Metallurgical Parameters</p> <table border="1" data-bbox="655 1217 1391 1357"> <thead> <tr> <th></th> <th>Oxide</th> <th>Transitional</th> <th>Fresh</th> </tr> </thead> <tbody> <tr> <td>Rustlers Roost</td> <td>88.1%</td> <td>88.1%</td> <td>88.1%</td> </tr> <tr> <td>Q29</td> <td>85.0%</td> <td>85.0%</td> <td>85.1%</td> </tr> </tbody> </table>		Oxide	Transitional	Fresh	Rustlers Roost	88.1%	88.1%	88.1%	Q29	85.0%	85.0%	85.1%
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Criteria	Explanation	Commentary
<i>Environmental</i>	<i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i>	<p>A detailed social and environmental assessment, leading to a formal Environmental Impact Statement (EIS) has been completed by ECOZ. A self-assessment has been completed in Feb 2021 which highlights the work that needs to be completed for the EIS. So far, no issues or objections have been raised by stakeholders to date and associated studies to complete the EIS are well advanced.</p> <p>This process has also included, but has not been limited to, the following base line studies:</p> <ul style="list-style-type: none"> • Socio-Economic, • Archaeological and Heritage, • Noise, • Air Quality, • Hydrological, • Hydrogeological, • Fauna and Flora, • Freshwater Ecology, and • Public Health. <p>All likely environmental and social impacts associated with the Project have been identified and assessed and no issue has been identified that cannot be mitigated or managed to an acceptable degree.</p> <p>Waste rock geochemistry investigations have been undertaken by CDM Smith and testing of fresh waste rock samples indicate that all fresh waste rock samples tested are acid generating. Management of surface run-off and seepage from the waste dumps and pit walls during operation is required and final waste dumps will be capped with suitable materials to minimise water infiltration.</p>
<i>Infrastructure</i>	<i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i>	<p>The project is located approximately 110 km to the southeast of Darwin with excellent access to all the required power, access, and water for the project.</p>
<i>Costs</i>	<p><i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i></p> <p><i>The methodology used to estimate operating costs.</i></p> <p><i>Allowances made for the content of deleterious elements.</i></p> <p><i>The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.</i></p>	<p>The capital and operating costs are estimated from first principles for the open pit cost estimate based on the mine design physicals according to quotes from suppliers and mine contractor pricing studies. <u>An additional margin of 20% has been added to replicate a mining contractor cost estimate.</u></p> <p>All mining recovery, metallurgical recovery and other technical concerns regarding the commodity price for gold have been considered by appropriately qualified individuals and groups in respect to the PFS requirements.</p> <p>Under the operations and financial modelling, full allowances are made for state royalties, duties, taxes, compensation etc. The project financial model details the particular financial cost, the percentage and the amount. A government royalty of 5.67% has been calculated based on the NT Royalty requirements.</p>

