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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)**

#### INSIDE INFORMATION

#### HANKING GOLD'S JORC GOLD RESERVE INCREASED BY 19.47%

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that Hanking Gold Mining Pty Ltd (“**Hanking Gold**”), a wholly-owned subsidiary of the Company, has increased its gold reserve under JORC Code 2012<sup>1</sup> by approximately 19.47% from 31 March 2016.

Following a successful exploration program at its Jaccoletti gold deposit, Hanking Gold has increased the JORC Code resources of this Jaccoletti gold deposit from the original Inferred Resource of 126 thousand ounces of gold to a total of 154 thousand ounces of gold, including Indicated Resource of 124 thousand ounces of gold (Table 1). The total resource of Hanking Gold has been increased to 26,350 thousand tons at 3.6 g/t for 3,067 thousand ounces of gold after production depletion to 31 March 2016 (Table 1).

Jaccoletti gold deposit is located at approximately 2 kilometers from the Hanking Gold’s Marvel Loch Processing Plant with exiting haul road (Figure 1). Hanking Gold recently completed an exploration program including 48 reverse circulation holes and 4 diamond holes for 11,908 meters drilling (Figure 2). The new JORC Code resource estimate was based on 32,802 meters drilling

1 “*JORC Code*” refers to the *Australasian Code for Mineral Resources and Ore Reserves Reporting of Exploration Results*; “*2012*” refers to the edition of 2012.

results in 185 holes. Mr. David Salter of SRK Consulting (Australia) Pty Ltd is the competent person in accordance with JORC Code 2012 for this estimate. The orebody remains open at depth and along strike.

Following the drilling program and the completion of the JORC Code resource estimate, Hanking Gold carried out a feasibility study and completed a reserve estimate of the Jaccoletti gold deposit in accordance with JORC Code 2012. The maiden reserve at Jaccoletti gold deposit is estimated at 987.903 thousand tons of ore at a diluted grade of 3.5 g/t for 111 thousand ounces of gold. In this reserve estimate, the gold price of AUD1,500 per ounce, cut-off grade of 2.5 g/t and actual underground mining cost at Hanking Gold's Nevoria Underground mine were applied. The reserve was estimated by Mr. Troy Flannery and peer reviewed by Mr. Charles Hastie, both of them are full-time employees of Hanking Gold with Western Australia First-Class Mine Manager's certificate and the competent persons in accordance with JORC Code for this estimate. The total reserve of the Hanking Gold has been increased to 6,696 thousand tons of ore at an average grade of 3.2 g/t for 682 thousand ounces Au (Table 2), which represents an increase of 19.47% from the Hanking Gold's total gold reserve depleted to 31 March 2016.

Dr. Qiu Yumin, the executive Director and president and chief executive officer of Hanking Gold said *“the successful exploration and maiden reserve estimate at the Jaccoletti gold deposit have created significant values for shareholders of the Company, extended the mine life and more importantly, further demonstrated the very high conversion rate from JORC Code resources to minable ore reserves at the Southern Cross Operations (“SXO Gold Project”). We'll continue the value-adding explorations around our established infrastructure to benefit all stakeholders”*.

