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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

MT BUNDY GOLD PROJECT DFS CONFIRMS ORE RESERVE OF 1.64 MOZ FOR A ROBUST 170KOZ PA PRODUCTION

This announcement is made by China Hanking Holdings Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Company is pleased to announce that the Definitive Feasibility Study (the “**DFS**”) for the Mt Bundy Gold Project (the “**Project**”) owned 100% by Primary Gold Pty Ltd, a wholly-owned subsidiary of Hanking Australia Investment Pty Ltd (“**Hanking Australia**”), has been completed, confirming that the Project is a robust high margin project with average gold production of 170Koz (approximately 5.5 tons) in the first 5 years of an initial 11+ years mine life based on the 1.64Moz gold in Ore Reserve from the 3 Moz gold Resource.

The Project is located approximately 100km southeast of Darwin, the capital city of the Northern Territory of Australia, along the Arnhem Highway. It is approximately 1 hour’s drive from the Darwin Port and Darwin International Airport and geologically the Project is located at the central part of the 15Moz gold endowment Pine Creek goldfields (Figure 1).

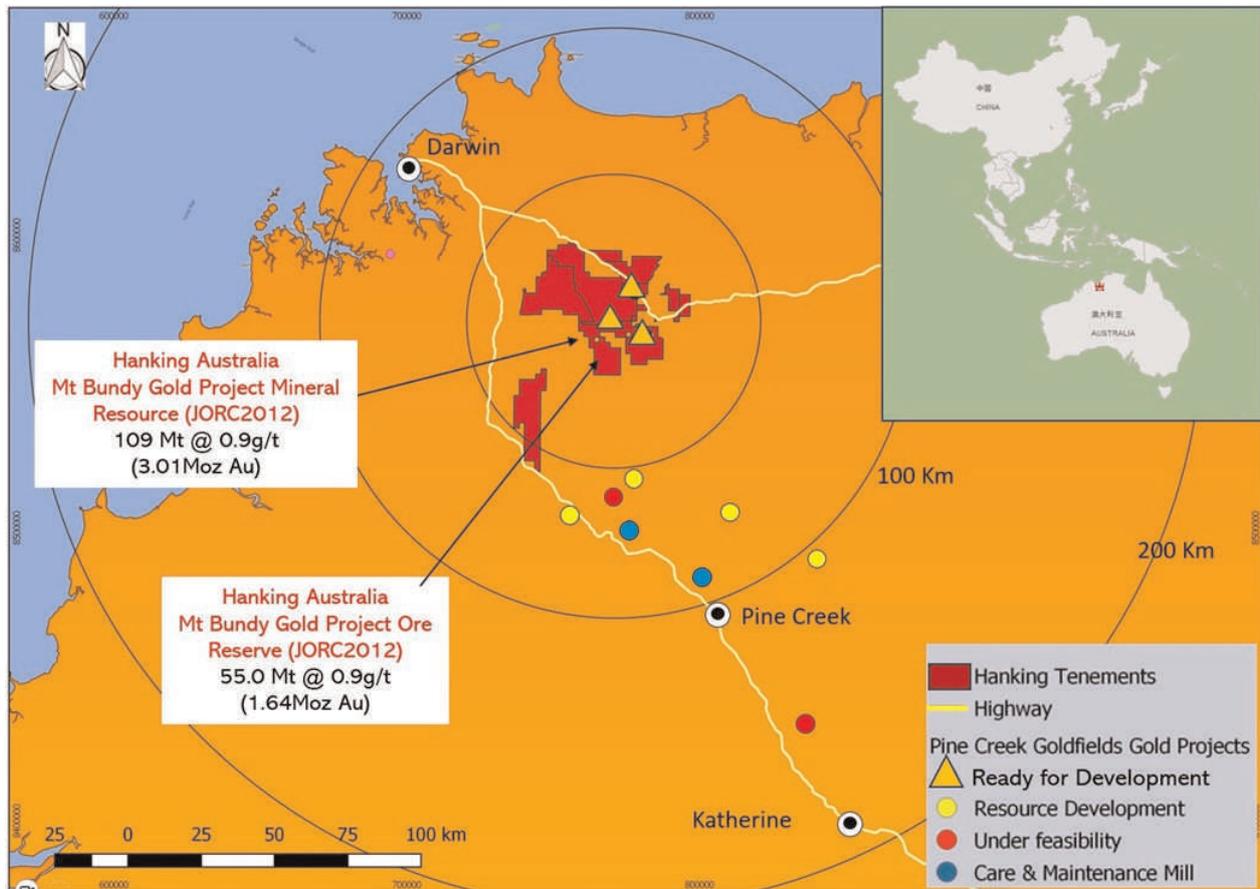


Figure 1 Location map of the Mt Bundy Gold Project in the Northern Territory of Australia

