罕王黄金
HANKING GOLD

HANKING GOLD INTERNATIONAL LIMITED
罕王黃金國際有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 03788)

DISCLOSEABLE TRANSACTION
AWARD OF THE EPC AND THE EPCM CONTRACTS FOR THE CONSTRUCTION OF THE 5.5 MTPA PROCESSING PLANT OF THE MT BUNDY GOLD PROJECT

INTRODUCTION

The board (the "**Board**") of directors (the "**Directors**") of Hanking Gold International Limited (the "**Company**") is pleased to announce that, following a competitive tendering process and a whole-of-plant tender evaluation, Primary Gold Pty Ltd ("**Primary Gold**") (as the "**Project Owner and Manager**"), a wholly-owned subsidiary of the Company, has awarded two contracts for the construction of the 5.5 Mtpa processing plant of the Mt Bundy Gold Project to the two principal delivery contractors, in each case on 10 August 2026 (after trading hours):

- **Delonix Solutions Projects Pty Ltd** ("**Delonix Solutions**") has been awarded Contract CO02 (the "**EPC Contract**") for the Engineering, Procurement and Construction (the "**EPC**") of the Mt Bundy Dry Plant (Package SP1 — crushing, screening, high pressure grinding rolls (the "**HPGR**") circuit, and fine ore stockpile); and

- **CPC Engineering Pty Ltd** ("**CPC Engineering**") has been awarded Contract CO01 (the "**EPCM Contract**") for the Engineering, Procurement and Construction Management (the "**EPCM**") of the Mt Bundy Wet Plant (Package SP2 — grinding, gravity recovery, organic blanking, leaching and adsorption, elution, electrowinning and gold room).

The aggregate contract value under the EPC Contract and the EPCM Contract is approximately AUD120.98 million.

SUMMARY OF THE EPC CONTRACT — DRY PLANT (SP1)

- **Contractor:** Delonix Solutions Projects Pty Ltd.
- **Scope:** Full design, engineering, procurement, construction, installation and commissioning of the Dry Plant, comprising the run-of-mine bin and primary crushing circuit, secondary crushing, the closed-circuit HPGR tertiary crushing circuit, covered fine ore stockpile and reclaim, the Tom's Gully crushed ore diversion, surge bin and reclaim, civils, structural, mechanical, piping, electrical, process control and fire protection works, and the Dry Plant control room.
- **Contract sum:** A fixed price of **AUD92.48 million**.
- **Capacity and guarantees:** The Dry Plant is designed for a maximum throughput of 7.0 Mtpa, providing headroom above the 5.5 Mtpa nameplate plant duty and built-in capacity for future expansion. The contract carries performance guarantees on crushed product sizing (P80 of approximately 4.7 mm) and plant availability.
- **Programme:** Construction is to be completed in accordance with the milestone dates in the construction schedule, with the Dry Plant completion and commissioning targeted in December 2027.
- **Commercial protections:** The EPC Contract was prepared and executed based on the Australian Standard Form **AS4902**. Fixed lump sum pricing, liquidated damages and retention, insurance and professional indemnity requirements, and direct payment by Primary Gold of major equipment packages, with title to equipment and materials passing to Primary Gold on payment or delivery.

SUMMARY OF THE EPCM CONTRACT — WET PLANT (SP2)

- **Contractor:** CPC Engineering Pty Ltd.
- **Scope:** Engineering, procurement and construction management of the Wet Plant, covering the works from the fine ore stockpile reclaim through the Wet Plant, and from the Tom's Gully fine ore bin reclaim feeder through the Wet Plant. CPC Engineering will manage all SP2 procurement on behalf of Primary Gold, and administer the interface with the Delonix Solutions' Dry Plant EPC Contract.
- **Contract sum:** The EPCM budget is **AUD28.5 million** including a 15% contingency allowance. This comprises a **fixed lump sum of AUD9,462,257** for the engineering and procurement (EP) component.
- **Programme:** The EPCM Contract was prepared and executed based on the Australian Standard Form **AS4122**. The works are to be completed in accordance with the milestone dates in the construction programme, with engineering completion before April 2027 and Wet Plant commissioning in early 2028, supporting first gold pour in the first quarter of 2028.

