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Markets Announcement Platform
Australian Stock Exchange

MOZAMBIQUE HEAVY MINERAL SANDS PROJECTS – AIRCORE DRILL PROGRAM

- **Drill program to be located along trend and adjacent to a world class analog.**
- **Eleven discrete targets, three of which for upcoming drill testing (5,000 metres aircore); first target is drill-ready.**
- **Each drill target has a footprint size and grade potential commensurate with PFS / production projects that surround the Corridor Central and Corridor South projects.**
- **Focus is on establishing a high grade JORC Resource. Dynamic prioritization of drilling dependent on results.**
- **Qualified Contractor selected and planned to mobilise mid August.**
- **Drilling permits and environmental approvals underway.**
- **Community engagement underway.**

Aircore Drilling Target Generation

The Company has completed a comprehensive exploration data review and has identified 11 high quality targets for drill testing. With substantial progress now achieved with regulatory compliance in Mozambique it is time to move forward with the exploration.

The data review comprised:

- (i) previous historic Aircore drilling,
- (ii) interpretation of recent airborne geophysical data obtained by the Company,
- (iii) results from recent reconnaissance Hand Auger drilling undertaken by the Company,
- (iv) results of a preliminary mineralogical study, and

- (v) comparative study against surrounding analogous deposits that are either already in production, or at PFS stage to confirm footprint and grade potential of each of the resultant drill targets is of world class potential as an exploration prize.

The objective of the drilling is to deliver a quality JORC-compliant mineral resource estimate that can be used to support and underpin initiation of a Scoping Study.

The drilling will be executed with a phased approach with an initial 5000m of drilling, targeting the higher priority radiometric Anomaly 1 (Koko Masava prospect) first. Based on the high intensity radiometric anomalism and high total heavy mineral (THM) grades defined in the Koko Masava prospect; it has the highest potential to deliver on the Company's strategy of focussing on zones with high THM grade and high value mineral assemblage.

This initial phase contains up to 51 planned drill hole locations, to be drilled to an average of 50m depth, with selected deeper 'stratigraphic' holes to assist with understanding further depth potential for mineralisation. Holes will be drilled on lines 1000m apart at station 500m along the lines. A tactical, results-based approach will be used for the drilling, such that the exploration team has flexibility to infill between drill holes with encouraging visual estimated heavy mineral.

The second phase of the drilling will target the magnetic Anomaly 10 (Poiombo prospect), where up to 35 holes are planned, with similar depth and spacing characteristics to the plan for Koko Masava prospect. A further update will be released prior to drilling the Poiombo target.

At least 3 twin holes of previous historic drill holes are part of this current Aircore drill plan, with the strategic goal of obtaining enough data to support use of data from the older holes in any mineral resource estimation.

A suitably qualified drill contractor has been selected from several tender proposals, and preparations are progressing for mobilisation and selection of a start date. The contractor has previous experience drilling heavy mineral sands in the Corridor, Chilubane and Mutamba project areas as well as significant general Mozambique operating experience.

Regional Context – World Class Mineral Sand Province

Modern heavy mineral sand (HMS) exploration in Mozambique commenced in the 1980s, with early discoveries made by Kenmare Resources, BHP and Rio Tinto. Mozambique is now known to host the largest HMS titanium feedstock resources in the world. The Company's Corridor projects are strategically located only 10km south of the world class Corridor Deposit 1, being mined by Deshing Minerals and approximately 10km north of Rio Tinto's Chilubane deposit, currently at feasibility phase. The Mutamba deposit, also owned by Rio

Tinto and at feasibility phase, is located approximately 250km northeast of the Company's Corridor projects. (Figure 1)

