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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 STRATEGIC INVESTMENT IN AUSTRALIAN CZN CO-CU-AU-NI MINING COMPANY

China Hanking Holdings Limited (the “**Company**”) is pleased to announce that Hanking Australia Investment Limited (“**Hanking Australia Investment**”), a subsidiary of the Company, and Corazon Mining Limited, a company listed on the Australia Stock Exchange (ASX: CZN) (“**CZN**”), have entered into a strategic agreement on 16 August 2017. Pursuant to such strategic agreement, Hanking Australia Investment has agreed to subscribe for 120 million new shares at a price of AUD\$0.014 per share and a total price of AUD\$1.68 million. Upon completion of the subscription, Hanking Australian Investment will become a strategic cornerstone investor of CZN holding approximately 11% of CZN’s issued share capital. Hanking Australia Investment has also been granted the options to subscribe for a further 85 million shares of CZN at an exercise price of AUD\$0.03 per share within two years. Further, upon completion of the subscription, Dr. Qiu will join the Board of CZN as a Non-executive Director.

Headquartered in Perth Australia, CZN owns two projects: the Lynn Lake Ni-Cu project in Canada and the Mt Gilmore high-grade Co-Cu-Au project in Australia (Figure 1). Lynn Lake was the fourth largest nickel producer in Canada until 1976 when production ceased. Following CZN’s acquisition and tenements consolidation, CZN estimated a resource of 940 M ton of ore at 0.88% Ni, 0.4% Cu, for 83 kt nickel and 37.8 kt copper for the Lynn Lake project in accordance with JORC 2012 code. New exploration targets have been generated primarily by geophysical method. Initial drilling program has identified similar style Ni-Cu mineralization and further exploration study is being carried out.

Mt Gilmore, located in New South Wales Australia, is an advanced exploration project and contains high-grade Co-Cu-Au sulfide mineralization, with railway and port accessible for potential future mine development (Figure 2). Mt Gilmore area is geologically part of the New England orogenic belt, which contains gold endowment in excess of 35 million ounces gold, including the giant Mt Morgan

Cu-Au deposit (50 Mt @ 5.9 g/t Au and 0.7% Cu) and Mt Rawdon gold deposit (50 Mt @ 0.71 g/t Au). There were historical small scale open pit and underground shaft mining activities in the Mt Gilmore area, with reported high-grade ore up to 14.7% Co, 14.9% Cu and 52.7 g/t Au. After the acquisition by CNZ, five exploration targets have been identified, and the current exploration program has been focused on the Cobalt Ridge Cobalt anomaly in one of the targets (Figure 3). Multiple parallel cobalt anomaly zones have been delineated by soil sampling programs, and only one of the anomaly zones has been drill-tested. Key assay results from CZN's 2016 drilling program are listed in Table 1 and shown in Figure 4. The cobalt grade are mostly in the range of 0.23% to 0.65%, with the best drilling intercept of 6 m at 1.48% Co and the average true thickness of the orebody is about 12 meters. Preliminary metallurgical test indicates the Co recovery of over 92%. Comparing with other cobalt projects in Australia, Mt Gilmore is a unique high-grade Co-Cu-Au sulfide project which has higher grade and recovery rate but lower capital expenditure (Table 2). Further, most of the cobalt projects in Table 2 are laterite cobalt projects, which typically require substantial capital expenditure. CZN owns 80% of Mt Gilmore, and has a commitment to spend about AUD\$1.3 million on exploration in the next two years. Considering Hanking Australia Investment team's capability and experience in the exploration, development and mine operation at the highly successful SXO gold project, CZN has introduced Hanking Australia Investment as a strategic investor to assist CZN to explore and develop the Mt Gilmore project.

Dr. Qiu Yumin, the executive director of the Company and President and Chief Executive Officer of Hanking Australia Investment expressed that, "Since the sale of SXO gold project with an enterprise value of AUD\$330 million, the Company has been searching for high quality mining projects including new energy metals such as cobalt, which has a large market demand growth potential. While CZN's projects are still at the exploration stage, it has a unique high-grade sulfide cobalt project in a stable jurisdiction favorable for mining investment, we are confident we can utilize our strength and experience to create values for all shareholders through investment in discovery, mine development and operations".

