

30 June 2021

Shallow AC drilling defines deeper targets, Rand Project, NSW

- Shallow aircore (AC) drilling, strongly supports the model that the Rand bullseye anomalies and Bulgandry Goldfields form part of a large Intrusive Related Gold System (IRGS), the extent of which is yet to be defined
- Wide-spaced reconnaissance aircore drillholes intersected moderately magnetic, intermediate intrusive rocks at the 3 bullseye targets, verifying them to be the source of the prominent magnetic anomalies reinforcing the IRGS model
- The majority of holes returned strongly anomalous IRGS pathfinder elements with moderately anomalous gold at the weathering interface of the intrusives
- Strongly anomalous gold was intersected in the intrusives units with zones including 11.2 meters grading 0.146g/t Au with individual assays of up to 1 metre grading 1.17g/t
- Anomalous gold zones intersected immediately above robust dipole-dipole IP (chargeable) anomalies within the intrusive host units, remain untested
- Significant Phase 2 drilling planned to follow-up Bulgandry and Bullseye targets in late Q4 21
- Outstanding assays returned from regional rock-chip samples, with grades of 8.66g/t Au, 81.3g/t Ag, 2.6% As, 1200ppm Bi, 3.11% Pb, 53ppm Sb, 65ppm Sn, and 1160ppm W, reinforcing the IRGS model and highlighting the Sn-W potential of Silurian granites

Krakatoa Resources Limited (ASX:KTA) ("Krakatoa" or the "Company") is pleased to report encouraging assay results from the maiden aircore (AC) drilling program at the Rand Bullseye Magnetic targets, located 2.5 kilometres northeast of Rand within EL9000 in the NSW Riverina district.

Krakatoa's CEO Mark Major commented:

"This maiden reconnaissance aircore drill program has endorsed our IRGS model and, while still early-stage exploration, we are excited by the results in this emerging part of the well-endowed Lachlan Orogen. Drilling has encountered anomalous gold at shallow depths within the intrusives immediately above coherent IP anomalies, that now represent deeper, robust drilling targets. We will move to test these with RC (and/or diamond) drilling as soon as practical.

In recent months the Company has defined new gold bearing systems at the Goodwood Mine and now at the bullseye anomalies. Additionally, the soil auger program and recent rock-chips have highlighted the potential tin-tungsten targets in Silurian granites which frequent our tenure."



ASX Code
KTA, KTAOC

Capital Structure

278,950,000 Fully Paid Shares
82,800,000 Options @ 5c exp 31/07/21
5,000,000 Options @ 7.5c exp 31/07/21
16,200,000 Options @ 7.5c exp 29/11/23
15,000,000 Performance Rights at 20c, 30c and 40c.

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Wide-spaced aircore drillholes were designed to test a variety of targets, including conductive and/or chargeable anomalies (defined by the 2021 gradient array surveys) and magnetic paleochannels, which are concealed by transported cover. Some holes were drilled to test the interface directly above a number of bedrock anomalies defined in the dipole-dipole IP survey (Figure 1). Finally, and most importantly, the program aimed to confirm that the three “bullseye” magnetic anomalies (west, north and south; Figure 1) are sourced from intrusive rocks and to test for IRGS mineralisation within, and proximal to them.

Drilling was undertaken during March-April 2021; 43 holes totalling 2,761.7m (including metres 92 of RC hammer) were completed over the 3 areas. Holes were nominally drilled to blade refusal, usually the top of fresh bedrock. Samples were nominally speared in to 2 to 5 metres composites with narrower samples taken near the bottom of hole.

The holes returned moderately to strongly anomalous IRGS pathfinder elements with anomalous gold in several holes within the weathered intrusive units, confirming the IRGS model. Additionally, several holes intersected phyllic (sericite \pm silica \pm pyrite) alteration within, or proximal to the intrusives, typical of IRGS. Better gold results from bedrock include:

- 3m @ 179ppb (0.179g/t) Au from 30 metres in HAC019;
- 11.2m @ 146ppb (0.146g/t) Au and 502ppm As from 48 metres (to EOH) in HAC019
 - including 1m @ 1170ppb (1.17g/t) Au and 1635ppm As from 54 metres;
- 12m @ 48ppb (0.048g/t) Au from 26 metres in HAC020 (basement from 28m);
- 8m @ 115ppb (0.115g/t) Au from 60 metres in HAC040; and
- 4m @ 184ppb (0.184g/t) Au from 38 metres in HAC041.

The anomalous gold-in-bedrock results are also supported by strongly anomalous IRGS pathfinder elements including arsenic (As), beryllium (Be), bismuth (Bi), molybdenum (Mo), tellurium (Te), antimony (Sb), tin (Sn) and tungsten (W). Silver, copper, lead and zinc were also strongly anomalous.

NEXT STEPS

The last twelve months of exploration by Krakatoa on the Rand Project has highlighted the potential for a substantial IRGS to be hosted within the Bulgandry - Rand area. Historical mining and the recent reconnaissance drilling strongly supports this hypothesis. Considering that the first-pass AC holes have confirmed the IRGS model with gold mineralisation intersected in all 3 intrusives, the Company is encouraged and will proceed with further exploration programs.

Follow-up work for the bullseye targets at Rand will include an RC \pm DD drilling program to test the IP anomalies and the intrusives, comprising 6-10 holes for up to 2000 metres. It's envisaged that the planned drilling will be completed after crops are harvested, possibly in late 2021 to early 2022.

Further fieldwork is required to investigate the potential of the Silurian granites for tin-tungsten (Sn-W) mineralisation. These areas will be part of the regional auger infill and expansion survey and will also be subjected to further mapping and prospecting.