Criteria	Explanation	Commentary																																													
	<p><i>The source of exchange rates used in the study.</i></p> <p><i>Derivation of transportation charges.</i></p> <p><i>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</i></p> <p><i>The allowances made for royalties payable, both Government and private.</i></p>	<p>Fuel cost has been derived separately and costed from first principles. The fuel price was also increased from A\$0.87/litre (2021 – open pit) to A\$0.98/litre (2022 – open pit) to reflect the increase in fuel prices and includes all allowances for taxes and levies.</p> <p>For the ore reserve case, the construction capital required for mine development, inclusive of mining equipment, development and associated infrastructure is estimated to be A\$290M (including owner's costs and pre-production)</p> <p>The operating cost is presented below assuming a ~10-year mine life. The operating cost is based upon an estimate date of Q2 2021 with an accuracy of $\pm 25\%$ for the open pit with no contingency allowance being assumed. Operating costs include all costs associated with mining, processing, general site administration and selling costs. The fuel price has been updated together with the use of the larger equipment fleet. These costs were calculated from first principles and/or by quotations with a breakdown summarised below:</p> <table border="1"> <thead> <tr> <th>Cost Centre</th> <th>Ore \$/t</th> <th>Waste \$/t</th> </tr> </thead> <tbody> <tr> <td>Loading</td> <td>\$0.18</td> <td>\$0.18</td> </tr> <tr> <td>Hauling</td> <td>\$0.46</td> <td>\$0.33</td> </tr> <tr> <td>Support</td> <td>\$0.17</td> <td>\$0.15</td> </tr> <tr> <td>Drilling</td> <td>\$0.14</td> <td>\$0.11</td> </tr> <tr> <td>Blasting</td> <td>\$0.32</td> <td>\$0.28</td> </tr> <tr> <td>All Personnel</td> <td>\$1.45</td> <td>\$1.22</td> </tr> <tr> <td>Clearing/Rehab</td> <td colspan="2">Included in capital</td> </tr> <tr> <td>Dewatering</td> <td colspan="2">Included in capital</td> </tr> <tr> <td>Grade Control</td> <td>\$0.19</td> <td></td> </tr> <tr> <td>Rehandle</td> <td>\$0.19</td> <td></td> </tr> <tr> <td>Fixed Overheads</td> <td>\$0.50</td> <td></td> </tr> <tr> <td>Margin (20%)</td> <td>\$0.55</td> <td>\$0.55</td> </tr> <tr> <td>Capital</td> <td>\$0.45</td> <td>\$0.45</td> </tr> <tr> <td>Total</td> <td>\$4.58</td> <td>\$3.23</td> </tr> </tbody> </table>	Cost Centre	Ore \$/t	Waste \$/t	Loading	\$0.18	\$0.18	Hauling	\$0.46	\$0.33	Support	\$0.17	\$0.15	Drilling	\$0.14	\$0.11	Blasting	\$0.32	\$0.28	All Personnel	\$1.45	\$1.22	Clearing/Rehab	Included in capital		Dewatering	Included in capital		Grade Control	\$0.19		Rehandle	\$0.19		Fixed Overheads	\$0.50		Margin (20%)	\$0.55	\$0.55	Capital	\$0.45	\$0.45	Total	\$4.58	\$3.23
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		<p>All mining recovery, metallurgical recovery and other technical concerns regarding the commodity price for gold have been considered by appropriately qualified individuals and groups in respect to the PFS requirements.</p> <p>Under the operations and financial modelling, full allowances are made for state royalties, duties, taxes, compensation etc. The project financial model details the particular financial cost, the percentage and the amount. A 5.67% government royalty has also been included in line with current NT requirements.</p> <p>The capital cost is based upon an estimate date of Q2 2021 with an accuracy of $\pm 25\%$. This has not been updated since 2021 and the breakdown of the capital cost estimate is shown below:</p> <p style="text-align: center;">Project CAPEX Estimate – Ore Reserve Case</p> <table border="1" data-bbox="655 689 1391 880"> <thead> <tr> <th>Cost Centre</th> <th>Cost A\$M</th> </tr> </thead> <tbody> <tr> <td>Process plant, TSF and other</td> <td>280.0</td> </tr> <tr> <td>Mine Equipment & Development and Owners cost</td> <td>10.0</td> </tr> <tr> <td>Total</td> <td>290.0</td> </tr> </tbody> </table> <p>There are no deleterious elements to effect revenues.</p>	Cost Centre	Cost A\$M	Process plant, TSF and other	280.0	Mine Equipment & Development and Owners cost	10.0	Total	290.0
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<p>Revenue factors</p>	<p><i>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</i></p> <p><i>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</i></p>	<p>Revenue used gold price of A\$ 2,350/oz which is below the average FY20-21 gold price of A\$ 2,500/oz.</p>  <p>There is no other revenue associated with any co-product or by-product.</p>								
<p>Market assessment</p>	<p><i>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</i></p> <p><i>A customer and competitor analysis along with the identification of likely market windows for the product.</i></p> <p><i>Price and volume forecasts and the basis for these forecasts.</i></p> <p><i>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</i></p>	<p>The market for gold is well established and liquid. However, the price does fluctuate considerably, hence the price was selected for planning purposes and reflects the current gold price of A\$2,350/oz.</p> <p>There has been no formal assessment or forecast for the gold price by Primary.</p>								

Criteria	Explanation	Commentary
Economic	<p><i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i></p> <p><i>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</i></p>	<p>The Study has been completed with a $\pm 25\%$ for the open pit. A discount rate of 6% has been used for financial modelling. This number was selected as a generic cost of capital and is considered as a prudent and suitable discount rate for project funding and economic forecasts in Australia. The Study outcome was tested for key financial inputs including: price, operating costs, capital costs and grade. All these inputs were tested for variations of +/- 15% and +/- 20%.</p>
Social	<p><i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i></p>	<p>Consultation with key stakeholders and all residents and focus group discussions continue in an effort to keep all groups informed. Information on the Project and potential impacts are distributed to stakeholders both locally and nationally.</p> <p>Project has wide-ranging local and national support and will create a significant number of jobs and enhancement of local and regional skills. There is no other major industry in the region.</p>
Other	<p><i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i></p> <p><i>Any identified material naturally occurring risks.</i></p> <p><i>The status of material legal agreements and marketing arrangements.</i></p> <p><i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study.</i></p> <p><i>Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></p>	

Criteria	Explanation	Commentary
Classification	<p><i>The basis for the classification of the Ore Reserves into varying confidence categories.</i></p> <p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p> <p><i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i></p>	<p>The Mineral Resource for the Mt Bundy Gold projects consists of Indicated and Inferred Resources; hence, the Ore Reserve comprises only Probable Ore Reserves.</p>
Audits or reviews	<p><i>The results of any audits or reviews of Ore Reserve estimates.</i></p>	<p>The studies were internally reviewed by Primary Gold with no material issues identified.</p> <p>In addition, the Ore Reserve estimate has been reviewed internally by Orelody.</p>
Discussion of relative accuracy/confidence	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p>	<p>The Ore Reserve estimate is an outcome update to the June 2021 Pre-Feasibility Study. Due to time constraints, a final life of mine schedule has not been completed to derive a final updated Project NPV. However, given that the project has increased in size together with a significant increase in the ore reserve, it is anticipated that the project is still cashflow positive.</p> <p>The June 2021 Pre-Feasibility Study included all geological, geotechnical, mining, metallurgical, processing, engineering, marketing and financial considerations to derive an NPV estimate as well as allow for the cost of finance and tax considerations. This NPV demonstrates that the project is economical and robust. Sensitivity analysis undertaken during the PFS shows that the project is most sensitive to a movement in the gold price (which is denominated in US dollars). The NPV is not as sensitive to changes in capital or operating costs. The robustness of the project and the low sensitivity to cost changes provide confidence in the ore reserve estimate. However, there is no guarantee that the gold price assumption, while reasonable, will be achieved. The resource, and hence the associated reserve, relate to global estimates.</p>