The delivery model deliberately separates the Dry Plant, which is well suited to a fixed-price modular EPC, from the Wet Plant, where an EPCM structure with fixed-price engineering and procurement gives the Company direct visibility of, and control over, major equipment procurement while retaining schedule flexibility.

BASIS OF CONSIDERATION

The contract sums under the EPC contract and the EPCM contract were determined after arm's length negotiations between the parties and through a competitive tendering process, taking into account, among other things, the scope and technical requirements of the works, the contractors' qualifications and experience, the proposed project schedule and the pricing and other commercial terms offered by the tenderers.

The EPC contract and the EPCM contract were prepared and executed based on the Australian Standard Forms **AS4902** and **AS4122**, respectively.

INFORMATION OF PARTIES

Delonix Solutions is a Perth-based mineral processing engineering company founded in 2011, delivering projects under the EPC, the EPCM, BOO and BOOT models across Australia and international markets. Delonix Solutions specialises in crushing, screening, comminution and conveying systems, integrating ROM walls, stockpiles and ore reclaims, and has developed a proprietary whole-of-system modular design methodology for high-throughput, low-head circuits. Its multi-disciplinary team spans structural, mechanical, civil, piping, electrical and instrumentation engineering, and it has delivered large-scale ore processing and materials handling infrastructure for major mining operations in Australia and Africa.

CPC Engineering is a Western Australian engineering group with more than 50 years of operating history, providing engineering design, construction, commissioning and maintenance services to the mineral resources sector. CPC Engineering offers end-to-end delivery from metallurgical testwork and feasibility study through design, procurement, construction management and asset management, with particular depth in mineral concentration and hydrometallurgical processing. The group operates an integrated network of design offices and workshops across Western Australia, including Kalgoorlie, Esperance, Albany, Port Hedland and Karratha, and has delivered projects in Australia, Asia and Africa.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Delonix Solutions and CPC Engineering and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Primary Gold was established in Australia on 17 November 2006 and is a wholly-owned subsidiary of the Company. Primary Gold operates the daily business of the Mt Bundy Gold Project.

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.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EPC CONTRACT AND THE EPCM CONTRACT

The Group is developing the Mt Bundy Gold Project into a producing gold mine. The EPC Contract and the EPCM Contract provide the engineering, procurement, construction and construction management services required for the processing plant and represent a major step towards the Group's target of achieving first gold pour in the first quarter of 2028. The separate delivery model enables the Group to adopt a fixed-price modular EPC structure for the Dry Plant while retaining direct visibility over major equipment procurement and schedule flexibility for the Wet Plant.

Having considered the qualifications and experience of the contractors, the scope of work, the competitive tendering process and the pricing and other terms of the EPC Contract and the EPCM Contract, the Directors consider that the terms of the EPC Contract and the EPCM Contract are fair and reasonable, on normal commercial terms and in the interests of the Company and the shareholders of the Company (the "**Shareholders**") as a whole.

CAPITAL COST, PLANT OPTIMIZATION AND FUNDING

The awarded contract values and the balance of the processing plant capital estimate remain in line with the definitive feasibility study (the "**DFS**") as disclosed in the Company's announcement dated 18 August 2025 and circular dated 23 April 2026, notwithstanding a materially strengthened flowsheet and the addition of future expansion optionality.

- **Process plant capital:** Approximately **AUD393.97 million,** which comprised of:
  - The SP1 Dry Plant EPC contract of **AUD92.48 million**;
  - The SP2 Wet Plant EPCM contract value of **AUD28.5 million** and capital estimate of approximately AUD229.29 million for a SP2 total capital estimate of AUD257.99 million. Quotes from top-tier international suppliers of key equipment and current Australian labour market rates were used in the capital estimate; and
  - Contingency of AUD43.5 million (12.4% of the total capital).