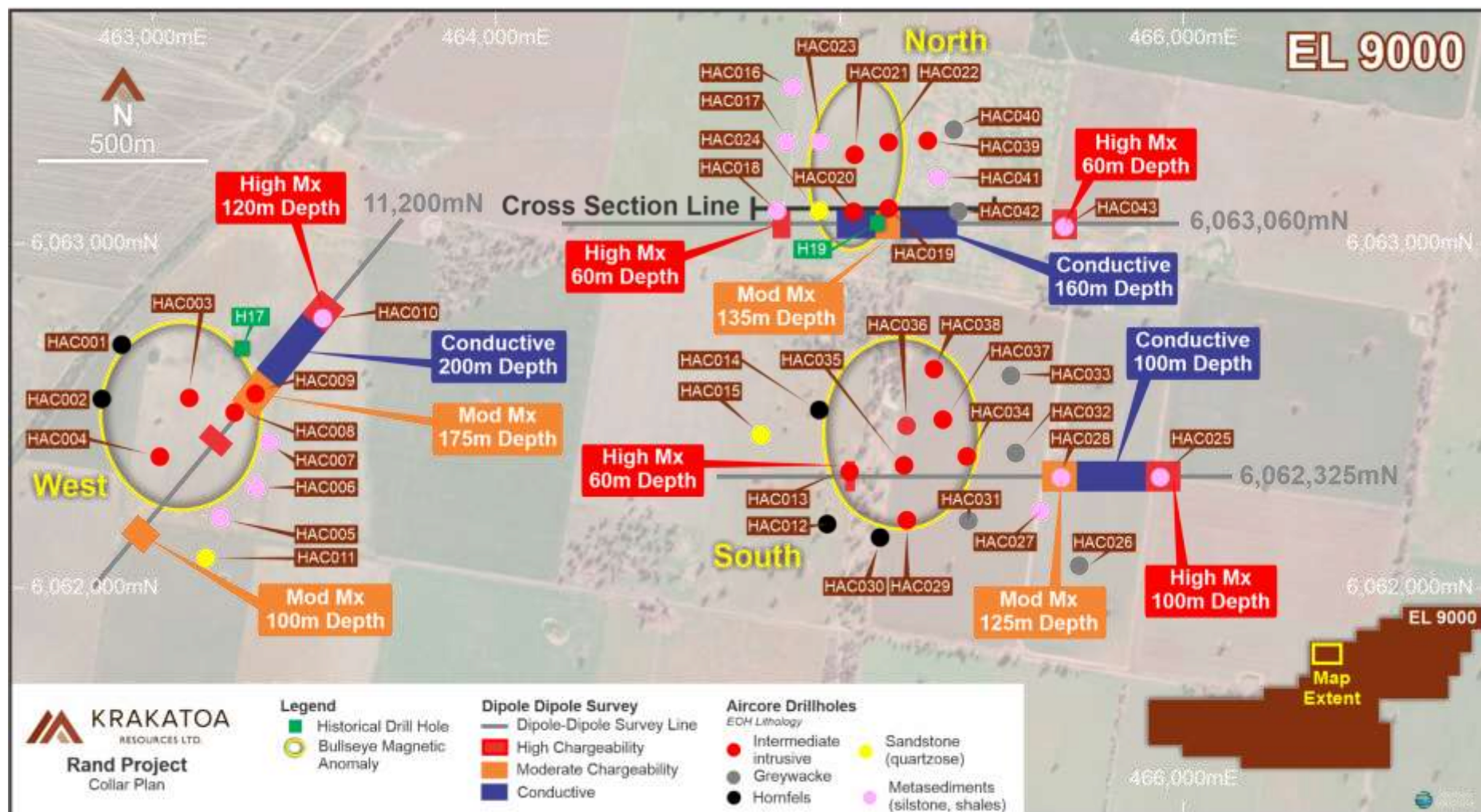


Figure 1: Map showing AC collars (thematically mapped by end-of-hole lithology), magnetic bullseye anomalies and dipole-dipole survey lines with anomalies. Location of Figure 2 cross-section is also indicated.

ABOUT INTRUSIVE RELATED GOLD SYSTEMS (IRGS)

Intrusion-Related Gold Systems (IRGS) are a relatively new gold deposit type defined in 1999. They include a diverse variety of gold-only deposits with direct spatial and temporal links to intermediate to felsic intrusions and their exsolved fluids. Some can be developed within intrusions, whilst others can range through proximal to distal from a causative intrusive source. IRGS are significant sources for gold; however, they also can contain significant amounts of bismuth, tellurium, tungsten, tin, lead, copper, arsenic, and antimony. The majority are characterised by more evenly disseminated gold mineralisation with grades that also display a degree of continuity (low to medium grade, typically < 2g/t Au). IRGS in Australia and North America host a number of large deposits in a range of geological settings. Several deposits in this class contain >3 Moz of gold, including Ravenswood-Mt Wright (6 Moz), Kidston (5.0 Moz) and My Leyshon (3.5 Moz) in Australia, and Fort Knox (4.3 Mozs Au), Donlin Creek (29 Mozs Au) and Pogo (5.6 Mozs) in North America. Whilst most famous in Northeast Queensland and the Tintina Gold Province in Alaska-Yukon (North America), several IRGS occur within the Lachlan and Thompson Orogens of NSW. The best local example is perhaps Hobbs Pipe at Mount Adrah in NSW with 770 koz of contained gold, located only 80kms ENE of Rand in a similar geological setting.

AIRCORE PROGRAM ANALYSIS

Transported cover thickness in the area drilled ranges from 0 (in the southeast) to around 25 metres increasing to the north and is deepest in the paleochannels (40 metres maximum). Eight holes targeted paleochannels (magnetically distinct in the aeromagnetics), for alluvial gold. Strongly magnetic, ferruginous (\pm quartz) gravels, pisoliths and lag deposits were intersected in these paleochannels, none of which yielded anomalous gold. Basement country rocks of the Ordovician-aged Abercrombie Formation comprise various meta-sediments (siltstone, shale and various sandstones). These are intruded by Silurian- or, Devonian-aged, intermediate intrusives with moderate magnetic susceptibilities. These are described as “chloritised hornblende quartz-diorites with disseminated pyrite and quartz veins” by the NSW GS in petrography work completed on 1983-vintage holes H17 and H19; Figure 1. These intrusives were intersected in 15 AC holes over the 3 bullseye anomalies (Figure 1) confirming the IRGS model. Hornfels and quartzites (contact metamorphic rocks) were intersected in their contact areoles (Figures 1 and 2).

Western Bullseye Anomaly

Nine holes were drilled into, or proximal to the western bullseye anomaly, of which 4 intersected the intrusive (Figure 1). Assay results were mixed overall, with the best intersection of 6m @ 49.5ppb Au with strong As, Bi and Sn from 51 metres in HAC003. Re-sampling of core from H17 located on the northeastern part of the magnetic bullseye (Figure 1) by the Company in 2020 returned 1m @ 0.113 g/t from 58m in the quartz diorite intrusive, more anomalous than the AC samples. Overall, this target features low gold, relatively anomalous As, Bi and Mo and a strong Te anomaly flanks the southeastern edge of the intrusive.