Following the successful 2021 prefeasibility study and new Mineral Resource estimates completed by Cube Consulting in 2021, Mintrex Pty Ltd (“**Mintrex**”), an Australian gold mine design institute that has designed and constructed many gold mines in Australia and in other countries, was engaged by the Company to lead the DFS of the Project. The study is centered on the 5Mtpa processing plant for the open pit ore at the bulk mineable Rustler Roost deposit. The DFS is supported by Orelogy Consulting Pty Ltd (“**Orelogy**”) (for mining) and Knight Piesold, a tailing storage facility (the “**TSF**”) specialist firm with more than 100 years history, for the TSF design.

Central processing plant with simplified energy efficient flowsheet

The DFS includes a central processing plant and TSF at Rustlers Roost, a new mine camp near Tom’s Gully, and open pit and underground mining operations. The DFS process plant flowsheet is the culmination of incremental design improvements from years of testwork. Mintrex have modelled the Rustlers Roost processing plant “High Mass Yield” gravity flowsheet, with sub-circuit for treating Tom’s Gully sulphide ore, into a simplified, conventional plant design. The 5Mtpa plant design includes a three-stage crushing circuit, inclusive of energy-efficient HPGR, conventional ball mill grind, high mass yield gravity circuit, organic blanking and CIL leach circuit. The Tom’s Gully sub-circuit includes for sulphide flotation and Ultrafine grind. More than 97% of the ore will be milled at p80 106um (150 mesh) through the 5Mtpa main circuit, less than 3% of the ore through the 0.3Mtpa sub-circuit grinding at 75um (200 mesh) and less than 1% of the ore (concentrate) through ultra-fine

grinding. The key improvements in the DFS design include reduction in energy requirements, optimized gravity gold concentration and treatment, enable maximizing overall gold recoveries across all ore types.

Ore Reserve of 1.64 Moz Au after 41.7% increase in underground reserve

Based on the feasibility studies, a new Ore Reserve estimate was completed for the high-grade Tom's Gully underground gold deposit by Orelogy in November 2023 in accordance with 2012 JORC Code. The Tom's Gully Ore Reserve was estimated to be 1.4 million tons of ore at 5.4 g/t for 248,000 ounces gold, representing 41.7% increase from the 2014 Ore Reserve. The total Ore Reserve for the Project is now 1.64 million ounces gold (Table 1), making the Project one of the largest undeveloped gold reserves in Australia. Both the open pit and underground Ore Reserves are estimated at a gold price of AUD2,350 per ounce, the recent spot gold price was AUD3,100 per ounce (on November 1, 2023). Of the 1.64 Moz gold reserve, 1.23 Moz (75%) is within the Rustlers Roost open pit with a strip ratio of 1.3 to 1, which will be one of the lowest strip ratio open pits in Australia. A recent in-fill drill hole intersects 95m @ 1.21 g/t gold, further confirms the gold grade continuity of the bulk minable thick orebody in this large pit.

Table 1 Reserves of the Mt Bundy Gold Project

Inventory Scenario	Cut-off Grade (g/t)	Probable		Inferred			All Inventory				
		Ore (kt)	Grade (g/t Au)	Cont. Metal (Koz Au)	Ore (kt)	Grade (g/t Au)	Cont. Metal (Koz Au)	Waste (kt)	Ore (kt)	Grade (g/t Au)	Cont. Metal (Koz Au)
Reserve	3.6	1,435	5.4	248				715	1,435	5.4	248
LOM	3.6	1,435	5.4	248	223	5.8	42	844	1,658	5.4	290