Criteria	Explanation	Commentary
	<p><i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i></p> <p><i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	

APPENDIX B TOMS GULLY ORE RESERVE TABLE 4

Appendix Table 2: Toms Gully – Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary																																															
<i>Mineral Resource estimate for conversion to Ore Reserves</i>	<ul style="list-style-type: none"> <i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i> <i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i> 	<ul style="list-style-type: none"> A mineral Resource Estimate report entitled “Toms Gully Gold Project, Mt Bundy Projects, Northern Territory, Australia” was completed by Cube Consulting Pty Ltd dated 15/12/2021 and updated on 30/06/2024 prepared for Hanking Australia Investment Pty Ltd. Reported Mineral Resource in the above is inclusive of potential reserve material. The updated Toms Gully Resource Estimate: <ul style="list-style-type: none"> Table 1-1 Toms Gully Gold Project – MRE Summary for In situ Resources, as at 30 June 2024 <table border="1"> <thead> <tr> <th rowspan="2">Resource Category</th> <th rowspan="2">COG</th> <th>Tonnes</th> <th>Grade</th> <th>Contained Metal</th> </tr> <tr> <th>(Mt)</th> <th>(g/t Au)</th> <th>(Oz Au)</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Indicated</td> <td>1.50</td> <td>2.68</td> <td>5.7</td> <td>491,000</td> </tr> <tr> <td>3.00</td> <td>2.26</td> <td>6.3</td> <td>459,000</td> </tr> <tr> <td>6.00</td> <td>1.12</td> <td>8.2</td> <td>293,000</td> </tr> <tr> <td rowspan="3">Inferred</td> <td>1.50</td> <td>0.31</td> <td>5.8</td> <td>58,000</td> </tr> <tr> <td>3.00</td> <td>0.28</td> <td>6.1</td> <td>55,000</td> </tr> <tr> <td>6.00</td> <td>0.14</td> <td>7.5</td> <td>35,000</td> </tr> <tr> <td rowspan="3">ALL Resources</td> <td>1.50</td> <td>2.99</td> <td>5.7</td> <td>549,000</td> </tr> <tr> <td>3.00</td> <td>2.54</td> <td>6.3</td> <td>514,000</td> </tr> <tr> <td>6.00</td> <td>1.26</td> <td>8.1</td> <td>328,000</td> </tr> </tbody> </table> 	Resource Category	COG	Tonnes	Grade	Contained Metal	(Mt)	(g/t Au)	(Oz Au)	Indicated	1.50	2.68	5.7	491,000	3.00	2.26	6.3	459,000	6.00	1.12	8.2	293,000	Inferred	1.50	0.31	5.8	58,000	3.00	0.28	6.1	55,000	6.00	0.14	7.5	35,000	ALL Resources	1.50	2.99	5.7	549,000	3.00	2.54	6.3	514,000	6.00	1.26	8.1	328,000
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<i>Site visits</i>	<ul style="list-style-type: none"> <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> <i>If no site visits have been undertaken indicate why this is the case.</i> 	<ul style="list-style-type: none"> Mr. Andrew Cooper, the Competent Person for this Ore Reserve statement was a full-time employee of Oreology Consulting Pty Ltd (Oreology) and provided written consent for the release of the Ore Reserve in accordance with JORC 2012 Code. He later resigned to take a new job with another mining company. His colleague, Julian Broomfield, reviewed Andrew’s work and signed as CP in accordance with JORC 2012 Code on 30 June 2024. Mr Andrew Cooper did not visit the site, however, his manager, another CP, Steve visited site. 																																															

Criteria	JORC Code explanation	Commentary
<i>Study status</i>	<ul style="list-style-type: none"> • <i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i> • <i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i> 	<ul style="list-style-type: none"> • The current mine planning study work completed by Orelogy for the Toms Gully Ore Reserve estimate is to a Pre-Feasibility Study (PFS) level. • The objective of the PFS is to identify potentially economic underground ore, to complete underground mine designs, to produce schedules and cost models, and to identify underground Ore Reserves. • The PFS comprised detailed mine designs and mining schedules that consider the expected underground mining conditions based on geotechnical, and other study work completed specifically to inform the Toms Gully PFS. • Mining costs have been applied in the PFS based on industry current contract mining rates for underground mining works. Surface ore haulage, mine owner, and processing costs are based on the Mount Bundy Definitive Feasibility Study (DFS) 2023. • The PFS completed for the Toms Gully deposit utilizes modifying factors based on first principal analysis, taken directly and derived from the geotechnical study inputs, and benchmarking to similar operations utilizing the selected mining method. Technical inputs were completed by: <ul style="list-style-type: none"> o Orelogy – Mine Planning o Entech – Geotechnical • The PFS demonstrates that the mine plans are technically achievable and economically viable at the time of reporting. The mine plan involves the application of conventional mining methods and technologies widely utilized in the Australian mining industry.
<i>Cut-off parameters</i>	<ul style="list-style-type: none"> • <i>The basis of the cut-off grade(s) or quality parameters applied.</i> 	<ul style="list-style-type: none"> • Cut off grades for underground mining were calculated with inputs sourced from: <ul style="list-style-type: none"> o Mining Costs from the Orelogy 2020 study. \$176.09/t mining costs escalated by 4% to \$183.12/t. The 2020 mining cost was based on underground contractor mining costs developed by Pit N Portal. o Processing and G& A costs were provided by Hanking based on recent cost estimation work from Mintrex from the Mount Bundy Definitive Feasibility Study (DFS) 2023. o Processing recovery was provided by Hanking based on the Mount Bundy processing plant Definitive Feasibility Study (DFS) 2023 engineering. • The calculated COG for Toms Gully is 3.6 g/t Au.
<i>Mining factors or assumptions</i>	<ul style="list-style-type: none"> • <i>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimization or by preliminary or detailed design).</i> • <i>The choice, nature and appropriateness of the selected mining method(s) and other</i> 	