Two interesting IP anomalies occur on IP survey line 1200N (Figure 1); a deep-seated coherent moderately chargeable anomaly interpreted to lie within or near the edge of the intrusive centred slightly northeast of, and well over 100 metres below HAC009; (“Mod Mx 175m depth”; Figure 1) and a shallow discrete highly chargeable anomaly on the northeastern end of the line beneath HAC010 (“High Mx 120m depth”; Figure 1). Disseminated pyrite (with anomalous gold) in the intrusive unit noted in the NSW GS petrography work (on H17), adds to the IP anomalies’ potential. Both IP anomalies are currently untested, the former target (beneath HAC009) is a high potential drill target due to its coherency and depth extent.

Northern Bullseye Anomaly

Five of 13 holes intersected an intermediate intrusive in the northern bullseye target, two on the eastern margin (HAC019 and 021) beneath a north-draining magnetic paleochannel. The northern target returned the strongest and most consistent gold results mainly from the intrusive (in HAC019 to HAC024 (Figures 1 and 2 and Table 1) but also from the adjacent host rocks (e.g. holes HAC014, 041 and 042). HAC019 returned 3 metres grading 179ppb (0.179g/t) Au from 30 metres and 11.2 metres averaging 146ppb (0.146g/t) Au and 502ppm As from 48 metres to EOH (including 1m grading 1.17g/t Au and 1365ppm As from 54 metres), all within the intrusive unit (Figure 2). These are supported by strongly anomalous and coherent Bi, Mo, Sb, Te and W.

Dipole-dipole IP line 6063060N was completed across the southern margin of the bullseye target and detected 4 weak to moderate IP anomalies (the 3 strongest are shown in Figure 1). Four AC holes (HAC018, 024, 019 and 043) were drilled at these anomalies (Figure 1). HAC018 tested the shallow anomaly in the west, later interpreted to be a cultural feature. HAC043 with blade refusal at only 36 metres failed to adequately test the anomaly at the eastern end of the line. Significantly, HAC019 drilled into the top of a coherent (conductive and) moderately chargeable teardrop-shaped anomaly that extends from 30, to over than 200 metres below surface (Figures 1 and 2). HAC019 returned gold assays of up to 1.17g/t between 30 and 59 metres (EOH) in strongly weathered microdiorite, within the top of this anomaly. This IP anomaly remains a high priority drill target for the upcoming round of RC/DD drilling.

Southern Bullseye Anomaly

The southern bullseye is the largest magnetic bullseye anomaly, spanning 550 north-south by 450m east-west with a discrete magnetic low in the middle (i.e. a doughnut). Seven holes intersected an intrusive unit which is moderately magnetic, 3 holes drilled hornfels on its rims and the other holes drilled Abercrombie Fm. metasediments. The central demagnetised low appears to be an intensely weathered zone of phyllic (sericite) alteration. Several holes drilled outside the bullseye tested either paleochannels (HAC012, 15, 25, 30 and 33) for deep leads or various anomalies from the IP surveys (holes HAC025, 26, 27 and 31).

Gold results were subdued with a max of 4m @ 36ppb (from 21 metres in HAC038), however As and Bi values were highly anomalous over the intrusive (e.g., 4m @ 1560ppm As). Tin (Sn) is anomalous across most of this target spanning several rock types and a continuous Be-(Sb)-W anomaly coincides with the intrusive aureole on 3 sides. Silver and base metals are most anomalous within the metasediments. In summary, this anomaly exhibits stronger gold and pathfinder chemistry than the western bullseye, but weaker than the northern anomaly.

Dipole-dipole IP line 6062325N (Figure 1) surveyed the southern end of the magnetic target. It detected 3 main chargeable anomalies, all of which are potential drill targets: 1. at 465050E, a shallow moderately chargeable feature was tested by HAC013 which intersected strongly weathered ferruginous clay (intrusive protolith); 2. a deep, moderately chargeable and conductive, steep west-dipping feature located under HAC028; and 3. at 465940E, the highly chargeable anomaly modelled beneath HAC025 remains untested. HAC025 intercepted siltstone, ended in quartz veining and returned anomalous Au from 44 to 61m with a peak individual assay of 3m @ 57ppm (from 44m) with anomalous Bi, Sn and W. This IP anomaly warrants further attention.

