

13 January 2022

ASX ANNOUNCEMENT

**Extension of Due Diligence Period to Investigate a
Technology to Convert Solid Fuels to Energy**

AustChina Holdings Limited (ASX: AUH): On 15 October 2021, AUH announced it had entered into a non-binding Memorandum of Understanding with Fortress Capital Limited to conduct due diligence on a new technology that could enhance AustChina's energy portfolio through the conversion of solid fuels including coal, municipal household and commercial waste, biomass, and other material to generate cleaner environmentally responsible electricity.

This process has the potential to reduce carbon emissions and utilise fuel sources such as coal, municipal household and commercial waste that would otherwise go to landfill to produce energy for its own purposes or for sale to the electricity grid.

Due to the current worldwide Covid pandemic which has resulted in a delay in completing the due diligence phase, AUH wishes to advise that it has reached agreement with Fortress Capital Limited to extend the due diligence period from 3 months to 5 months.

AustChina will, after completion of the due diligence by March 2022, determine the applicability of the technology, and optimal application of the technology for the advancement of its energy portfolio.

Should the company accept that the technology will be beneficial, it will secure the exclusive rights to the technology within Australia, all countries in the Middle East and will have first right of refusal to any territory outside the exclusive territory.

AustChina has a JORC coal resource at its Blackall project of 1.3 billion tonnes of which 30 million tonnes is an Indicated Resource and the remainder Inferred Resource (ASX: "Updated Coal Resource Statement for Blackall Project" June 16, 2020.)

The company continues to explore methods for best use of its coal resource at Blackall and other energy projects.

Yours faithfully



Daniel Chan - Chairman

Authorised for release by Chairman of the Board

Further information:

Andrew Fogg - Chief Executive Officer

Competent Person's Statement

I **Rowan Johnson** confirm that I am the Competent Person for the Competent Person Report from which the information to be publicly released has been obtained and also confirm that:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition), the 2014 Edition of the Australian Guidelines for the Estimation and Classification of Coal Resources and the relevant sections of Chapter 5 and Guidance Note 31 from the ASX Listing Rules.
- I am a Competent Person as defined by the JORC Code 2012 Edition, having 35 years of experience that is relevant to the coal types, quality and potential mining method(s) of the deposit(s) described in the Report. In addition, I have 25 years of experience in the estimation, assessment and evaluation of Coal Resources, the activity for which I am accepting responsibility.
- I am a Member of The Australasian Institute of Mining and Metallurgy.
- I have reviewed the Report or Excerpt from the Report to which this Consent Statement applies.

I am a consultant working for **McElroy Bryan Geological Services** and have been engaged by AustChina Holdings Limited to prepare the documentation for the **Blackall Coal Project – Inverness Deposit** on which the Report is based.

In addition:

- I have disclosed to AustChina Holdings Limited the full nature of the relationship between myself and the company, including any issues that could be perceived by investors as a conflict of interest.
- I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Coal Resources.
- I consent to the release of the Report and this Consent Statement by the directors of **AustChina Holdings Limited**.