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	<p><i>mining parameters including associated design issues such as pre-strip, access, etc.</i></p> <ul style="list-style-type: none"> • <i>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</i> • <i>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</i> • <i>The mining dilution factors used.</i> • <i>The mining recovery factors used.</i> • <i>Any minimum mining widths used.</i> • <i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i> • <i>The infrastructure requirements of the selected mining methods.</i> 	<ul style="list-style-type: none"> • The planned mining method is room and pillar stoping, which is appropriate for the flat dipping ore body. This mining method has been selected in all mining studies to date and there is no new information or mining methods that are considered appropriate. • A summary of Modifying factors as derived for the PFS for the room and pillar mining method selected is as follows: <table border="1" data-bbox="730 493 1337 825"> <thead> <tr> <th>Modifying Factors</th> <th>Factor Value</th> </tr> </thead> <tbody> <tr> <td>Au Pillar Factor</td> <td>1</td> </tr> <tr> <td>Dilution development</td> <td>1</td> </tr> <tr> <td>Dilution RAP (Stoping)</td> <td>1.05</td> </tr> <tr> <td>Dilution Resue (Ore Development)</td> <td>1.2</td> </tr> <tr> <td>Recovery development</td> <td>0.95</td> </tr> <tr> <td>Recovery RAP</td> <td>0.93</td> </tr> </tbody> </table> • The factors influencing the mining method used are: <ul style="list-style-type: none"> o Narrow ore width with an average of 1.6 m. o The ore body dips at less than 10° in the northern part of the ore body and then flattens out to a near horizontal dip in the southern part of the orebody. o The Bord and Pillar layout is based on 16 m centres. o Bords are 4.5 m x 4.2 m developed with Resue mining method. o The ore in the pillars are recovered and 48 m² rhombic (6 m x 8 m) pillars remaining as support. o Average mining width estimated to 1.6m dipping at less than 10° in the northern part of the ore body and then flattens out to a near horizontal dip in the southern part of the orebody. o Inferred Resources are excluded from Ore Reserve estimation to be infill drilled and converted to Indicated Mineral Resource at later stages. o Infrastructure Capital for Tom's Gully underground is largely limited to access development, ventilation, Egress and Refuge. 	Modifying Factors	Factor Value	Au Pillar Factor	1	Dilution development	1	Dilution RAP (Stoping)	1.05	Dilution Resue (Ore Development)	1.2	Recovery development	0.95	Recovery RAP	0.93
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<p>Metallurgical factors or assumptions</p>	<ul style="list-style-type: none"> • <i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i> • <i>Whether the metallurgical process is well-tested technology or novel in nature.</i> • <i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining</i> 															