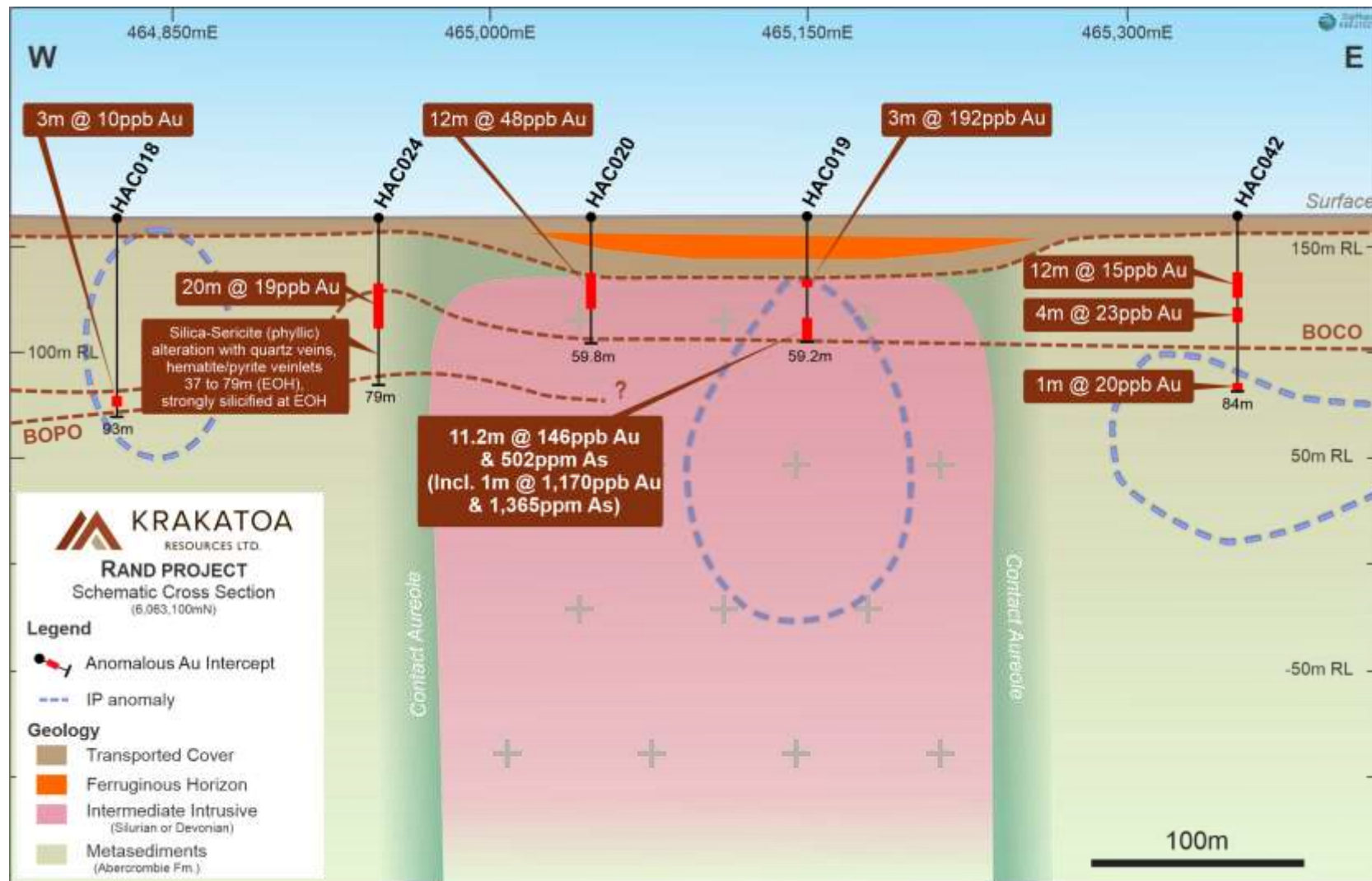


Figure 2: East-west cross section on 6063100N through the North Bullseye target, displaying AC drillhole traces with anomalous Au zones, interpreted geology and significant IP anomalies

REGIONAL ROCK-CHIP SAMPLE RESULTS

The Company received assay results from a third and final batch of rock-chip samples collected during reconnaissance fieldwork undertaken earlier in 2021. The fieldwork involved further prospecting around prior anomalous rock-chips located near RC hole KBRC002 (13 samples) and initial reconnaissance prospecting around the Show Day Mine (9 samples). Additionally, several samples were collected during the regional auger soil survey (9 samples). A total of 31 samples (11370 to 11400 inclusive) were submitted for assay; locations and anomalous results are shown in Figure 3. A full list of IRGS metals and pathfinder elements are tabulated in Table 3.

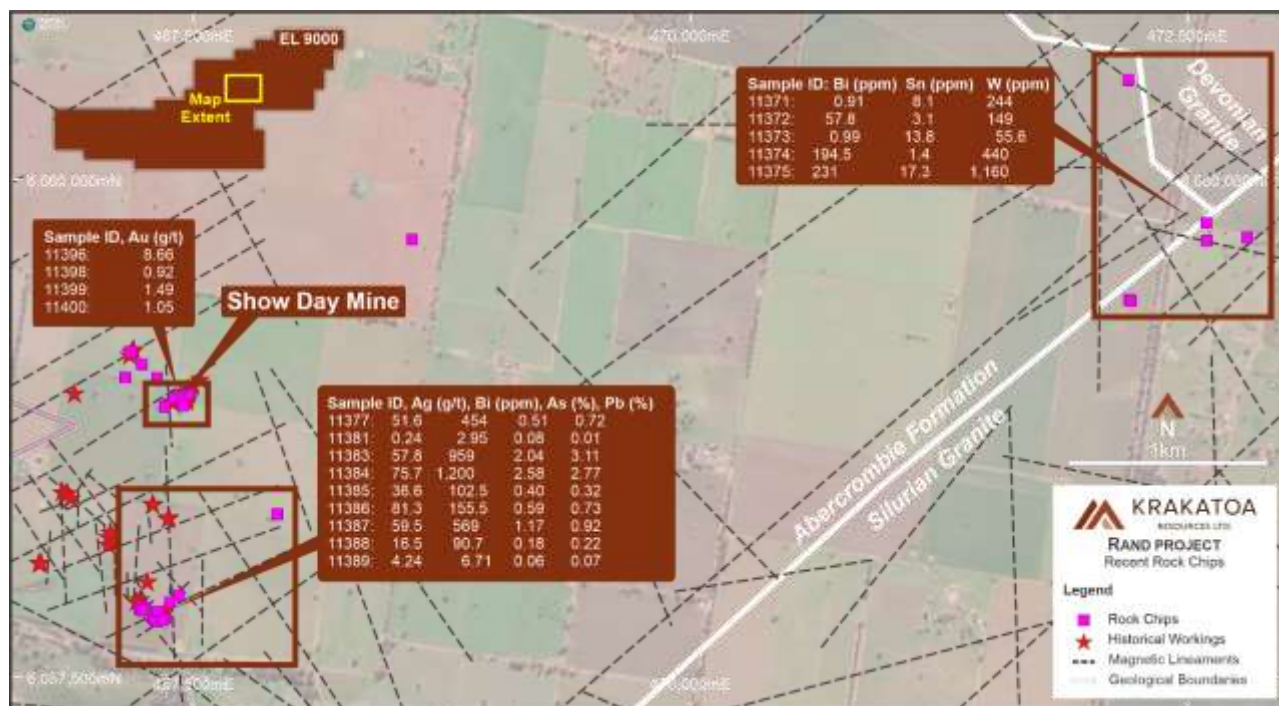


Figure 3: Regional rock-chip sample locations and summary assay results for selected metals

Samples comprised quartz/silica ± sulfide ± Fe-oxide veins, breccias and/or altered host (metasedimentary or intrusive) rocks, with vein textures including massive, sheeted to stockworked, laminated, blocky, sugary and bucky. Samples were taken from subcrop, historical mullock dumps or were grab samples of 'float'. Most float samples are interpreted to be locally sourced as many form continuous "float trains".

The results again reinforce the potential for economic gold grades. At Show Day Mine pitted, bucky quartz veins were anomalous in Au (3 samples returned over 1g/t with a maximum of 8.66g/t), As (4 samples assayed over 200ppm to a maximum of 705ppm) and Sb (maximum value of 12.2ppm).

