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## ASX RELEASE

# AuKing enters Saudi Arabia mineral exploration and development MoU

**AuKing Mining Limited (ASX: AKN)** today announced that it had entered into a Memorandum of Understanding with Barg Alsaman Mining Company (BSMC), subsidiary of the Segia Gulf Group (Segia) (a substantial Saudi Arabian corporate group) for the purpose of jointly exploring and developing mineral projects in the Kingdom of Saudi Arabia.

**Managing Director of Segia Gulf Group, Sheikh Abdullah Al-Qahtani said** *“The Kingdom of Saudi Arabia is focusing substantial resources to expand our mining industry and to provide a basis for developing mining projects and providing significant opportunities to increase skills and expertise of local Saudis in this sector. The reputation of Australian explorers is first class and we look forward to working with AuKing’s technical team as we seek to identify and develop suitable mining projects.”*

**AuKing’s Chairman, Asimwe Kabunga commented:** *“The Board of AuKing is pleased to announce the collaboration with Segia Gulf Group (via its subsidiary BSMC), a substantial Saudi Arabian corporation, for the specific purpose of exploring and developing mineral projects in the Kingdom of Saudi Arabia.”*

*“There is little doubt that the Government of Saudi Arabia has a serious agenda to create a mining sector that attracts global attention and participation and already has many of the major mining players involved,” Mr Kabunga said.*

**CEO of BSMC, Dr Elhamem M. Abdalla said,** *“It is an excellent opportunity for the company to partner with a company with great exploration experience and listed on the ASX. We will do what is necessary for the success of this partnership and work together to develop the field of mining in the Kingdom of Saudi Arabia.”*

**CEO, Paul Williams also commented:** *“AuKing is indeed fortunate to have established a strong relationship with a large Saudi Arabian corporate group that has more than 40 years operating experience in the Kingdom and which is now looking to develop various mining projects. While AuKing’s existing copper and uranium projects in Tanzania and Australia continue to be a focus, this unique opportunity could not be overlooked,” Mr Williams said.*

### Saudi Arabia’s Mining Sector Expansion

Saudi Arabia’s Vision 2030 reform agenda has elevated the mining sector’s role in the Saudi economy, positioning it as a third key economic pillar as part of the National Industrial Development and Logistics Program. The Kingdom’s focus on mining is driven by a desire to diversify the economy and increase non-oil revenue as it weans itself off oil dependence. Furthermore, minerals are key inputs in many industries essential to Vision 2030 objectives, such as achieving a green transition, digitizing the economy, becoming a global hub for technology and connectivity, producing nuclear energy, and localizing military procurement.

Saudi Arabia created the Ministry of Industry and Mineral Resources in 2019 to accelerate the mining industry’s growth. To attract international and domestic investment, Saudi Arabia introduced a new mining law making it easier for companies to explore for and extract minerals and offering financial incentives. Saudi Arabia also increased the activities of the Saudi Geological Survey, which recently awarded a \$207 million contract to the Chinese Geological Survey as part of a bid to complete, by 2025, 50% of the survey of Saudi Arabia’s Arabian Shield, a more than 230,000 square mile area of Precambrian rocks located in western Saudi Arabia.

The Gulf State has revised upwards estimates for its largely untapped mineral resources to \$2.5 trillion, from a 2016 forecast of \$1.3 trillion. This estimate is based on 30% of the Arabian Shields exploration, suggesting there is significant discovery upside potential.

### AuKing Site Visit

AuKing representatives recently conducted a site visit with BSMC personnel to identify certain existing and future areas of likely collaboration. The results from this site visit will allow AuKing to proceed with exploration activities (as part of the new MoU) within a matter of weeks.



Figure 1 – Far left - Sheikh Al-Qahtani at a previous visit to a BSMC project area; Middle and far right - scenes from recent AuKing site visit to BSMC project areas

## Saudi Arabian MoU

AuKing has entered into a Memorandum of Understanding with BSMC, a member of the Segia Gulf Group, a large Saudi Arabian group that has had more than 40 years of operating experience in the Kingdom, mostly in the construction sector. In recognition of the substantial growth in the Saudi mining sector, BSMC has recently turned its focus towards securing projects that have the potential for significant mineral exploration and development, particularly in the western region of Saudi Arabia.

AuKing and BSMC have entered into a Memorandum of Understanding (“MoU”) for the purpose of jointly exploring and developing mineral projects in Saudi Arabia. Key features of the MoU include the following:

- The focus of the co-operation with BSMC is gold, copper, silver and zinc projects;
- BSMC will support AuKing’s efforts to secure a Foreign Investment Licence with the Saudi Investment Ministry;
- BSMC will make available to AuKing the opportunity to participate in existing projects owned by them, as well as to jointly bid for new projects that are offered by the Government from time to time;
- AuKing is intended to sole fund exploration and development activities on selected mineral projects up to the point of completion of a feasibility study;
- At completion of the feasibility study for a mining project, AuKing will secure a 70% interest in the project;
- In the case of a designated mining project being sold (on terms agreeable by the parties) prior to completion of the feasibility study, the sale proceeds will be allocated between BSMC and AuKing on a 30/70 sharing basis; and
- BSMC will assist AuKing (on a best endeavours basis) to raise funds for project activities.

## Existing AuKing Project Activities

Despite this exciting new opportunity for AuKing in Saudi Arabia, the Company’s primary commitment to developing its existing uranium and copper projects in Tanzania and Australia respectively, remains unchanged. The focus of the AuKing Board and management over coming weeks will be to secure funding that is sufficient to underwrite further exploration and development activities on these projects. It should be noted that such funding is being sought on the basis that it is limited in terms of dilutionary impact to existing shareholders.

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**About AuKing Mining**

**AuKing Mining (ASX:AKN) is a mining exploration company focused on uranium, copper and zinc projects in both Tanzania and Australia.**

AuKing is focussed on the exploration and development of six uranium and copper projects in Tanzania including:

**Mkuju** – near to the world class Nyota uranium project in southern Tanzania; the subject of significant previous exploration

**Manyoni/Itigi** – the subject of significant exploration situated in central Tanzania, just west of Dodoma

**Mpanda/Karema** – prospective copper areas in western Tanzania that were the subject of historic mining operations but largely untouched by modern exploration methods.

The Company also holds the Koongie Park Copper Zinc Project in Western Australia’s Halls Creek Region hosts a JORC resource and is neighboured by several significant mining and development operations including Nicholson’s Gold Mine and Savannah Nickel Mine. Koongie Park has already been the subject of significant exploration drilling and analysis since the 1970’s, hosting over 300 RC and diamond drill holes consisting of more than 60,000m of drilling in total. AuKing announced the promising results of its Koongie Park Scoping Study in June 2023 on a proposal to commence mining operations around a central processing facility at Sandiego.

For further information

[www.aukingmining.com](http://www.aukingmining.com)