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	<p><i>applied and the corresponding metallurgical recovery factors applied.</i></p> <ul style="list-style-type: none"> <i>Any assumptions or allowances made for deleterious elements.</i> <i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i> <i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i> 	<ul style="list-style-type: none"> Underground ore supply is to be fed into a conventional gold extraction CIL processing plant planned for the open pit mining of Rustlers Roost, Q29, and the Annie Oakley open pits. Process recovery assumption of 85% based on the Mount Bundy processing plant Definitive Feasibility Study (DFS) 2023 engineering. From the 2013 IMO report, Option 4 had a recovery of 88.4% using gravity and flotation with CIL. To be conservative a recovery of 85% was selected. <table border="1" data-bbox="655 549 1390 863"> <thead> <tr> <th rowspan="2">UNIT OPERATION</th> <th rowspan="2">STREAM</th> <th rowspan="2">PARTICLE SIZE (um)</th> <th colspan="2">MASS RECOVERY</th> <th colspan="2">Au RECOVERY</th> </tr> <tr> <th>UNIT</th> <th>OVERALL</th> <th>UNIT</th> <th>OVERALL</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Gravity</td> <td>Con</td> <td>75</td> <td>0.1%</td> <td>0.1%</td> <td>52.9%</td> <td>52.9%</td> </tr> <tr> <td>Tail</td> <td>75</td> <td>99.9%</td> <td>99.9%</td> <td>47.1%</td> <td>47.1%</td> </tr> <tr> <td rowspan="2">Flotation</td> <td>Con</td> <td>75</td> <td>20.7%</td> <td>20.7%</td> <td>84.3%</td> <td>39.7%</td> </tr> <tr> <td>Tail</td> <td>75</td> <td>79.3%</td> <td>79.3%</td> <td>15.7%</td> <td>7.4%</td> </tr> <tr> <td>CIL</td> <td>Float Tail</td> <td>75</td> <td>-</td> <td>-</td> <td>71.3%</td> <td>5.3%</td> </tr> <tr> <td rowspan="2">Intense Leach</td> <td>Gravity Con</td> <td>75</td> <td>-</td> <td>-</td> <td>98.0%</td> <td>51.8%</td> </tr> <tr> <td>Float Con</td> <td>12</td> <td></td> <td></td> <td>92.0%</td> <td>36.5%</td> </tr> <tr> <td colspan="6" style="text-align: right;">Final Tail</td> <td>11.6%</td> </tr> <tr> <td colspan="6" style="text-align: right;">Overall Extraction</td> <td>88.4%</td> </tr> </tbody> </table>	UNIT OPERATION	STREAM	PARTICLE SIZE (um)	MASS RECOVERY		Au RECOVERY		UNIT	OVERALL	UNIT	OVERALL	Gravity	Con	75	0.1%	0.1%	52.9%	52.9%	Tail	75	99.9%	99.9%	47.1%	47.1%	Flotation	Con	75	20.7%	20.7%	84.3%	39.7%	Tail	75	79.3%	79.3%	15.7%	7.4%	CIL	Float Tail	75	-	-	71.3%	5.3%	Intense Leach	Gravity Con	75	-	-	98.0%	51.8%	Float Con	12			92.0%	36.5%	Final Tail						11.6%	Overall Extraction						88.4%
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<i>Environmental</i>	<ul style="list-style-type: none"> <i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i> 	<p>As part of the Environmental Impact Assessment and permitting process, a number of hydrogeological studies have recently been undertaken:</p> <ul style="list-style-type: none"> Toms Gully EIS – Baseline Studies Flooding, GHD Pty Ltd, dated May 2019; Toms Gully EIS – Baseline Studies Groundwater Assessment & Modelling, GHD Pty Ltd, dated March 2018; Dewatering Assessment, Toms Gully Gold Mine, N.T. – Australasian Groundwater and Environmental Consultants Pty Ltd, dated June 2019. <p>In February 2020 the Toms Gully EIA was approved by the NT EPA. This includes Mine Closure Plan, AMD waste dump management plan, and water management plan.</p> <p>The mine is still on a Care and Maintenance Mine Management Plan. An Operational MMP will be created before mining is scheduled to start in 2026.</p>
<i>Infrastructure</i>	<ul style="list-style-type: none"> <i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided or accessed.</i> 	<ul style="list-style-type: none"> Infrastructure from the historic TG open pit and underground mining remains at the TG site. Access roads, waste dumps, tailings facilities, laydown areas, ROM, etc are still in place. The legacy TG processing plant infrastructure is still onsite but will not be used. Processing will be at the Rustlers Roost processing facility.

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Costs	<ul style="list-style-type: none"> The derivation of, or assumptions made, regarding projected capital costs in the study. The methodology used to estimate operating costs. Allowances made for the content of deleterious elements. The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products. The source of exchange rates used in the study. Derivation of transportation charges. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private. 	<ul style="list-style-type: none"> Capital for Tom's Gully underground is largely limited to access development, ventilation, egress and refuge. A gold price assumption of AUD 2,350/Oz was assumed for the PFS and reserve COG estimation. The cost estimate was compiled and presented in Australian Dollars. Prices were obtained in the first half of 2023 with an effective date of Q2 2023. Existing quotes provided to Orelogy were checked for currency and updated if required. The estimate is deemed to have an accuracy of +/-25%. The underground mining capital and operating cost estimates were developed by Orelogy from a range of sources including: <ul style="list-style-type: none"> Costs derived from the Mt Bundy PFS/DFS. Quotes and budget pricing obtained from Hanking. Request For Budget Pricing (RFBP) issued and received by Orelogy. Orelogy cost database. Built up from first principles. A breakdown of the Ore Reserve capital cost estimate is summarised below. <table border="1" data-bbox="694 1010 1396 1372"> <thead> <tr> <th>Description</th> <th>Units</th> <th>Reserve</th> </tr> </thead> <tbody> <tr> <td>UG Owner Infrastructure</td> <td>(\$)</td> <td>13,428,320</td> </tr> <tr> <td>Rehab and Mine Closure</td> <td>(\$)</td> <td>3,289,840</td> </tr> <tr> <td>Mobilisation & Establishment</td> <td>(\$)</td> <td>527,155</td> </tr> <tr> <td>Decline & Lateral Development</td> <td>(\$)</td> <td>16,117,414</td> </tr> <tr> <td>Ground Support - Additional & Rehab</td> <td>(\$)</td> <td>1,448,721</td> </tr> <tr> <td>Ventilation</td> <td>(\$)</td> <td>130,000</td> </tr> <tr> <td>Egress And Refuge</td> <td>(\$)</td> <td>34,904</td> </tr> <tr> <td>Ancillary Equipment</td> <td>(\$)</td> <td>1,029,900</td> </tr> <tr> <td>Pre-Production Capex</td> <td>(\$)</td> <td>716,621</td> </tr> <tr> <td>Total</td> <td>(\$)</td> <td>36,722,875</td> </tr> </tbody> </table> 	Description	Units	Reserve	UG Owner Infrastructure	(\$)	13,428,320	Rehab and Mine Closure	(\$)	3,289,840	Mobilisation & Establishment	(\$)	527,155	Decline & Lateral Development	(\$)	16,117,414	Ground Support - Additional & Rehab	(\$)	1,448,721	Ventilation	(\$)	130,000	Egress And Refuge	(\$)	34,904	Ancillary Equipment	(\$)	1,029,900	Pre-Production Capex	(\$)	716,621	Total	(\$)	36,722,875
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Market assessment	<ul style="list-style-type: none"> The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. A customer and competitor analysis along with the identification of likely market windows for the product. Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract. 	<ul style="list-style-type: none"> Gold is a freely globally traded commodity, with prices determined by demand and supply. As such, specific market studies have not been undertaken. The revenue assumptions for this project are in Australian Dollars. See comments above for gold price assumption choice. 																																																			