In the southwest, (Figure 3) near KBRC002 are laminated, vuggy quartz ± arsenopyrite ± scorodite veins in various orientations. Although weak in Au (max of 0.175g/t), they are extremely anomalous in IRGS pathfinders, and returned peak values of 2.58% As (with 7 samples assaying > 0.1% and 3 > 1%), 1200ppm Bi (with 5 samples > 500ppm), 8.83ppm Mo, 53ppm Sb, 64.5ppm Sn, 0.89ppm Te and 29.6ppm W. Other anomalous metals include Ag (max. of 81.3g/t with 5 samples grading > 50g/t, Cu (max. of 644ppm with 6 samples > 100ppm), and 3.11% Pb (with 7 samples returning > 0.2%).

At the far eastern end of the auger soil survey, 6 samples (11371 to 11376) were collected from veins cross-cutting Silurian (5 samples) and Devonian (1 sample; Figure 3) granites and rhyolitic dykes. The southern samples over the Silurian granite are highly anomalous in Bi (3 samples returned > 50ppm with a peak of 231ppm), Sn (values range from 1.4 to 17.3ppm) and W (values range from 55.6 to 1160ppm). This new area reinforces the potential for Sn-W mineralisation within the Rand Project.

Authorised for release by the Board.

FOR FURTHER INFORMATION:

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Competent Person's Statement

The information in this announcement is based on, and fairly represents information compiled by Erik Conaghan, Exploration Manager, who is a Member of the Australian Institute of Geoscientists and a full-time employee of Krakatoa Resources. Mr Conaghan has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Conaghan consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Table 1: Aircore drillhole specifications

Hole ID	Easting GDA94	Northing GDA94	RL (AHD)	Hole Type	Total Depth (m)	Dip (°)	Azimuth GDA94 (°)
HAC001	462915	6062711	161.2	AC	59	-90	na
HAC002	462857	6062553	162.6	AC	50	-90	na
HAC003	463112	6062556	160.7	AC	60.5	-90	na
HAC004	463026	6062385	162.3	AC	49.5	-90	na
HAC005	463202	6062208	165.3	AC	60	-90	na
HAC006	463308	6062296	165.3	AC	66	-90	na
HAC007	463346	6062428	163.8	AC	57.5	-90	na
HAC008	463244	6062514	163.7	AC	46.1	-90	na
HAC009	463305	6062568	162.4	AC	59.8	-90	na
HAC010	463501	6062788	161.7	AC	72	-90	na
HAC011	463160	6062090	165.9	AC	65	-90	na
HAC012	464970	6062189	168.6	AC	96	-90	na
HAC013	465035	6062341	168.1	AC	51.5	-90	na
HAC014	464947	6062521	166.8	AC	61	-90	na
HAC015	464776	6062448	167.1	AC	83	-90	na
HAC016	464869	6063460	160.9	AC 0-27 RC 27-72	72	-90	na
HAC017	464850	6063301	161.6	AC	78	-90	na
HAC018	464824	6063101	163.0	AC	93	-90	na
HAC019	465149	6063108	164.2	AC	59.2	-90	na
HAC020	465047	6063098	163.9	AC	59.8	-90	na
HAC021	465149	6063300	161.7	AC	53.8	-90	na
HAC022	465050	6063264	162.1	AC	59.5	-90	na
HAC023	464949	6063301	160.4	AC	66	-90	na
HAC024	464947	6063101	163.8	AC 0-32 RC 32-79	79	-90	na
HAC025	465940	6062325	173.6	AC	66	-90	na
HAC026	465704	6062068	176.5	AC	47.4	-90	na
HAC027	465592	6062226	174.7	AC	74.8	-90	na
HAC028	465651	6062324	172.9	AC	71.9	-90	na
HAC029	465202	6062200	169.6	AC	52.1	-90	na
HAC030	465124	6062150	170.6	AC	84	-90	270
HAC031	465381	6062199	172.6	AC	57	-90	na
HAC032	465519	6062396	170.1	AC	62.8	-90	na
HAC033	465505	6062621	170.9	AC	75	-90	na
HAC034	465377	6062386	170.0	AC	45.5	-90	na
HAC035	465194	6062360	167.0	AC	67	-90	na
HAC036	465201	6062475	168.3	AC	54	-90	na
HAC037	465307	6062493	167.5	AC	65	-90	na
HAC038	465281	6062640	168.2	AC	63	-90	na
HAC039	465263	6063305	162.9	AC	67	-90	na
HAC040	465339	6063337	163.2	AC	78	-90	na
HAC041	465292	6063197	165.0	AC	54	-90	na
HAC042	465352	6063099	165.6	AC	84	-90	na
HAC043	465661	6063054	169.3	AC	36	-90	na

Table 2: Aircore drillhole gold and arsenic intercepts summary

Hole ID	From (m)	To (m)	Width (m)	Au (ppb)	Au (g/t)	As (ppm)	Comment
HAC003	51	57	6	50	0.050	158	As & Bi with Au, spotty Sn anomalism
HAC016	27	33	6	46	0.046	138	Anom Sb, Sn
HAC016	41	45	4	91	0.091		Anom Sb, Sn
HAC017	71	72	1	42	0.042		Be, Bi & Sb with Au, anom Sn& Zn
HAC019	30	33	3	179	0.179		Anom Be, Bi, Mo, Te, Sn w Au
HAC019	48	59.2	11.2	146	0.146	502	EOH Anom Be, Bi, Mo, Te, Sn w Au
incl	55	56	1	1170	1.17	1365	Anom Be, Bi, Mo, Te, Sn w Au
and	54	57	3	29	0.029	1160	Anom Be, Bi, Mo, Te, Sn w Au
HAC020	26	38	12	48	0.048		basement from 28m. Elevated Te & W+Au
HAC021	53	53.8	0.8	52	0.052		spotty Sn, Te, W + Au
HAC022	36	40	4	57	0.057		Bi, Te w Au anomalism
HAC022	57	58	1	45	0.045		Be, Cu, Mo anomalism
HAC025	44	47	3	57	0.057		weak Ag & Be w Au
HAC030	81	82	1	45	0.045		Bi, Be, Sn, Cu, Pb, Sb, Zn & W
HAC038	21	25	4	36	0.036	232	Anom Ag, As, (Bi, Cu), str Sn, Mo, str Zn
HAC040	44	48	4	45	0.045	160	Anom Ag, As, Be, Bi, Sb, Pb, Mo, Te, W, Zn
HAC040	60	68	8	115	0.115		Anom Ag, As, Be, Bi, Sb, Pb, Mo, Te, W, Zn
HAC040	77	78	1	46	0.046		Anom Ag, As, Be, Bi, Sb, Pb, Mo, Te, W, Zn
HAC041	38	42	4	184	0.184		Anomalous Be, Pb, Sb, Sn, W
HAC042	28	40	12	15	0.015		Anomalous As, Bi, Sb, Sn, W, Zn
HAC042	44	48	4	23	0.023		Anomalous As, Be, Bi, Sb, Sn, W, Zn
HAC043	21	25	4	59	0.059		Anomalous Ag, Be, Pb, W