Deposit Resources	Cut-off Grade (g/t)	Probable		Waste Tonnes (Mt)	Total Tonnes (Mt)	Strip Ratio W:O	
		Tonnes (Mt)	Grade (g/t Au)				Cont. Metal (Moz Au)
Rustlers Roost	0.32	47.8	0.8	1.22	65.0	112.7	1.4
Annie Okaley	0.32	0.7	1.0	0.02	6.9	7.6	9.8
Quest 29	0.35	5.1	0.9	0.14	17.4	22.5	3.4
Tom's Gully	3.60	1.4	5.4	0.25	0.7	2.2	-
Total		55.0	0.9	1.64	90.0	145.1	1.7

The competent person for the open pit reserve estimate is Mr. Stephen Craig, Managing Director of Orelogy and the Tom's Gully underground reserve has been completed by Mr. Andrew Cooper, Principal Underground Mining Engineer of Orelogy. Both Mr. Craig and Mr. Cooper are Fellow of

the Australasian Institute of Mining and Metallurgy, and have sufficient experience relevant to the style of mineralisation, the type of deposit and the activities planned at the Project to qualify as a Competent Person as defined in the 2012 JORC Code.

Robust high margin long life project

The DFS considers two development scenarios, the Reserve Case and LOM Case, with each summarised below:

i) Reserve Case (11Yrs)

- Open pit mine production data includes all ore inventory from the 2022 Ore Reserve pit designs, with pit optimisations conducted using AUD2,350/oz gold price (Mining costs and production schedule have been updated for the DFS as of July 2023).
- Underground mine production data including all ore inventory from 2023 Ore Reserve design, with underground mining optimisation conducted using AUD2,350/oz gold price.
- Gold production averages **170koz/year for the first 5 years**, peaking at over 190koz.
- Total ore production, 98% Ore Reserve and 2% Inferred mining inventory.
- All ores processed at the central Process plant at Rustlers Roost, average throughput at 5.0Mtpa.
- Financial model revenue calculated at AUD2,750/oz gold price for base evaluation (current spot gold price is AUD3,100/oz).

ii) LOM Case (13Yrs)

- Open pit mine production data includes all ore inventory from the 2023 larger pit designs, with pit optimisations conducted using AUD2,750/oz gold price.
- Production data from underground including all ore inventory from the 2023 scenario 1B design, as well as the Tom's Gully 'Crown Pillar' extraction.
- Gold production averages **170koz/year for the first 7 years**, peaking at over 190koz.
- Total ore production, 90% Ore Reserve (Probable), 10% Inferred mining inventory.
- All ores processed at the central Process plant at Rustlers Roost, average throughput at 5.3Mtpa.

- Financial model revenue calculated at AUD2,750/oz gold price for base evaluation (current spot gold price is AUD3,100/oz).

Project financial metrics of the DFS are summarised in Table 2 below.

MODEL	UNITS	RESERVE CASE (A\$2350/oz)			LOM CASE (A\$2750/oz)		
		<i>Gold</i>	<i>Gold</i>	<i>Gold</i>	<i>Gold</i>	<i>Gold</i>	<i>Gold</i>
		A\$2550	A\$2750	A\$2950	A\$2550	A\$2750	A\$2950
PROJECT PHYSICALS							
Project Life	Yr	11	11	11	13	13	13
Total Ore Mined	Mt	56.3	56.3	56.3	66.3	66.3	66.3
Strip Ratio	W:O	1.58	1.58	1.58	1.79	1.79	1.79
Ore Grade	g/t	0.92	0.92	0.92	0.92	0.92	0.92
Ounces Contained	oz	1,670,474	1,670,474	1,670,474	1,952,970	1,952,970	1,952,970
Recovery	%	87.4%	87.4%	87.4%	86.5%	86.5%	86.5%
Ounces Recovered	oz	1,460,670	1,460,670	1,460,670	1,690,224	1,690,224	1,690,224
Ave. Plant Throughput	Mtpa	5.0	5.0	5.0	5.3	5.3	5.3
Ave. Annual Ounce Production	ozpa	131,790	131,790	131,790	135,218	135,218	135,218
PROJECT FINANCIALS							
Development Capital	A\$M	394	394	394	394	394	394
Closure & Rehabilitation	A\$M	32	32	32	32	32	32
Gold Price	A\$/oz	2,550	2,750	2,950	2,550	2,750	2,950
Gold Sales Revenue	A\$M	3,725	4,017	4,309	4,310	4,648	4,986
Project Costs (Pre-Tax)	A\$M	2,340	2,400	2,460	2,765	2,833	2,902
Project Cashflow (Pre-Tax)	A\$M	959	1,191	1,423	1,119	1,389	1,658
NPV6 (Pre-Tax)	A\$M	600	765	931	688	874	1,059
IRR (Pre-Tax)	%	34%	40%	46%	34%	40%	45%
Payback Period	A\$M	2.4	2.1	1.9	2.6	2.3	2.1
COSTS OF PRODUCTION							
Mining Cost Per Ore Tonne	A\$/t	14.5	14.5	14.5	15.2	15.2	15.2
Processing Cost Per Ore Tonne	A\$/t	18.6	18.6	18.6	18.1	18.1	18.1
Site G&A Cost Per Ore Tonne	A\$/t	2.0	2.0	2.0	2.0	2.0	2.0
Total Cash Cost (C1) Per Ore Tonne	A\$/t	35.2	35.2	35.2	35.4	35.4	35.4
Total Cash Cost (C1) Per Ounce	A\$/oz	1,340	1,340	1,340	1,373	1,373	1,373
Royalties	A\$/oz	68	73	78	67	73	78
Sustaining Costs	A\$/oz	63	63	63	63	63	63
All In Sustaining Cost (AISC) Per Ounce	A\$/oz	1,471	1,477	1,482	1,503	1,508	1,514