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<i>Economic</i>	<ul style="list-style-type: none"> • <i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i> • <i>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</i> 	<ul style="list-style-type: none"> • The Ore Reserve is based on a PFS level of accuracy with inputs from underground mining, processing and capital scheduled and costed to generate the Ore Reserve cost estimate and cashflows. • The Ore Reserve is based on industry current mining contractor rates with respect to underground mine development. Surface and underground infrastructure capital costs are based on recent industry prices. Processing and mine owner costs are based on the Mount Bundy Definitive Feasibility Study (DFS) 2023 costs. • Sensitivity analysis has been carried out and the Ore Reserve is most sensitive to the key financial inputs of commodity prices and exchange rate. • Cost modelling of the Ore Reserves yielded a positive NPV based on the DFS and associated modifying factors. • NPV hurdle rate was 6%. • No hedging has been entered into as of yet. • Mining expected to start in 2026 due to scheduling with other nearby Primary Gold Mines.
<i>Social</i>	<ul style="list-style-type: none"> • <i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i> 	<ul style="list-style-type: none"> • There are no heritage issues at Toms Gully mine. • Approval by the Aboriginal Areas Protection Authority was made in July 2020. There are no native title issues with the tenement MLN1058. • The mine is on a Pastoral lease and 15km away from the town of Marrakai. The Pastoralist is the main stakeholder. Frequent consultation with the Pastoralist is conducted. Employment of the Pastoralist on small scale projects keeps him involved in the future mining activities and direct involvement in water management on Toms Gully site. • Primary Gold intends to employ locally where possible. Preference to Aboriginal employees and companies will be made where appropriate. • Primary Gold will set up apprenticeship schemes for related trades to running the mine.
<i>Other</i>	<ul style="list-style-type: none"> • <i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i> • <i>Any identified material naturally occurring risks.</i> • <i>The status of material legal agreements and marketing arrangements.</i> • <i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and</i> 	<ul style="list-style-type: none"> • Toms Gully MLN1058 is 100% owned by Primary Gold Pty Ltd. • Mineral tenement status is up to date, with all levies paid. • Toms Gully tenement MLN 1058 (mining license) valid until 2045. • Waste disposal license approved for disposal of pit water into Mt Bunday Creek and operation of a RO plant. • Mining is close to the Mary River Reserve and because of the proximity water management to keep all mine water discharged to a 95% Species Protection level is important. • There are reasonable grounds to expect the mine to have a Mine Management Plan (MMP) approved when applied for before 2026.

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	<p><i>government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></p>	
Classification	<ul style="list-style-type: none"> • <i>The basis for the classification of the Ore Reserves into varying confidence categories.</i> • <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> • <i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i> 	<ul style="list-style-type: none"> • Underground Ore Reserves have been derived from a mine plan that is based on extracting the Au mineralisation defined in the Mineral Resource Estimates. • Probable Ore Reserves were determined from Indicated material after applying appropriate modifying factors as per the guidelines. • These results reflect the Competent Person's view of the deposit.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of Ore Reserve estimates.</i> 	<ul style="list-style-type: none"> • No audits have been undertaken.

Criteria	JORC Code explanation	Commentary
<p><i>Discussion of relative accuracy/confidence</i></p>	<ul style="list-style-type: none"> • <i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i> • <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> • <i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i> • <i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i> 	<ul style="list-style-type: none"> • The Mineral Resource Estimate and hence the Ore Reserve Estimate relate to global estimates. • The Ore Reserve Estimate is an outcome of the 2023 Toms Gully Ore Reserve Report with geological, hydrology, mining, metallurgical, and processing, engineering, marketing, and financial considerations to allow for the cost of finance and tax. Engineering and cost estimations have been completed to a $\pm 25\%$ level of accuracy, consistent with a study of this nature. • There has been an appropriate level of consideration given to all modifying factors to support the declaration and classification of the Ore Reserves. • No production or reconciliation data is yet available for comparison.

APPENDIX C OF CP REPORT TOMS GULLY MT BUNDY COMPETENT PERSON STATEMENT**Competent Person's Consent Form**

**Pursuant to the requirements of ASX Listing Rules 5.6, 5.22 and 5.24 and
Clause 9 of the JORC Code 2012 Edition (Written Consent Statement)**

Report name

Competent Person's Reserve Report of the Mt Bundy Gold Project ('Report') for

Hanking Australia Investment Pty Ltd
(Insert name of company releasing the Report)

Mt Bundy Gold Project including Rustlers Roost, Q29 and Toms Gully Gold Projects

(Insert name of the deposit to which the Report refers)

If there is insufficient space, complete the following sheet and sign it in the same manner as this original sheet.

30 June 2024

(Date of Report)

STATEMENT

I,

Steve Craig and Julian Broomfield

(Insert full name(s))

confirm that we are the Competent Persons for the Report and:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).
- I am a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Member of *The Australasian Institute of Mining and Metallurgy*.
- I have reviewed the Report to which this Consent Statement applies.