Table 3: Regional rock-chip sample assays for selected metals and IRGS pathfinder elements (grid is GDA94 zone 55)

Sample ID	Easting	Northing	Occurrence	Weight kg	Au (g/t)	Ag (g/t)	As (ppm)	Be (ppm)	Bi (ppm)	Cu (ppm)	Mo (ppm)	Pb (ppm)	S (%)	Sb (ppm)	Sn (ppm)	Te (ppm)	W (ppm)	Zn (ppm)
11370	468598	6059701	float	0.34	0.075	2.26	217	1.78	12.35	231	2.36	7780	0.03	7.45	11.4	1.34	2.6	39
11371	472208	6059398	float	1.08	0.001	0.04	2.4	1.77	0.91	51.3	1.81	33.1	0.09	0.13	8.1	<0.05	244	19
11372	472215	6059392	float	1.78	0.001	0.19	2.1	0.44	57.8	26.7	1.62	11.2	0.01	0.23	3.1	0.24	149	3
11373	472596	6059695	float	2.02	0.02	0.03	5	3.4	231	19.5	3.04	23.2	0.01	0.36	17.3	0.26	1160	4
11374	472595	6059785	float	0.58	0.003	0.1	6.2	0.7	194.5	11.6	2.76	119	<0.01	0.33	1.4	0.34	440	2
11375	472799	6059711	float	1.88	0.001	0.01	5.6	0.21	0.99	6.5	4.7	10.7	0.01	0.13	13.8	<0.05	55.6	2
11376	472201	6060502	float	0.54	0.001	<0.01	4	0.31	1.58	4.9	4.02	6.7	<0.01	0.17	2.8	<0.05	5.5	3
11377	467315	6057780	float	2.28	0.088	51.6	5050	1.68	454	342	2.24	7230	0.41	8.1	32	0.37	12.5	351
11378	467295	6057799	float	1.46	0.007	0.24	169	2.44	3.7	17.4	0.72	62.9	0.02	3.75	12.8	<0.05	11.5	12
11379	467243	6057838	float	0.7	0.022	0.12	39.1	1.36	1.79	11.4	1	43.1	0.01	0.55	4.6	<0.05	7.5	10
11380	467227	6057843	subcrop	1.96	0.002	0.02	9.5	2.91	1.13	43.5	0.59	42.2	0.01	0.39	10	<0.05	6.4	30
11381	467241	6057856	float	2.12	0.005	0.24	847	3.66	2.95	46.6	8.83	84	0.09	0.58	4.8	<0.05	10	30
11382	467258	6057849	float near source	2.22	0.013	0.02	472	2.57	0.89	20.7	2.67	39.1	0.04	2.94	11.8	<0.05	6.7	16
11383	467319	6057831	float	1.38	0.137	57.8	20400	1.04	959	608	3.01	31100	0.44	53	64.5	0.67	7.1	847
11384	467321	6057832	float	1.82	0.175	75.7	25800	1.45	1200	644	1.04	27700	0.55	46.6	30.7	0.89	7.3	1320
11385	467359	6057796	float	0.62	0.094	36.6	3960	0.88	102.5	104	2.21	3180	0.8	5.71	22.3	0.1	7.4	60
11386	467344	6057790	float	1.98	0.07	81.3	5850	0.22	155.5	101.5	2.58	7330	0.38	5.25	5.6	0.28	1	19
11387	467243	6057834	float /subcrop	2.38	0.065	59.5	11700	1.16	569	342	2.97	9230	0.33	11.5	20.3	0.41	29.6	415
11388	467426	6057913	float on source	1.98	0.022	16.5	1830	0.53	90.7	112.5	1.65	2240	0.06	4.25	8.3	0.13	4.2	37
11389	467381	6057878	float	2.84	0.008	4.24	603	0.18	6.71	25.6	1.18	685	0.11	2.41	4.1	<0.05	1.5	7
11390	467921	6058321	rock subcrop	2.28	0.004	0.56	31.5	12.75	1.84	79.4	1.64	71.2	0.01	0.81	2	0.1	17.7	350
11391	467920	6058320	float /subcrop	1.72	0.001	0.78	119	0.33	5.4	15.6	3.72	95.9	0.01	0.41	0.7	<0.05	0.9	17
11392	467315	6059005	float	1.22	<0.001	0.12	21.9	0.08	1.16	4.5	1.12	23.1	<0.01	0.22	0.3	<0.05	0.6	2
11393	467239	6059073	float	1.54	0.001	0.05	8.4	0.13	0.81	5.5	1.4	16.8	<0.01	0.3	0.3	<0.05	0.3	2
11394	467184	6059138	float	0.82	0.001	0.07	10	0.41	2.47	5.9	2.06	31.9	<0.01	0.28	0.7	<0.05	1.2	6
11395	467155	6059008	subcrop/float	1.32	0.001	0.02	10.5	0.25	0.72	8.5	3.87	31.2	<0.01	0.39	0.6	<0.05	0.5	5
11396	467397	6058902	float	1.9	8.66	0.44	208	1.42	0.3	7.6	1.96	12.6	0.01	8.4	7.8	<0.05	3.3	8
11397	467448	6058864	float	2.1	0.105	0.13	6	0.82	7.04	30.6	1.11	7.8	<0.01	0.36	1.3	0.07	1.8	6
11398	467447	6058912	float/mullock	0.92	0.922	2.36	705	0.93	1.75	16.7	2.61	60.2	0.02	9.62	3.6	<0.05	1.9	21
11399	467474	6058925	float	2.02	1.49	0.16	243	2.31	0.7	47.1	1.13	38	0.01	3.58	5.6	<0.05	5.1	60
11400	467354	6058862	mullock dump	1.86	1.05	0.5	544	4.25	1.43	63.5	1.44	243	0.02	12.2	3.9	0.08	3.9	151

ABOUT KRAKATOA

Krakatoa is an ASX listed public Company focused on copper-gold exploration in the world class Lachlan Fold Belt, NSW and multielement metals including the increasingly valued rare earths in the highly prospective Narryer Terrane, Yilgarn Craton, WA.



