22 June 2021

The Manager
Company Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridges Street
Sydney NSW 2000

Dear Sir

BEKISOPA PRODUCT IRON ORE GRADE

Pursuant to the requirements of Listing Rules, please find attach an announcement authorised by the AKORA board of directors.

Yours faithfully

JM Madden
Company Secretary

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BEKISOPA IRON ORE PRODUCT GRADE

AVERAGES 62.8%FE FOR
COMBINED MASSIVE/COARSE DISSEMINATED IRON MINERALISATION TYPES

AVERAGES 65.5%FE FOR
MASSIVE IRON MINERALISATION TYPE

HIGHLIGHTS

- Results show potential for Bekisopa to produce a high-grade iron ore fines product

- Bekisopa composites of massive and coarse disseminated iron mineralisation types requires only minimal processing to achieve an **average product grade of 62.8%Fe** with low phosphorous, silica and alumina impurities

- Bekisopa massive iron mineralisation type requires only light processing to achieve an **average product grade of 65.5%Fe** with low phosphorous, silica and alumina impurities

- Bekisopa fines product quality has potential as an attractive feed for blast furnace and direct reduction iron

- Bekisopa forecast deliverable product grade appears excellent when compared to the major iron ore globally traded products

AKORA Resources (ASX: AKO, AKORA, the Company) reports that drill hole results analysis continues at its flagship Bekisopa Iron Ore Project. The Company has achieved significant iron mineralisation intercepts, widths and depth and **high iron ore product grades** from the first round of testing on the 2020 drilling across the main Bekisopa tenement 10430, as previously reported in ASX announcements 13 and 27 April 2021. This announcement brings together the previously reported results, particularly on the excellent product grade trials.

AKORA achieved an average **product grade of 62.8% Fe with low phosphorus, 0.045%P, and comparable combined silica plus alumina at 6.1%** from the composite massive and coarse disseminated magnetite mineralisation. These excellent product grades were achieved after only crushing to -2mm and magnetic separation. These results highlight Bekisopa's potential to deliver high iron ore product grades, with only limited crushing and separation needed, refer Figure 1. The average product grade for the massive iron mineralisation is **65.5%Fe with combined silica and alumina at 3.9%**, refer Figure 1.

AKORA Managing Director Paul Bibby said, *"These Bekisopa results continue to demonstrate its potential to deliver a high-grade iron ore product without the need for extensive processing.*

In fact, the deliverable product grade looks likely to compete with the grades of the best iron ore products globally, magnetite or hematite. At the end of the day, it is all about the grade of delivered product and the cost to produce the product. Due to the unique nature of the iron mineralisation and the simple, minimal processing required to achieve a saleable product will make our product very attractive to steel makers. There will also be potential for lump iron ore from outcropping material and the iron mineralisation at depth and along strike will be readily upgradable to deliver a high-grade iron ore fines product."

Figure 1

ASIAN SEABORNE IRON ORE QUALITY EVOLUTION 2006-2016
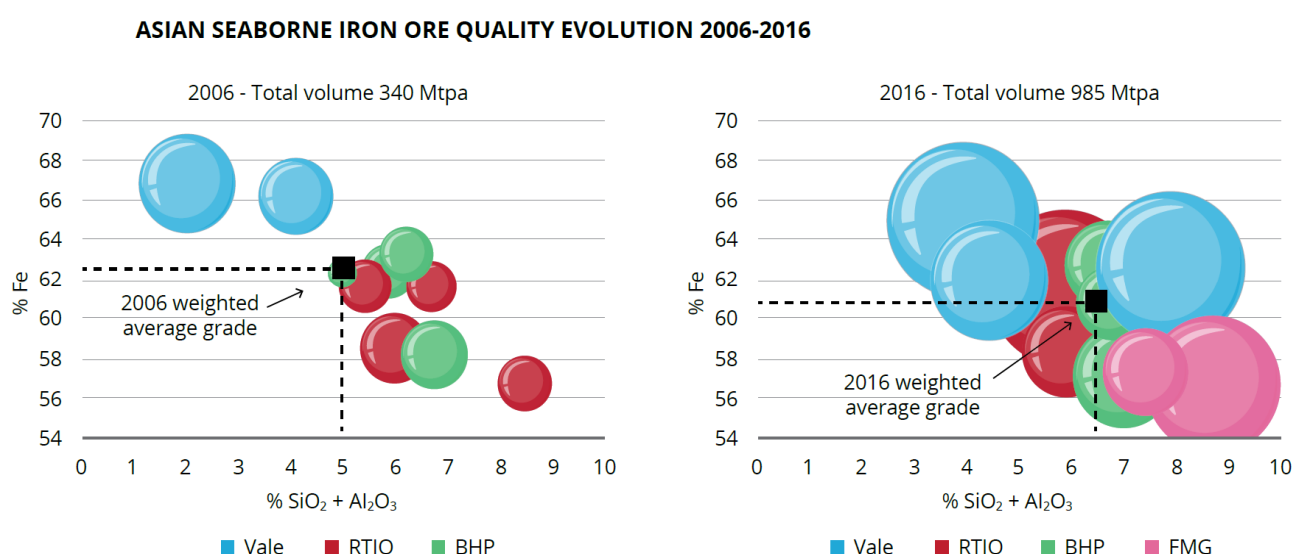
(Source: Minerals Council of Australia)