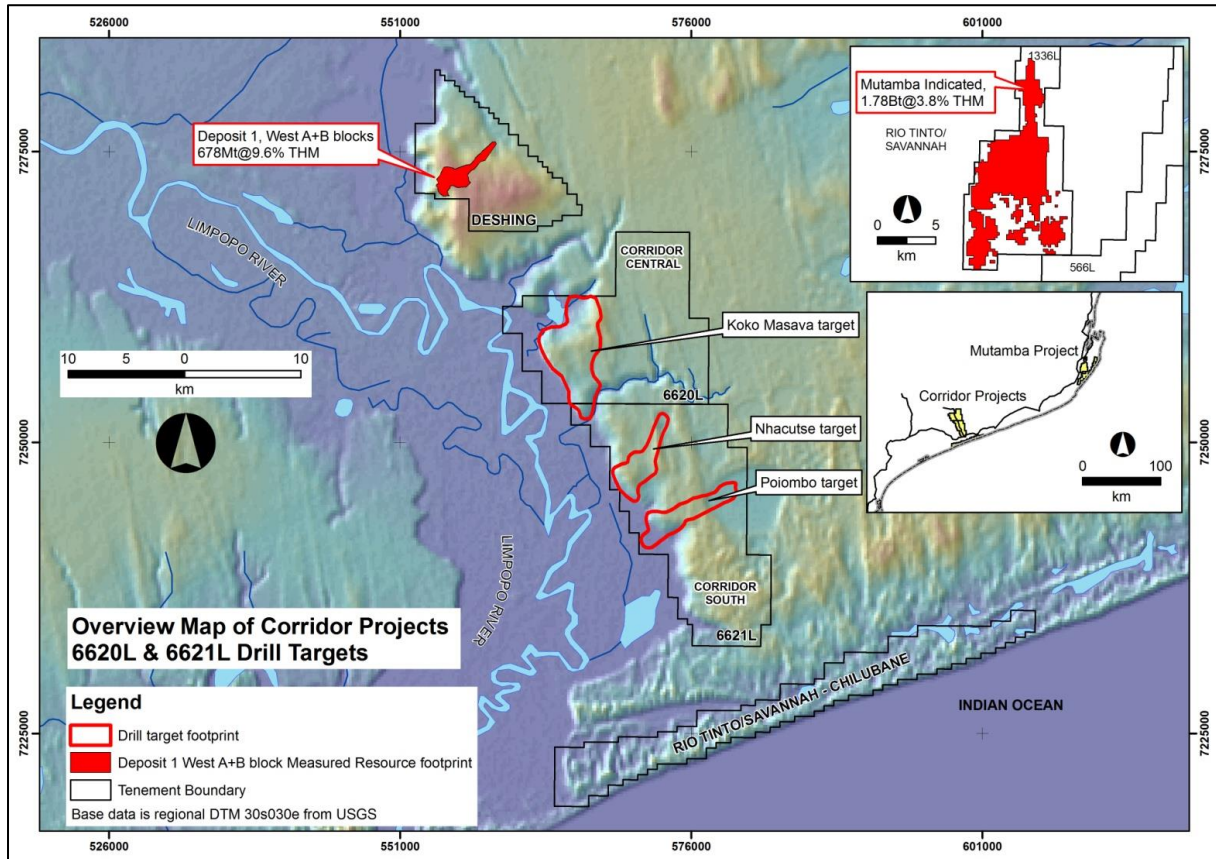


Figure 1: Regional overview map of the Company's Corridor projects, showing relative locations to nearby deposits.

Historic Aircore Drill Results

First pass, reconnaissance aircore drilling of 35 holes at the Company's Corridor projects has identified impressive high THM grades from surface to depths up to 90m. The reconnaissance drilling was undertaken by Southern Mining Corporation and Western Mining Corporation, between the years 1999-2000, with drill holes located along existing access tracks. The drill holes are spaced 1km to 3km apart but define zones of high grade THM (>5%) with surface footprints up to 5.5km x 1.5km.

Airborne Geophysics – Radiometric and Magnetic Interpretations

An extensive airborne magnetic and radiometric survey, undertaken by the Company in April 2019, has confirmed coincidence of both magnetic and radiometric anomalism with historic high grade THM drill results. Further to the zones known to be highly prospective

from historic drilling, interpretation of the geophysical data has identified numerous other high quality exploration targets.

The interpretation of airborne magnetic data has defined large, discrete anomalies up to 3km x 0.5km on the Corridor Central tenement and 9km x 1.0km on the Corridor South tenement. Overall, there are at least 12 TMI-AS anomalies interpreted from the magnetic data that require drill testing.

Large, coherent radiometric anomalies up to 4km x 2km are interpreted on the Corridor Central tenement and 4.3km x 1.5km on the Corridor South tenement. A total of 11 radiometric anomalies have been interpreted from the data set, which are typically in-part coincident with the magnetic anomalism and require drill testing.

Auger Drilling Visual Pan Results

Recent orientation and verification drilling by the Company with shallow hand auger holes were drilled to between 10.5m and 12m deep, on a systematic grid 2000m between lines and 500m between hole stations. Visual estimation of THM% grade in pan concentrates, in the areas where historic Aircore results show high THM grades, has conditionally supported and confirmed validity these historic results.