I am a consultant working for

Orelogy Consulting Pty Ltd

(Insert company name)

and have been engaged by

Hanking Australia Investment Pty Ltd

(Insert company name)

to prepare the documentation for

Mt Bundy Prefeasibility Study (including Rustlers Roost, Q29 and Toms Gully Gold Projects)

(Insert deposit name)

on which the Report is based, for the period ended

30 June 2024

(Insert date of Resource/Reserve statement)

I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest.

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Ore Reserves).

CONSENT

I consent to the release of the Report and this Consent Statement by the directors of:

Hanking Australia Investment Pty Ltd

(Insert reporting company name)

Signature of Competent Person:

30 June 2024

Date:

AusIMM (Fellow)

Professional Membership:
(insert organisation name)

112346

Membership Number:

Signature of Witness:

Print Witness Name and Residence:
(eg town/suburb)

Signature of Competent Person:

30 June 2024

Date:

AusIMM (Member)

Professional Membership:
(insert organisation name)

222417

Membership Number:

Signature of Witness:

Print Witness Name and Residence:
(eg town/suburb)

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were deemed or taken to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as adopted by the Company, to be notified to the Company and the Stock Exchange were as follows:

(1) Interests in the Shares of the Company

Name of Director and Chief Executive	Capacity/Nature of Interest	Number of Shares Held (Long Position)	Approximate Percentage of Shareholding
Yang Jiye (<i>Note 1</i>)	Interest of controlled corporation	1,314,061,666	67.04%
Xia Zhuo (<i>Note 2</i>)	Interest of controlled corporation	19,130,589	0.98%
	Beneficial owner	140,000	less than 0.01%
Zheng Xuezhi	Beneficial owner	8,643,000	0.44%
Zhang Jing	Beneficial owner	531,000	0.03%

Notes:

- (1) Mr. Yang Jiye holds 100% interest in Tuochuan Capital Limited and Bisney Success Limited. As a result, Mr. Yang Jiye is deemed to hold interest in 619,701,166 Shares held by Tuochuan Capital Limited and 694,360,500 Shares held by Bisney Success Limited.
- (2) Mr. Xia Zhuo holds 54.38% interest in Splendour Ventures Limited. As a result, Mr. Xia Zhuo is deemed to hold interest in 19,130,589 Shares held by Splendour Ventures Limited. The accurate percentage of the 140,000 Shares beneficially owned by Mr. Xia Zhuo is 0.00714286%.

(2) **Interests in the shares of associated corporations of the Company**

Name of Director and Chief Executive	Name of Associated Corporation	Status/Nature of Interest	Number of Shares (Long Position)	Approximate Percentage of Shareholding
Qiu Yumin (<i>Note 1</i>)	Hanking Australia Investment Pty Ltd	Interest in controlled corporation	6,300,000	3.00%

Note:

1. Dr. Qiu Yumin and his spouse jointly hold 100% equity interests in Golden Resource Investment Pty Ltd. Hence, Dr. Qiu Yumin is deemed to be interested in 6,300,000 shares in Hanking Australia Investment Pty Ltd held by Golden Resource Investment Pty Ltd.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were deemed or taken to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company under Section 352 of the SFO; or to be notified to the Company and the Stock Exchange pursuant to the Model Code.

3. **SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS**

As at the Latest Practicable Date, so far as was known to the Directors, the interests and short positions of the persons (other than the interests and short positions of the Directors or chief executive of the Company as disclosed above) in the shares and/or underlying shares of the Company (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company are set out below:

Name	Capacity/Nature of Interest	Number of Shares Held (Long Position)	Approximate Percentage of Shareholding
Bisney Success Limited	Beneficial owner	694,360,500	35.43%
Tuochuan Capital Limited	Beneficial owner	619,701,166	31.62%
Yang Min (<i>Note 1</i>)	Interests of controlled corporation	6,025,000	0.31%
China Hanking (BVI) Limited (<i>Note 1</i>)	Beneficial owner	6,025,000	0.31%
Fushun Branch, China Citic Bank Corporation Limited	Person having a security interest in Shares	280,000,000	14.29%
Xinfu Branch, Bank of Fushun Co., Ltd.	Person having a security interest in Shares	500,000,000	25.51%

Note:

- (1) Ms. Yang Min holds 100% interest in China Hanking (BVI) Limited. Thus Ms. Yang Min is deemed to be interested in 6,025,000 Shares held by China Hanking (BVI) Limited.

Save as disclosed above, as at the Latest Practicable Date, the Company was not notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, save as disclosed below and on the Company and the Stock Exchange's websites, none of the Directors or their respective associates had any interests in a business which competes or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group:

Name of Director	Position in the Company	Position
Xia Zhuo	Non-executive Director	director of Hanking Group Co., Limited (罕王實業集團有限公司)

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, there was no existing or proposed service agreement between any Director and any member of the Group (excluding agreements to expire or which may be terminated by the employer within one year without payment of compensation other than statutory compensation).

6. DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND ASSETS

The Vendor, namely HGM Resources Pty Ltd, was incorporated in Australia and is wholly-owned by Hanking Australia Investment Pty Ltd, a subsidiary held by the Company as to 94% as at the Latest Practicable Date. The remaining equity interest in Hanking Australia Investment Pty Ltd is held by Golden Resource Investment Pty Ltd as to 3% and Independent Third Parties from Australia as to 3% as at the Latest Practicable Date. Golden Resource Investment Pty Ltd is jointly held by Dr. Qiu Yumin, an executive Director, and his spouse. As such, Dr. Qiu Yumin has a material interest in the Sale of Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2023, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of, by or leased to any member of the Group or are proposed to be acquired or disposed of, by or leased to any member of the Group.