The new energy market is growing rapidly. Cobalt and Nickel are critical components for high-quality and high energy density batteries. China currently imports over 90% of the cobalt concentrates for its cobalt refinery industry. High-grade Cobalt sulfide project has a bright future. While the Company already owns one of the world's largest laterite nickel projects in Indonesia with about 4.5 million tons nickel contained in a JORC resource, the investment in CZN marks a strategic step in the scarce high-grade cobalt resources in the ever-growing new energy sector, not to mention the exploration potential for sulfide Cu, Ni and Au. This initial investment will enable CZN to start drilling in August with an aim for a JORC resources and continues its metallurgic test. Subject to the drilling results, the Company will work with CZN to fast track the feasibility study and mine development of the Cobalt Range project to create and realize value for all shareholders.

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

Shenyang, the PRC, 17 August 2017

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

Figure 1, Map showing the location of CZN's projects, i.e. the Lynn Lake project in Canada and Mt Gilmore project in Australia

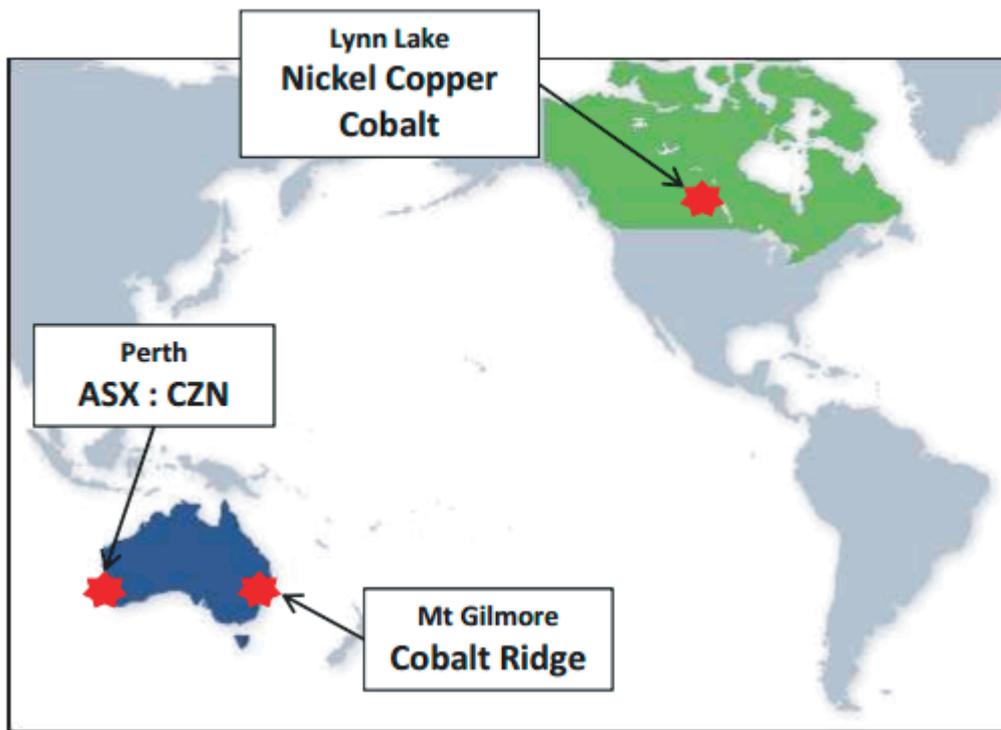


Figure 2, Location map of CZN's Mt Gilmore Co-Cu-Au project

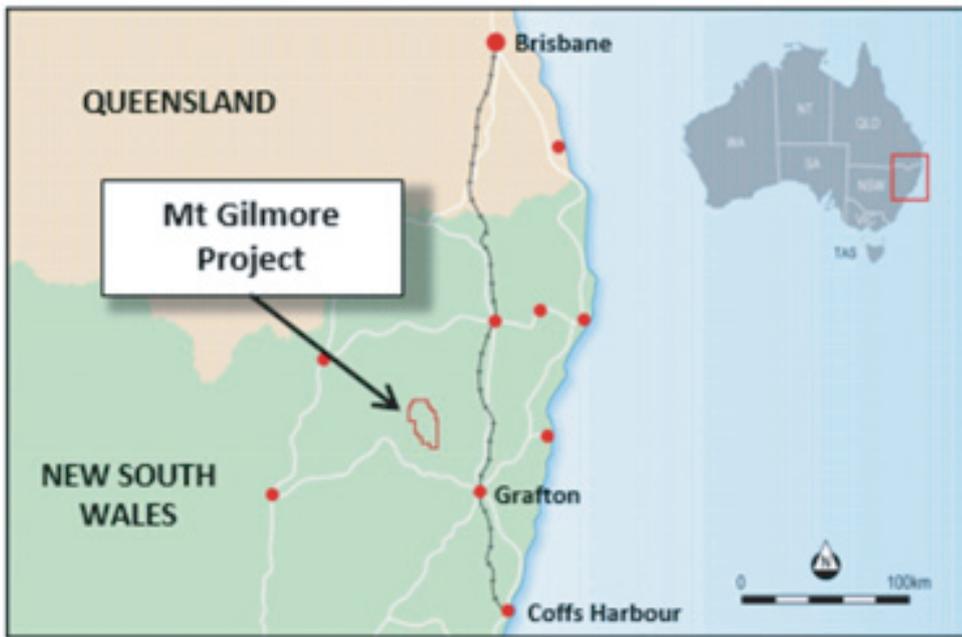


Figure 3 Map showing the multiple parallel Co mineralization zones defined by soil sampling programs, red dots are drill hole locations.

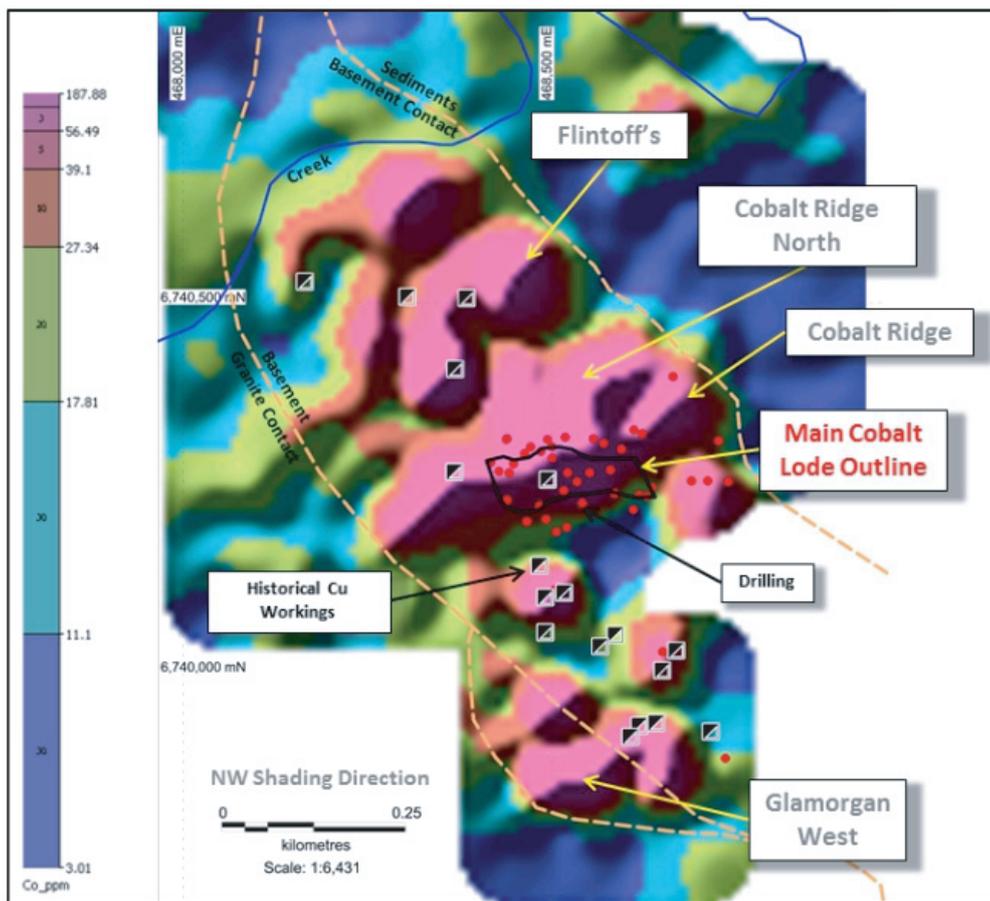


Figure 4, Long section map showing the assay results from the 2016 drilling program.