The above figure shows the Asian seaborne iron ore quality, from the major iron ore producers, declined from 2006 through to 2016. The average iron product grade in 2016 had fallen to ~60.8% with combined silica and alumina grades increasing to ~6.4%. The combined product grade test results for AKORA, as reported previously to the ASX, has an **average iron grade of 62.8% and average combined silica and alumina of 6.1%** (*see* ASX Announcements dated 13 April 2021 and 27 April 2021), placing it favorably when compared to the average shipped grade in 2016. These encouraging results indicate that Bekisopa products should be sort after by steel makers.

DISCUSSION – PRODUCT QUALITY

The ability to produce a high-grade product from Bekisopa drill core after crushing to 2 mm should mean the project's iron ore fines product, **at 62.8% iron**, is very well placed when compared with others currently marketed. The Bekisopa high-quality product grade results were achieved with limited processing and without optimization. In Figure 1 above, the 2016 Asian seaborne **average traded iron ore product grade was ~60.8% iron** with a **combined silica and alumina grade of ~6.4%**.

Figure 1 also shows that the average traded iron ore grade has fallen noticeably over the 2006 to 2016 period, from ~62.5% to ~60.8% Fe, as the known better resources are depleted. Also, the combined silica and alumina grade, a key quality parameter, has increased considerably over this period, from 5% to ~6.4%, again as the better-quality iron ores are first mined and resources depleted. It is expected that this reported decline in iron ore product grade would continue to be observed post 2016.

AKORA's average iron product grade quality, at **62.8%** with **combined silica and alumina grade of 6.1%,** is very favorably positioned when compared to the ~60.8%Fe and ~6.4% averages achieved from the major producers in 2016, Figure 1. The Bekisopa average 62.8%Fe product grade from the combined massive and coarse disseminated iron mineralisation types is only after crushing to 2mm and wLIMS processing. The Bekisopa massive iron mineralisation average product grade is **65.5% iron and 3.9% combined silica and alumina**, placing it amongst the best quality product shipped in 2016, Figure 1.

(Source: Minerals Council of Australia and A. Brent, Optimising Value – Unlocking Potential on the Revenue Side of the Value Equation, Iron Ore 2019 Keynote presentation,

https://ausimm.com/product/optimising-value-unlocking-potential-on-the-revenue-side-of-the-value-equation/).

## DISCUSSION – OVERALL 2020 DRILLING RESULTS

AKORA Resources' 2020 Bekisopa exploratory drilling program saw 11 drill holes intersect iron mineralisation at depth up to 100 metres, with extensive true widths up to +200 metres, and attractive grades including:

-     6.9m @ 64.7% Fe (from surface),

-    13.6m @ 63.5% Fe,

-    25.2m @ 61.4% Fe (from surface),

-    28.3m @ 58.7% Fe (from surface),

-    37.2m @ 47.5% Fe (from surface),

-    70.5m @ 44.1% Fe (from surface) and

-    49.3m @ 39.3% Fe (from surface).

Initial geological observations of drill core show that there appears to be **three distinct iron mineralisation types** present along the Bekisopa 6km strike and at depth.