Save for Dr. Qiu Yumin's interest in the Sale of Shares as disclosed above, no other contract or arrangement of significance to which the Group or its subsidiaries was a party and in which a Director had a material interest, either directly or indirectly, subsisted as at the Latest Practicable Date.

7. MATERIAL CONTRACT

The Share Sale Agreement is the only contract (not being contracts entered into in the ordinary course of business of the Group) being entered into by any member of the Group within two years immediately preceding the date of this circular which is or may be material.

8. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, the Group has not been engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Group, or may have an influence on the Company's rights to explore or mine.

9. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there was no material adverse change in the financial or trading position of the Group since 31 December 2023, the date to which the latest published audited consolidated financial statements of the Group were made up.

10. QUALIFICATIONS AND CONSENT OF EXPERTS

The following are the qualifications of the experts who have given opinion or advice which is contained in this circular:

Name	Qualification
Deloitte Touche Tohmatsu	Certified Public Accountants
KPMG	Certified Public Accountants
Cube Consulting	Competent Person
Orelogy Consulting	Competent Person

The report from KPMG set out in Appendix II to this circular was given on 24 June 2024, and the Competent Persons' Reports from Cube Consulting and Orelogy Consulting set out in Appendix IV to this circular were both given on 30 June 2024, for incorporation in this circular.

As at the Latest Practicable Date, each of Deloitte Touche Tohmatsu, KPMG, Cube Consulting and Orelogy Consulting has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its report and references to its name in the form and context in which it appears. Since the date of the Competent Persons' Reports and up to the Latest Practicable Date, there has been no material change as to the matters set out in the Competent Persons' Reports.

As at the Latest Practicable Date, each of Deloitte Touche Tohmatsu, KPMG, Cube Consulting and Orelogy Consulting did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of Deloitte Touche Tohmatsu, KPMG, Cube Consulting and Orelogy Consulting had any direct or indirect interests in any assets which have been, since 31 December 2023 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

11. MISCELLANEOUS

- (a) The joint company secretaries of the Company are Ms. Zhang Jing and Ms. Wong Hoi Ting. Ms. Wong Hoi Ting is an assistant manager of the Listing Services Department of TMF Hong Kong Limited and an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, and Ms. Zhang Jing is an executive Director of the Company.
- (b) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The head office of the Company is located at 22nd Floor, Hanking Tower, No. 227, Qingnian Street, Shenhe District, Shenyang 110016, Liaoning Province, the PRC, while the principal place of business of the Company in Hong Kong is located at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.
- (c) The Hong Kong share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

- (d) If there is any inconsistency between this circular and the Chinese translation of this circular, the English text of the circular shall prevail over the Chinese text.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are made available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong from the date of this circular up to and including the date of the EGM:

- (a) the review report issued by KPMG on Primary Gold, extracts of which are set out in Appendix II – “Financial Information of the Disposal Group” to this circular;
- (b) the report issued by Deloitte Touche Tohmatsu on the unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix III – “Unaudited Pro Forma Financial Information of the Remaining Group”;
- (c) the Competent Persons’ Reports, extracts of which are set out in Appendix IV;
- (d) the consent letters from each of Deloitte Touche Tohmatsu, KPMG, Cube Consulting and Orelogy Consulting as referred to in the paragraph headed “Qualifications and Consent of Experts” in this Appendix; and
- (e) the material contract as referred to in the section headed “Material Contract” in this Appendix.

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of China Hanking Holdings Limited (the “**Company**”) will be held at Conference Room, 22nd Floor, Hanking Tower, No. 227, Qingnian Street, Shenhe District, Shenyang City, Liaoning Province, the PRC on Thursday, 12 September 2024 at 9:00 a.m. for the purposes of considering and, if thought fit, passing the following resolution (with or without modifications). Unless indicated otherwise, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 22 August 2024.

Ordinary Resolution

1. To consider and approve the very substantial disposal in relation to the Sale of Shares in Primary Gold Pty Ltd.

By order of the Board
China Hanking Holdings Limited
Yang Jiye
Chairman and executive Director

22 August 2024

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of business in Hong Kong:

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Notes:

1. A Shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a Shareholder.

NOTICE OF EXTRAORDINARY GENERAL MEETING

2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
3. In order to be valid, a form of proxy must be deposited at the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof.
4. The completion and return of the form of proxy shall not preclude Shareholders from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
5. The transfer books and register of members of the Company will be closed from Monday, 9 September 2024 to Thursday, 12 September 2024, both days inclusive, in order to determine the entitlement of Shareholders to attend the above meeting, during which period no share transfers can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 6 September 2024.
6. Pursuant to Rule 13.39(4) of the Listing Rules, voting for the resolution set out in this notice will be taken by poll at the above meeting.

As at the date of this notice, the executive Directors are Mr. Yang Jiye, Mr. Zheng Xuezhi, Dr. Qiu Yumin and Ms. Zhang Jing; the non-executive Directors are Mr. Xia Zhuo and Mr. Zhao Yanchao; and the independent non-executive Directors are Mr. Wang Ping, Dr. Wang Anjian and Mr. Zhao Bingwen.