Both cases produce robust financial metrics at the selected base gold price of AUD 2,750/oz. The payback period is similar showing just over 2 years and the IRR is the same for both cases at 40%, however the LOM Case has superior pre-tax NPV6 of AUD 874M verses AUD 765M for the Reserve Case. Considering AUD gold price is currently trading around AUD 3,100/oz, the upside case metrics at AUD 2,950/oz could be achievable, which presents as exceptional for a gold development project of this scale in the current market.

The DFS for the Project describes a robust, long life gold development project, with a large capacity 5Mtpa process plant, TSF and associated infrastructure in a favourable location, only 1 hour's drive from Darwin seaport and international airport facilities.

Early work started

With renewed long life mining leases of 25 years, project environmental approvals (the "EIS") and dewatering discharge licenses received, place the Project in good standing for development, with subsequent approval submissions having now been made for the project MMP. The Project was awarded the Major Project status by the Northern Territory Government of Australia in 2022, recognising the significance of the Project.

The Company has started early works for this robust gold development Project, a new bridge connecting the haul road was built in 2022, a new water treatment plant has been built in 2023, dewatering systems for both open-pit and underground have been built, and a recently completed new power grid connection to the Tom's Gully underground mine site. The power infrastructure will allow for the future connection to the proposed accommodation village site, supporting both mine construction and operations.

Commenting on the completion of the DFS, Dr. Qiu Yumin, the executive director and vice president of the Company and the managing director and CEO of Hanking Australia, said "following the receipt of the EIS approval, the DFS derisked the Project technically with the help of reputable independent firms in the Australian gold mining industry. The DFS demonstrates the Project is a long life high margin robust gold project that is set to produce on average 170Koz gold per annual in the first 5 years, of a mine life greater than 10 years with great financial returns".

According to the DFS, gold production will start within 2 years from Final Investment Decision. This DFS is completed during the peak of the current global inflation period and the supply chains were disrupted by the Russian-Ukraine war. Development capital quotes for key plant and equipment have been sourced from established major industry suppliers. Civil and SMP works have been quoted from both local (Northern Territory) and Western Australian suppliers. There may be scope to reduce capital costs by using Chinese made equipment such as HPGR, ball mills and crushers.

For more detailed information on the Ore Reserve Statement including competent persons in accordance with 2012 JORC Code and the details of the DFS, please refer to <http://www.hankingmining.com/tc/gold/>.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the board of directors
China Hanking Holdings Limited
Yang Jiye
Chairman and executive director

Shenyang, the PRC, 13 November 2023

As at the date of this announcement, the executive directors of the Company are Mr. Yang Jiye, Mr. Zheng Xuezhi and Dr. Qiu Yumin; the non-executive directors of the Company are Mr. Kenneth Lee and Mr. Xia Zhuo; and the independent non-executive directors of the Company are Mr. Wang Ping, Dr. Wang Anjian and Mr. Ma Qingshan.