Massive iron mineralisation, grading plus 45%Fe to 68%Fe, mainly magnetite, with some hematite and goethite.
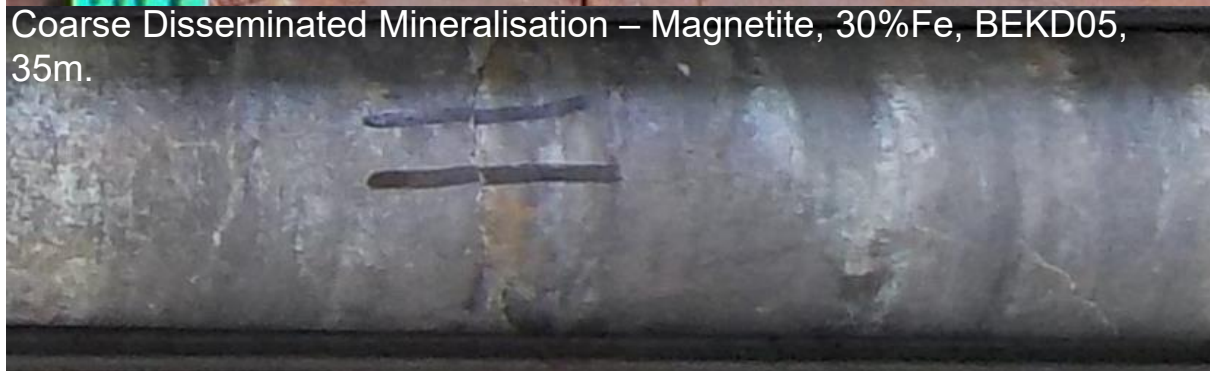

Massive mineralisation – Magnetite, 61.1%Fe, BEKD01, 59.4m.
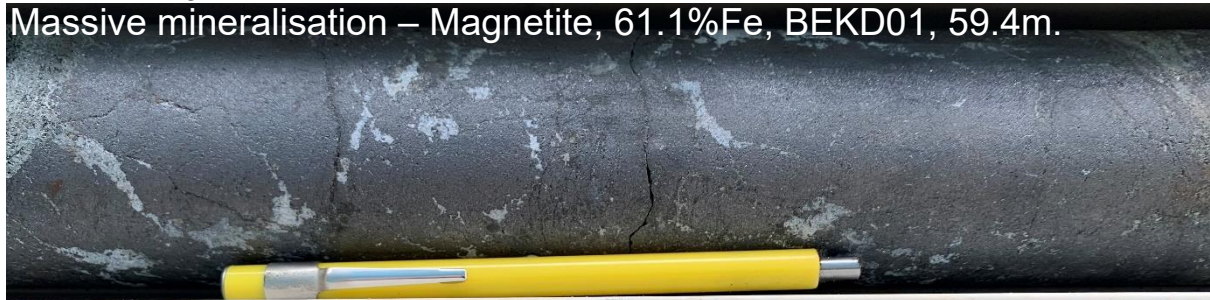
Massive mineralisation – Hematite & Goethite, 62.4%Fe, BEKD11, 3.6m.

Coarse Disseminated Mineralisation – Magnetite, 30%Fe, BEKD05, 35m.

Fine Disseminated iron mineralisation, grading say 10 to 25%Fe, mainly magnetite.

Fine Disseminated mineralisation – Magnetite, 15%Fe, BEKD04, 81.4m.

The focus mineralisation for product quality trials is from the massive and coarse disseminated types, which are predominately at and near surface. Mineralogy and XRD evaluations will be conducted to better understand / define these distinct iron mineralisation types.

AKORA prepared composites from the drill core, by iron mineralisation type, and performed simple process trials to obtain an indication of the resultant product grade. These composites were tested after only a minimal crush to minus 2mm followed by wet low intensity magnetic separation, wLIMS.

These processing trials for the combined massive and coarse disseminated iron types delivered an **average product grade outcome of 62.8% iron**, a high-quality iron ore product