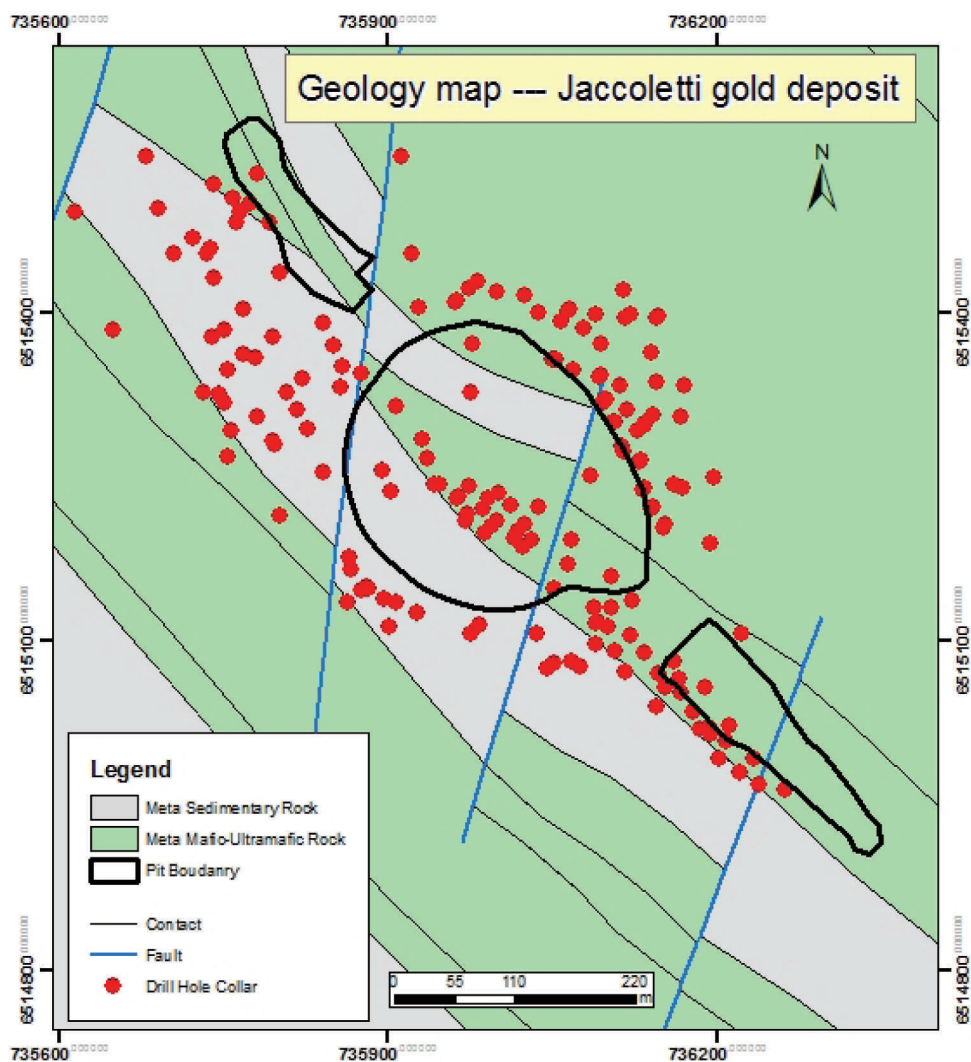
Jaccoletti possesses existing mining tenement and is located approximately 2 kilometers from the Hanking Gold's Marvel Loch Processing Plant along Hanking Gold's own haul road. It has all the infrastructure to fast track gold production. Hanking Gold plans to incorporate this reserve into its gold production plan as soon as possible.

Dr. Pan Guocheng, the executive Director and chief executive officer of the Company expressed that, *“the successful adding resource extension and reserve conversion near our existing facility has again demonstrated the team's continued capacity for growth in Australia. The Group will continue to support this type of exploration, expand gold production and create a higher value”*.

FIGURE 1 – GOLD DEPOSITS OF HANKING GOLD'S SXO GOLD PROJECT



**FIGURE 2 – GEOLOGY MAP OF HANKING GOLD’S JACCOLETTI GOLD DEPOSIT AREA**



**TABLE 1 – SUMMARY OF HANKING GOLD JORC CODE RESOURCE**

Deposit	Cut Off Grade (g/t)		Measured			Indicated			Inferred			Total		
	Open Cut	Underground	Ore (KT)	grade (g/t)	Au (KoZ)	Ore (KT)	grade (g/t)	Au (KoZ)	Ore (KT)	grade (g/t)	Au (KoZ)	Ore (KT)	grade (g/t)	Au (KoZ)
Marvel Loch	2.2	n/a	287	3.1	29	2,930	3.2	299	1,400	2.5	112	4,617	3.0	440
Nevoria	0.6	2	-	-	-	3,513	3.4	381	328	4.0	42	3,841	3.4	423
Transvaal		2.6	-	-	-	1,630	4.7	249	1,800	4.9	286	3,430	4.8	535
Jaccoletti	2.0	2.0	-	-	-	852	4.5	124	298	3.1	30	1,150	4.2	154
Axehandle	0.7	n/a	2,330	2.6	193	990	2.5	78	440	2.2	31	3,760	2.5	301
Cornishman	0.9	2.5	646	5.0	103	569	4.9	90	460	5.3	79	1,675	5.1	273
Edwards Find area	0.7	0.7	-	-	-	347	3.1	35	363	2.6	30	710	2.8	65
Frasers			-	-	-	1,117	4.6	165	1,474	6.1	289	2,591	5.5	454
Yilgarn Star	4.0	4.0	-	-	-	385	6.6	82	-	-	-	385	6.6	82
Redwing	0.5								1,400	2.4	108	1,400	2.4	108
Zeus	1.0								469	2.0	30	469	2.0	30
Other			367	1.0	12	1,610	2.7	140	345	4.5	50	2,322	2.7	202
Total			<u>3,630</u>	<u>2.9</u>	<u>337</u>	<u>13,943</u>	<u>3.7</u>	<u>1,643</u>	<u>8,777</u>	<u>3.9</u>	<u>1,087</u>	<u>26,350</u>	<u>3.6</u>	<u>3,067</u>