Mineral Assemblage

The Company undertook analyses to determine the indicative mineral assemblage characterisation of samples from within the surface expression of high THM grade zones. The results of these analyses have demonstrated a robust and high quality, ilmenite-rich valuable heavy mineral assemblage. Importantly, the results are as good as, or better than for the nearby Corridor Deposit 1.

Exploration Data Review – Thee Priority Drill Targets Identified

The processed airborne magnetic and radiometric data for the Corridor projects has delivered to the Company a comprehensive data suite, which combined with historic and other recently acquired data, has allowed:

- (i) definition of magnetic and radiometric drill targets,
- (ii) confirmation of coincidence of historic high grade drill results with geophysical anomalies,
- (iii) verification of historic drill results by new auger drilling,
- (iv) identification of palaeogeographic coastal features known to host high grade strandline style HMS mineralisation, and

- (v) confirmation of a valuable heavy mineral assemblage similar to Corridor Deposit 1, currently being mined.

Using this geological data the Company has been able to review and critically evaluate the various targets and define three targets with higher priority for immediate aircore drill testing (Figure 2). The first target to be drilled is Koko Masava (Figure 3).

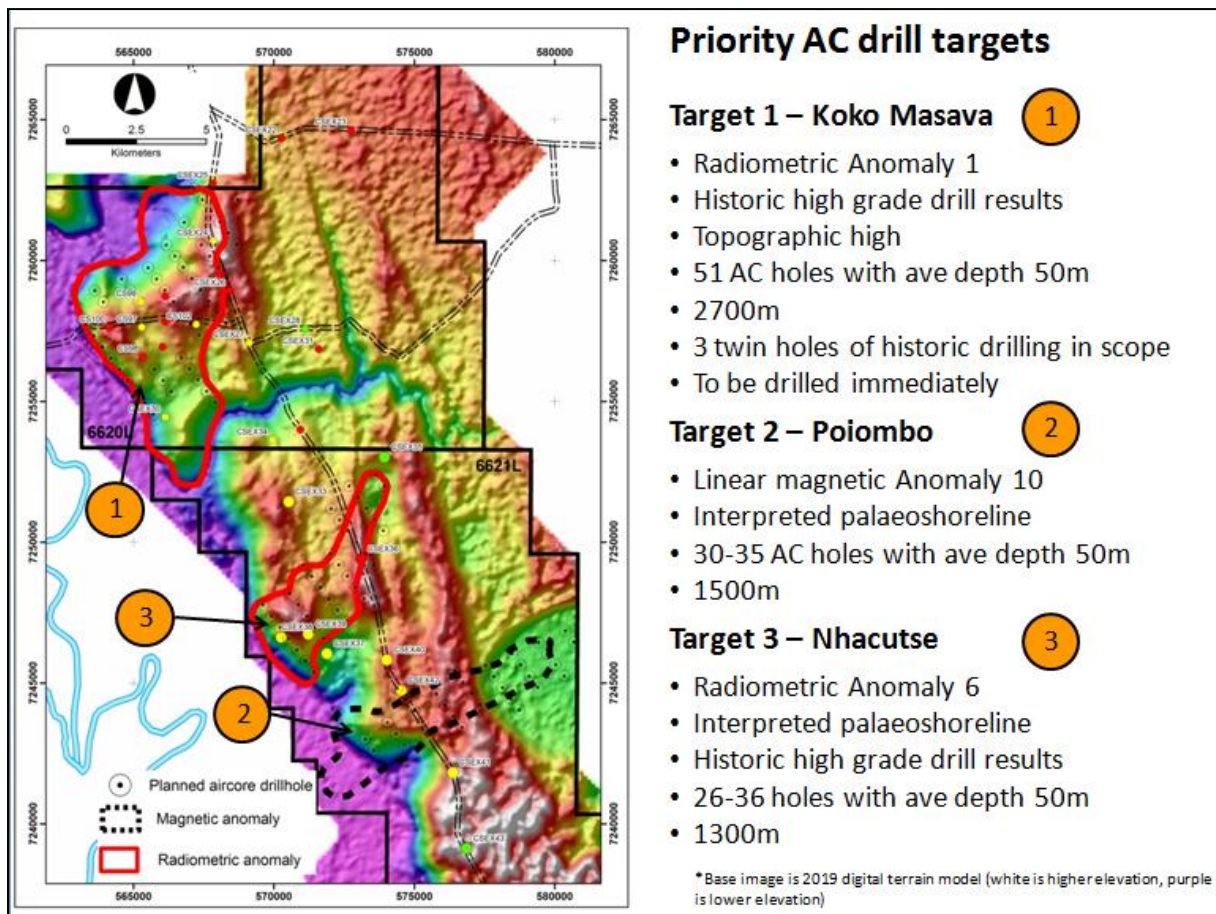


Figure 2: Location map of the three priority Aircore (AC) drill targets located on the Corridor projects.