- **Plant optimisation:** The competitive tender process was run in parallel with further plant modelling and independent comminution review, which allowed the Company to test the DFS flowsheet against contractor and vendor proposals and to adopt a number of design improvements before construction commences. The nameplate throughput of 5.5 Mtpa has been retained, but the Dry Plant is now designed to crush up to 7.0 Mtpa measured at mill feed, and a larger 18 MW Ball Mill with finer grinding size (P80 75 μm) has been selected and ordered, giving the Company the option to increase annual throughput in the future. Optimization was also made in the HPGR configuration.

- Notwithstanding a materially strengthened flowsheet and the addition of future expansion optionality, the EPC/EPCM contract values and latest capital estimates for the processing plant construction are broadly in line with the DFS process plant estimate of AUD360.4 million including AUD37.5 million of contingency, as disclosed in the Company's announcements dated 18 August 2025 and 22 January 2026.

- **Funding:** As announced on 22 January 2026, the Company's new strategy is to develop the Mt Bundy Gold Project into a producing gold mine and all capital raised is reserved exclusively for its gold development business. As at 10 August 2026, the cash reserve for the gold business is approximately AUD220 million. This cash reserve forms the Company's capital contribution for the Mt Bundy Gold Project development, with the balance to be funded by debt finance. The Company, through its financial advisor Argonaut Corporate Finance Limited, is at an advanced stage in its competitive debt finance tendering process with 14 Australian and international commercial banks participating in the process. The Company has full confidence to secure sufficient funds for its gold development business in addition to its current cash reserve of AUD220 million.

LISTING RULES IMPLICATIONS

As the EPC and the EPCM contracts were both entered into for the same project on the same date, the EPC and the EPCM contracts have been aggregated as a series of transactions pursuant to Rule 14.22 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

As the highest of the applicable percentage ratios for the transactions contemplated under the EPC and the EPCM contracts (in aggregate) exceeds 5% but is less than 25%, the entering into of the EPC and the EPCM contracts constitutes discloseable transactions of the Company and is therefore subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

NEXT STEPS OF PROCESSING PLANT CONSTRUCTION

As announced on 24 July 2026, the Company has received all permits for the construction of the processing plant of the Mt Bundy Gold Project. Since then, the processing plant construction site has been cleared and initial earthworks have started. Key activities of next steps include:

- Monitoring the progress of the design and manufacture of the Ball Mill by CITIC Heavy Industries Co., Ltd., and the HPGR and Crushers order placement
- Detailed earthworks drawings and concrete drawings
- Earthwork, concrete work and detailed designs
- Construction
- Dry commissioning and wet commissioning
- Gold production

Commenting on the award of the processing plant contracts, Dr. Qiu Yumin, an executive Director and the chief executive officer and president of the Company, said "The award of the EPC and the EPCM contracts for the processing plant construction is a major step in the development of the Mt Bundy Gold Project into a gold-producing mine. We appreciate the firm commitments made by these two experienced Australian contractors with strong track records in mineral processing delivery to deliver this exciting project on time and within budget. We are pleased that the EPC/EPCM contracts confirm our DFS with capital cost and schedule in line with our stated development and production plan, albeit under the challenging Australian labour market conditions. We thank all participating tenderers for their offers and comments, which helped us refine our design for a stronger and simpler processing plant with future throughput growth flexibility.

The Dry Plant is contracted on a lumpsum fixed price with performance guarantees, and the Wet Plant engineering and procurement is fixed price, which gives the Company a high degree of cost certainty as we move into the construction phase. With the Ball Mill ordered, construction site cleared and earthworks underway, we remain firmly on track to commence gold production in the first quarter of 2028, which is set to deliver value for Shareholders and other stakeholders of the Company. The construction of the processing plant and the upcoming mining activities will create up to 400 jobs. We firmly commit, in collaboration with our EPC and EPCM contractors, to deliver the project in a safe and sustainable way."

By order of the Board
Hanking Gold International Limited
Xia Zhuo
Chairman and non-executive Director

Shanghai, the PRC, 10 August 2026

As at the date of this announcement, the executive Directors are Dr. Qiu Yumin, Ms. Zhang Jing, Mr. Tang Wenbin and Mr. Zhang Junfeng; 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, Mr. Zhao Bingwen and Dr. Tim Sun.