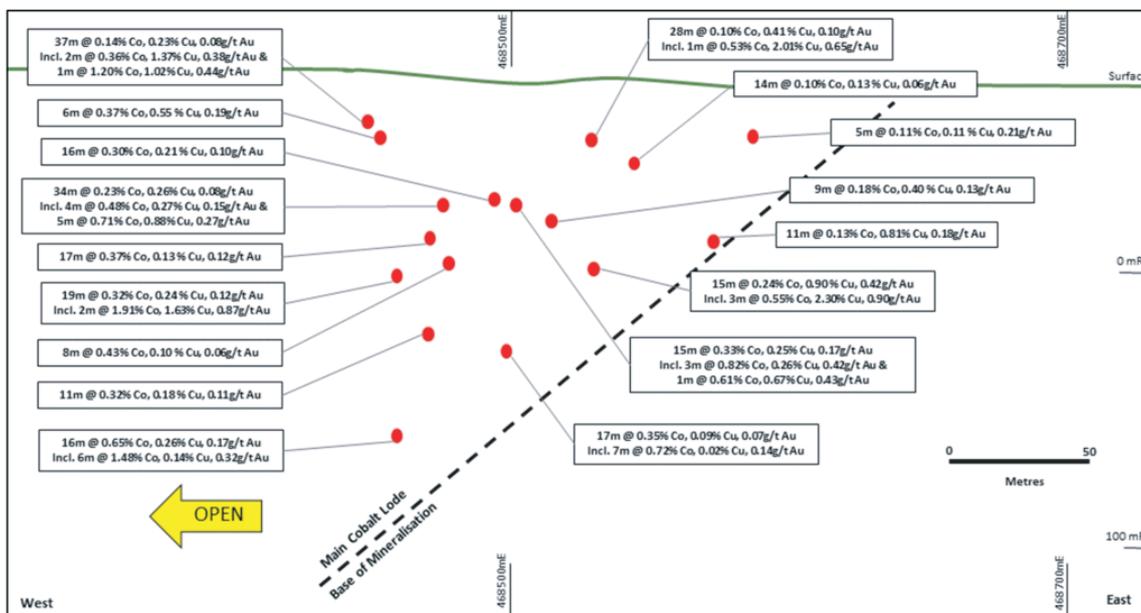


Table 1, Mt Gilmore project's representative assay results from 2016 drilling program

Hole ID	Hole Type	From Depth (m)	Interval (m)	Co%	Cu%	Au g/t	CuEq%
MGRC001	Core	165	13	0.18	0.54	0.17	2.41
		incl	1	1.12	1.96	0.81	13.41
MGRC004	Core	128.3	3	0.54	1.83	0.17	7.20
		incl	1	0.73	4.51	0.23	11.76
MGRC002	RC	135	16	0.65	0.26	0.17	6.68
		incl	6	1.48	0.14	0.32	14.74
MGRC003	RC	0	37	0.14	0.23	0.08	1.60
		incl	2	0.36	1.37	0.38	5.12
		&	1	1.20	1.02	0.44	12.94
MGRC006	RC	42	34	0.23	0.26	0.08	2.55
		incl	4	0.48	0.27	0.15	5.06
		&	5	0.71	0.88	0.27	7.98
MGRC007	RC	41	15	0.33	0.25	0.17	3.58
		incl	3	0.82	0.26	0.42	8.51
		&	1	0.61	0.67	0.43	6.88
MGRC008	RC	97	17	0.35	0.09	0.07	3.51
		incl	7	0.72	0.02	0.14	7.13
MGRC009	RC	12	28	0.10	0.41	0.10	1.43
		incl	1	0.53	2.01	0.65	7.57

Table 2, Size and cobalt grade for known Australia Cobalt Projects

Company	Size (Mt)	Co (%)	Co Metal (Kt)	Project	Mineralization style
Clencore	295	0.07%	206	Murrin Murrin, WA	Laterite Ni-Co
Clean Teq Holdings	109	0.10%	114	Syerston, NSW	Laterite Ni-Co
GME Resources	108	0.06%	65.1	NiWest, WA	Laterite Ni-Co
Ardea Resources	50	0.12%	59.6	KNP Cobalt Zone, WA	Laterite Ni-Co
Conico Limited	32	0.12%	39.3	Mt Thirsty, WA	Laterite Ni-Co
Cobalt Blue Holding	36	0.08%	30	Broken Hill, NSW	Co sulfide
Havilah Resources	18	0.10%	17.5	Mutooroo, NSW	Co sulfide
Mithril Resources	27	0.05%	13.4	Leakyy Bore, NT	Co sulfide
Platina Resources	9	0.15%	12.6	Owendale, NSW	Laterite Ni-Co
Independence Group	14	0.08%	11.4	Nova, WA	Ni-Cu-Co sulfide
Augur Resources	16	0.05%	8.2	Homeville, NSW	Laterite Ni-Co
Cougar Metals	10	0.07%	7.1	Pyke Hill, WA	Laterite Ni-Co
Hammer Metals	6	0.11%	6.5	Millenium, Qld	Co-Au-Co sulfide
Corazon Mining	Grade Range 0.23%-0.65%			Mt Gilmore, NSW	Co-Cu-Au sulfide