Belgravia Cu-Au Porphyry Project (Krakatoa 100%); Lachlan Fold NSW

The Belgravia Project covers an area of 80km² and is located in the central part of the Molong Volcanic Belt (MVB), East Lachlan province, between Newcrest Mining's Cadia Operations and Alkane Resources Boda Discovery. The Project target areas are considered highly prospective for porphyry Cu-Au and associated skarn Cu-Au, with Bell Valley and Sugarloaf representing the two most advanced target areas. Bell Valley contains a considerable portion of the Copper Hill Intrusive Complex, the interpreted porphyry complex which hosts the Copper Hill deposit (890koz Au & 310kt Cu) and has highly prospective magnetic low features spanning 6km. Sugarloaf contains a 900m Deep Ground Penetrating Radar anomaly located within a distinctive magnetic low feature considered characteristic of a porphyry-style deposit and co-incident with anomalous rock chips including 5.19g/t Au and 1.73% Cu.

Turon Gold Project (Krakatoa 100%); Lachlan fold NSW

The Turon Project covers 120km² and is located within the Lachlan Fold Belt's Hill End Trough, a north-trending elongated pull-apart basin containing sedimentary and volcanic rocks of Silurian and Devonian age. The Project contains two separate north-trending reef systems, the Quartz Ridge and Box Ridge, comprising shafts, adits and drifts that strike over 1.6km and 2.4km respectively. Both reef systems have demonstrated high grade gold anomalism (up to 1,535g/t Au in rock chips) and shallow gold targets (up to 10m @ 1.64g/t Au from surface to end of hole).

Rand Gold Project (100%); Lachlan Fold NSW

The Rand Project covers an area of 580km², centred approximately 60km NNW of Albury in southern NSW. The Project has a SW-trending shear zone that transects the entire tenement package forming a distinct structural corridor some 40 km in length. The historical Bulgandry Goldfield, which is captured by the Project, demonstrates the project area is prospective for shear-hosted and intrusion-related gold. Historical production records show substantial gold grades, including up to 265g/t Au from the exposed quartz veins in the Show Day Reef.

Mt Clere REEs, HMS & Ni-Cu-Co, PGEs Project (100%); Gascoyne WA

The Mt Clere REE Project located at the north western margins of the Yilgarn Craton. The company holds 1,780km² of highly prospective exploration licences prospective for rare earth elements, heavy mineral sands hosted zircon-ilmenite-rutile-leucoxene; and gold and intrusion hosted Ni-Cu-Co-PGEs. Historical exploration has identified the potential presence of three REE deposits types, namely, ion adsorption clays in extensive laterite areas; monazite sands in vast alluvial terraces; and carbonatite dyke swarms.

The information in this section that relates to exploration results was first released by the Company on 19 June 2019, 25 November 2019, 3 December 2019, 14 April 2020, 20 May 2020, 26 June 2020 and 6 July 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg' reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Aircore (AC) holes were sampled nominally on composited 2 to 5 metre intervals by the spear method. Near the end-of-hole narrower samples intervals, usually 1m for the last few metres. A representative sample was taken by spearing from each one metre bulk sample and depositing into calico bags to create a composited ~3kg sample. Additionally, a representative 1m calico sample was also speared from each bulk sample bag and kept as master sample. Sample weights were monitored in the field. Rock samples were chipped with a geological hammer from outcrop/subcrop or were grab/float samples. All samples were placed into labelled calico bags after photographing in the field. All AC and rock samples were prepped by ALS Global in Orange then sent to Perth for gold and multi-element geochemistry. All rock samples were crushed to a nominal 3mm. All rock and AC samples were pulverised to 95% passing 75 microns. All rock and AC sample weights were recorded. Gold analyses comprised a 30g charge by FA-AA (method Au-AA21), ME by four acid digestion with an ICP_MS finish (ME-MS61) for 48 elements: Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, and Zr. Rock samples with over-range As and/or Pb were re-analyzed by method OG-62. <p><u>Dipole-Dipole IP Survey 2021:</u></p> <ul style="list-style-type: none"> Contractor: Fender Geophysics Survey Type Induced Polarisation Array Type: Dipole-dipole roll along Receiver Dipole Length: 50m Transmitter Dipole Length: 50m Line length: 1200m No of lines: 3 Total line kms: 3.6 Line Orientation: 2 x east-west, 1 x NE-SW (Figure 1) Domain and Cycle: 2 seconds / 0.125 Hz
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g., core, RC, open-hole hammer, RAB, auger etc.) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<ul style="list-style-type: none"> AC blade drilling with a face sampling bit, 90mm nominal hole diameter. RC percussion drilling with a face sampling hammer bit, 105mm nominal hole diameter.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximize sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> AC sample recovery and moisture content was monitored and recorded. AC sample recovery is ensured by keeping the hole as dry as possible and cleaning the cyclone out at regular intervals. If groundwater couldn't be controlled the holes were terminated. No relationship has been observed between sample recovery and grade. Sample bias is unlikely due to the good general recovery of sample.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All AC samples were sieved on 1 metres intervals then qualitatively logged in detail, for particular observations such as weathering, alteration, vein and mineral content a quantitative recording is made. Rock samples were described qualitatively. Wet photos of chip trays and dry photos of all rock samples were taken. All bulk AC sample bags were measured for magnetic susceptibility with a KT10 instrument. The detailed descriptions recorded were more than sufficient in detail to support the current work.

Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn, whether 1/4, 1/2 or whole core taken. • If non-core, whether riffled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • AC samples are speared from the bulk samples, which are collected in buckets from the rig's cyclone then tipped into plastic bulk sample bags. Sample moisture is recorded. Most samples were dry. • Sample preparation comprises an industry standard of drying and pulverising to -75 microns (85% passing). Samples over 3kg were split. Rock samples are crushed using a jaw crusher prior to pulverizing. • AC sample duplicates were collected every 30 samples for AC drilling. This was done by spear sampling method. • Certified OREAS standards were inserted into the sample batch at the rate of 1 standard for every 30 samples. • The size of the sample is considered to have been appropriate to the grain size for all holes.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • ALS Global method Au-ICP21 is used for gold analysis. A 30g fire assay with ICP-AES finish with a wide detection limit from 1 ppb to 10 g/t. • ALS Global method ME61 by four acid digestion and ICP_MS finish. Both methods are considered to be near total. • A certified OREAS standard and a speared duplicate were inserted into the AC sample batches at the rate of 1 in every ~30 normal samples. No standards were inserted into the rock-chip batch. • The nature and quality of the QA-QC and analytical methods are considered appropriate to style of mineralisation at this early stage of the project.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Verification has been undertaken by Company personnel. • Twinned holes are inappropriate at this stage of work. • AC and rock sample data has been recorded in a database with QA-QC analysis of samples undertaken to validate data prior to it being inserted into the database. • No adjustments have been made to and assay data.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar & downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Drillhole collars and rock sample locations were surveyed by a handheld GPS (Garmin Map 64sx with 3-5m precision). The grid system used on the Rand Project for all surveys in this ASX report is GDA94 Zone 55. • Collar RLs are in AHD and were taken from a detailed DTM produced from the aeromagnetic survey flown by the company in 2020. • No downhole surveys were done on the AC holes. 42 of 43 were drilled vertically, the other was sighted with a sighting compass for azimuth. All collar surveys are tabulated in the report.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • For AC work, analytical data points downhole are sufficient to characterize the nature of the rock and its mineralisation. Drill hole spacings are designed to test specific anomalies relative to ease of access. All are appropriate for exploration results reporting. For rock samples, spacings were random being determined by the rock location. • No Mineral Resource is being calculated in this report. • 2 to 5 m AC sample composites were nominally taken on site for the AC Drilling, with 1m samples taken near end of hole.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • 42 of 43 AC holes were drilled vertically. The area of drilling is covered by up to 40 metres of younger transported cover and inasmuch lacks any outcrop - there is no data to base drill hole orientations on. The holes were designed to test various anomalies defined by gradient array IP, magnetic paleochannels and the 3 main bullseye magnetic high anomalies. • The orientation of the mineralisation remains unknowns at this stage.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • 2 to 5 metre composite sub-set samples were collected via the riffle splitter into pre-labelled calico bags. Calico bags were placed into polyweave sacks that were sealed with plastic cable ties. The polyweaves were submitted to in two batches, sent to Orange NSW by freight company <i>Main Freight</i> from Albury NSW. The single batch of rock-chips was delivered to ALS Global (Orange NSW) personally by the exploration manager.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • No audits have been completed to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Rand Project (EL9000) is wholly-owned by Krakatoa Australia Pty Ltd, a wholly owned subsidiary of Krakatoa Resources Ltd. The Company holds 100% interest and all rights in the Rand Project. EL9000 lies within rural free-hold land requiring KTA Resources Pty Ltd to enter into formal land access agreements with individual landowners, prior to any field activity, as prescribed by New South Wales State Law including the Mining Act 1992. The Company has rural land access agreements in place. EL9000 is considered to be in good standing.
Exploration by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Various parties have held different parts of the Rand Project in different periods and explored for different commodities over several decades. No party has ever completed systematic exploration across the Rand area, nor adequately considered the regolith during their work. Shallow inadequate percussion and diamond drilling was completed by Transit Mining in 1986 and 1987 at selected prospects. The holes had an average max. depth of 30 metres and failed to test the mineralised lodes in fresh bedrock. Postage stamp sized soil surveys were done over some areas of known mineralisation by Transit Mining in the 1988 and North Ltd. conducted regional auger soil sampling along some roads in 1995. Two drillholes with rotary mud collars and short diamond tails were completed near the Bullseye targets in 1983 by Samedan. These have been relogged and resampled by The Company and were detailed in a prior ASX release. All major historical datasets have been compiled and reviewed by KTA.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Project lies in the Wagga-Omeo Metamorphic Zone of the Central Lachlan Fold Belt, which includes the Wagga Tin-Tungsten Belt. Major rock units through the project area are described and mapped on the recently completed NSW GS 500k East Riverina Map Sheet: Ordovician metasedimentary rocks of the Abercrombie Formation Silurian S-Type granites of the Alma Park and Goombargana suites Early Devonian volcanics (e.g. Wallandoon Ignimbrite) Devonian I-Type granites (e.g. Jindera Granite) The area is prospective for a range of deposit styles, including intrusion-related gold (IRGS), shear-hosted (orogenic) gold, magmatic tin-tungsten deposits, rare earth elements, and copper-gold porphyries with associated epithermal systems. IRGS deposits are located either within or near granitic intrusions, often associated with tin-tungsten belts.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Rock-chip sample locations are shown in figures in the body of the report in MGA94Z55 grid. Strongly anomalous assay results are shown in a figure and all relevant IRGS elements are tabulated within the body of the report. Drillhole information including collar and survey are tabulated in the body of the report. Anomalous gold intercepts are summarised in a table within the body of the report.

Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • No weighting of averaging techniques have been utilised. • No aggregations are reported. • No metal equivalent reporting is used or applied •
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • The rock-chip samples reported in this release define a geochemical surface expression and no information regarding possible geometry of anomalous mineralisation is implied. • The AC drilling intercepts are reported as downhole (vertical) widths. No solid information is known or available about mineralisation true widths at the Bullseye Targets at this early stage of exploration.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and sectional views. 	<ul style="list-style-type: none"> • The pertinent maps for this stage of Project are included in the release. • All drillhole and rock-chip assay results are summarised in tables in the report. • All drillhole and rock-chip sample coordinates are in MGA94 Z55 and AHD.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • Anomalous AC drilling Au results are fully reported. • All pertinent rock-chip assay results are tabulated. • Pertinent dipole-dipole survey interpretations are shown in Figure 1.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> • Other geophysical data sets for the project area are available in the public domain and were previously reported by the company.
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the • main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • Follow-up RC and possibly diamond drilling is being planned for the Bullseye Anomalies. Further auger soil and surface mapping and rock-chip sampling is planned for the regional targets within EL9000. • The timing of future work programs within this Project is heavily influenced by the cropping cycles.