\* Data shown in the table above cover data of various deposits of the SXO Gold Project, among which, data of the Jaccoletti are extracted from the resource estimate report signed by Mr. David Slater, a full time employee of SRK Consulting (Australia) Pty Ltd, who is a competent person. David is the Chartered Professional Member of the Australian Institute for Mining and Metallurgy (“**AusIMM**”) and Member of the Australian Institute of Geoscientists (“**AIG**”), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activities which he has undertaken to qualify as a competent person as defined in the JORC Code 2012; data of the Zeus Gold are extracted from the resource estimate report signed by Mr. D Horn, who is the exploration manager of Cazaly Resources Limited and a member of AusIMM. Mr. Horn has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a competent person as defined in JORC Code 2012; data of the Redwing Gold Deposit are extracted from the resource estimate report signed by Mr. J F Brigden, the resource geologist of Sons of Gwalia Ltd., who is a competent person for the JORC Code-compliant resource estimate; data of Frasers and Cornishman are extracted from the resource estimate report signed by Dr. Shi Bielin, a senior resource geologist of CSA Global Pty Ltd., in accordance with the JORC Code. Dr. Shi Bielin is a member of both of AusIMM and AIG, and has extensive experience in such type of gold mines at the SXO Gold Project. Data of other mines are extracted from the resource estimate report issued by St Barbara Mining Ltd. (“**SBM**”) in 2012. The report was signed by Mr. Phillip Uttley, the chief geologist of SBM, in accordance with the JORC Code. Mr. Phillip Uttley is a member of AusIMM and has extensive experience in such type of gold mines at the SXO Gold Project.

**TABLE 2 – HANKING GOLD JORC CODE-COMPLIANT RESERVES**

<b>Deposit</b>	<b>Resource Category</b>	<b>Tonnes KT</b>	<b>Grade Au (g/t)</b>	<b>Contained Gold KOZ</b>
Cornishman	Proved	313	3.6	36
	Probable	76	2.5	6
	<b>Total</b>	<b>389</b>	<b>3.4</b>	<b>43</b>
Frasers	Proved	–	–	–
	Probable	340	3.4	37
	<b>Total</b>	<b>340</b>	<b>3.4</b>	<b>37</b>
Aquarius	Proved	–	–	–
	Probable	616	3.3	65
	<b>Total</b>	<b>616</b>	<b>3.3</b>	<b>65</b>
Axehandle	Proved	2,083	2.4	161
	Probable	577	2.5	46
	<b>Total</b>	<b>2,660</b>	<b>2.4</b>	<b>207</b>
Nevoria East Underground	Proved	–	–	–
	Probable	296	4.0	38
	<b>Total</b>	<b>296</b>	<b>4.0</b>	<b>38</b>
Nevoria West Underground	Proved	–	–	–
	Probable	843	3.7	100
	<b>Total</b>	<b>843</b>	<b>3.7</b>	<b>100</b>
Frasers South Underground	Proved	–	–	–
	Probable	564	4.4	80
	<b>Total</b>	<b>564</b>	<b>4.4</b>	<b>80</b>
Jaccoletti Underground	Proved	–	–	–
	Probable	988	3.5	111
	<b>Total</b>	<b>988</b>	<b>3.5</b>	<b>111</b>
Sub total Open pit	Proved	2,396	2.6	197
	Probable	1,609	3.0	155
	<b>Total</b>	<b>4,005</b>	<b>2.7</b>	<b>352</b>
Sub Total Underground	Proved	–	–	–
	Probable	2,691	3.8	329
	<b>Total</b>	<b>2,691</b>	<b>3.8</b>	<b>329</b>
<b>Total</b>	<b>Proved</b>	<b>2,396</b>	<b>2.6</b>	<b>197</b>
	<b>Probable</b>	<b>4,300</b>	<b>3.5</b>	<b>484</b>
	<b>Total</b>	<b>6,696</b>	<b>3.2</b>	<b>682</b>

\* Data shown in the table above are extracted from the reserve report signed by the competent persons in accordance with the JORC Code, among which, data of Cornishman, Frasers and Aquarius are extracted from Mr. Shane Mcleay of Entech Pty Ltd; data of Nevoria East Underground are extracted from Mr. Matthew Bellamy of Pit N Portal Mining services; data of Axehandle and Nevoria West Underground are extracted from Mr. Charles Hastie of Hanking Gold; data of Frasers South Underground and Jaccoletti Underground are extracted from Mr. Troy Flannery of Hanking Gold.

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

Shenyang, the PRC, 19 May 2016

*As at the date of this announcement, the executive Directors are Mr. Yang Jiye, Dr. Pan Guocheng, Mr. Zheng Xuezhi, Dr. Qiu Yumin and Mr. Xia Zhuo; the non-executive Director is Mr. Kenneth Jue Lee; and the independent non-executive Directors are Mr. Wang Ping, Mr. Wang Anjian and Mr. Ma Qingshan.*