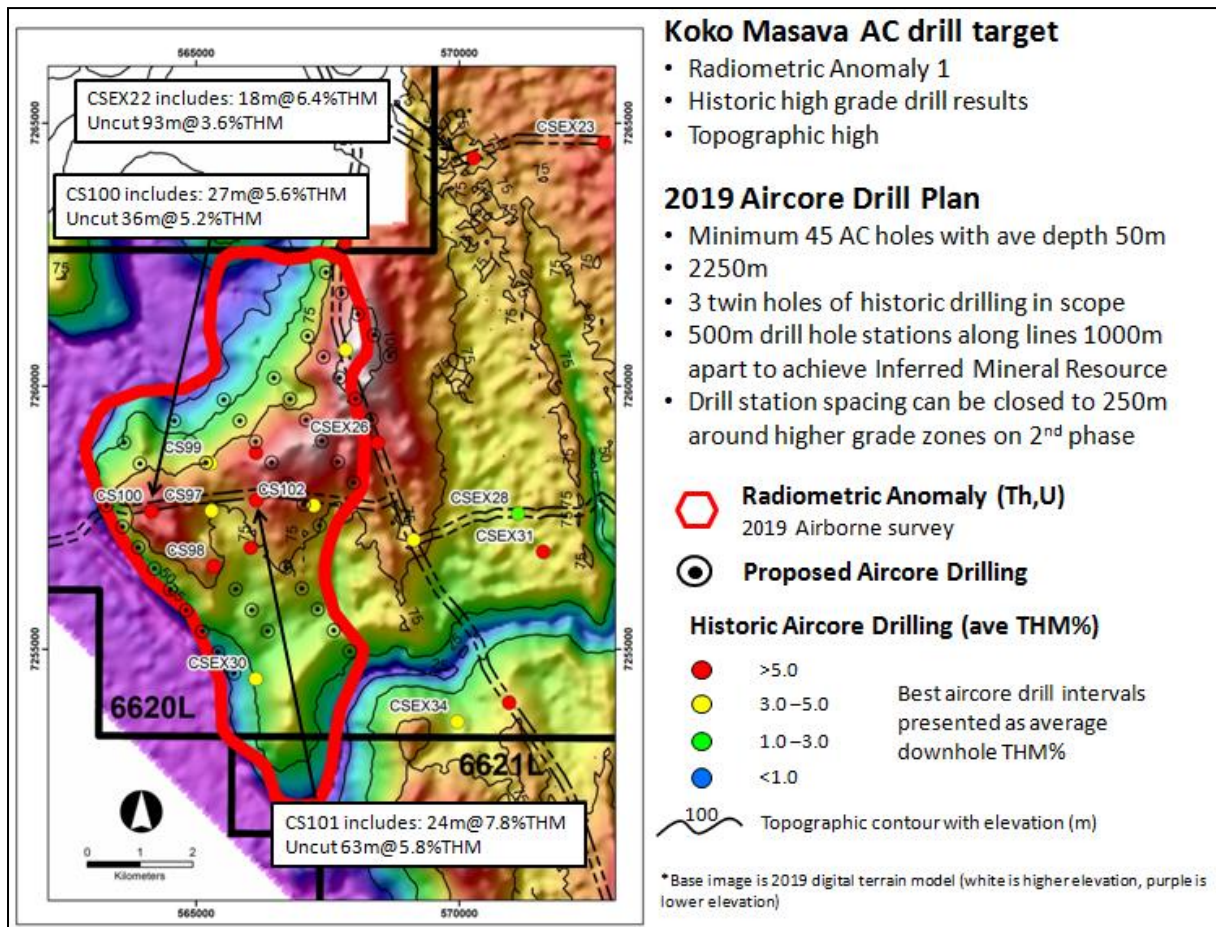


Figure 3: Detailed location map of the priority 1 Aircore (AC) drill target within Corridor Central (6620L) tenement.

Dynamic and Continuous Target Review

The Company plans to continue regional auger drilling on the Corridor tenements to generate, test, and prioritise further targets for aircore drilling. Drilling priorities will be dynamically reviewed as new data comes to hand.

Competent Persons' Statement

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Dr Mark Alvin, who is a member of The Australasian Institute of Mining and Metallurgy. Dr Alvin is an employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Alvin consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.