equal to the benchmark 62%Fe marketed product grade. The AKORA process trials were achieved after only light processing of drill core samples, refer to Photographs 1 and 2.
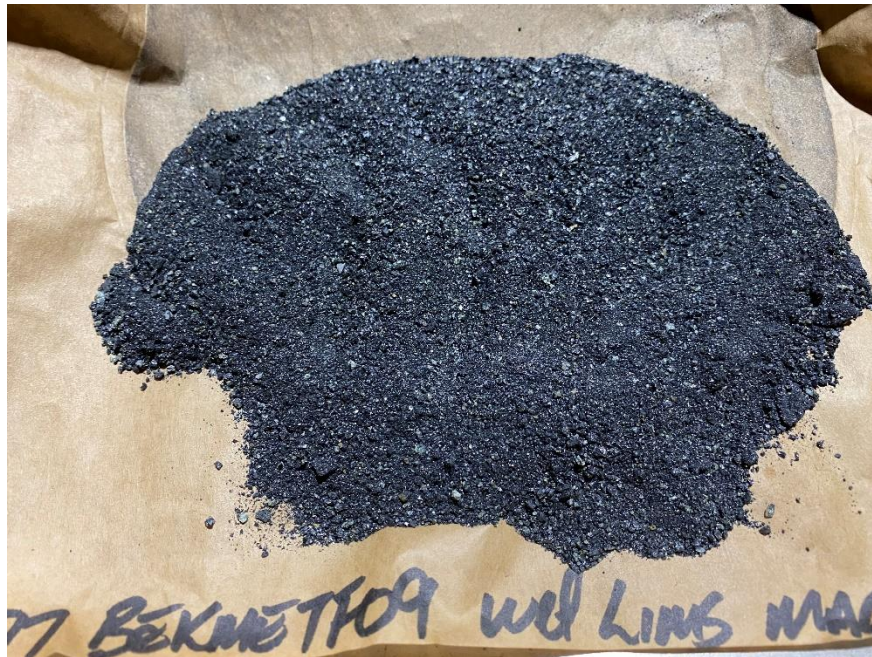
Photograph 1

*Product from BEKMETF09 comprising **coarse disseminated** iron from BEKD01. The wLIMS product grade is 63.9%Fe at an 90% Fe recovery, from an average combined head grade of 35%Fe.*

Photograph 2

*Product from BEKMETF04, a composite of surficial (lateritised) **massive mineralisation** from BEKD09, BEKD10 and BEKD11. The wLIMS product grade is 66.9% Fe at an 84% Fe recovery, from an average combined head grade of 60%Fe.*

These products are potentially a high-grade fines iron ore product, with average 62.8%Fe, and contain very low, in specification, phosphorous, at 0.045%P, refer Table 1, at excellent iron recoveries (Platts 65% Fe Iron Ore Fines Quality limit for phosphorous is 0.065% P).

Magnetic Fraction	Product Grade %			Iron Recovery	Calc Head Grade	Iron Mineralisation
Sample	Fe	P	S	%	Fe %	Type
BEKMETF01	60.7	0.05	2.06	92.9	43.6	Massive
BEKMETF02	66.5	0.05	1.775	90.6	58.2	Massive
BEKMETF03	68.3	0.03	0.057	88.1	61.8	Massive
BEKMETF04	66.9	0.02	0.014	83.9	60.0	Massive
BEKMETF05	65.1	0.05	0.146	58.9	61.0	Massive
BEKMETF06	63.4	0.05	0.046	95.7	41.2	Coarse Disseminated
BEKMETF07	60.2	0.05	1.295	91	39.5	Coarse Disseminated
BEKMETF08	54.1	0.06	0.049	76.9	41.6	Coarse Disseminated
BEKMETF09	63.9	0.04	0.303	90.4	40.4	Coarse Disseminated
BEKMETF12	59.3	0.05	0.016	59.3	38.7	Coarse Disseminated
Averages	**62.8**	**0.045**	**0.576**	**82.8**		

Table 1

Iron, phosphorous and sulphur product grades, from unoptimized processing trials, for both the massive iron and coarse disseminated iron mineralisation at Bekisopa. Average combined grade of 62.8%Fe, very low 0.045% Phosphorous and in spec Sulphur at 0.576%S.

(Magnetic fraction, -2mm, 900 gauss magnetic drum separation, wet LIMS (Calc Head = head grade back calculated from combined magnetics and non-magnetics assays))

The average sulphur, in the product grades across these processing trials, vary from a low, in specification, 0.014%S up to higher sulphur contents of 2.06%S, with an overall average sulphur grade of 0.576%S, which is within specification for iron ore fines at less than 0.6%S.

"Acceptable sulphur content in ores and concentrates for producing sinter and pellets is 0.6 % max, as sintering and heat hardening of pellets remove sulphur by 60-90%.

Source: https://urm-company.com>Iron ore raw materials."

These composited iron ore products also have a **competitive combined silica and alumina content of only 6.1%** an important parameter for blast furnace performance, refer Table 2, and appears to be comparable to that delivered by many producers as seen in Figure 1 above.

Magnetic Fraction	Product Grade %			Iron Mineralisation
Sample	Fe	SiO_2	Al_2O_3	
BEKMETF01	60.7	5.4	1.1	Massive
BEKMETF02	66.5	1.7	0.6	Massive
BEKMETF03	68.3	1.7	1.4	Massive
BEKMETF04	66.9	2.0	2.2	Massive
BEKMETF05	65.1	2.6	0.6	Massive
BEKMETF06	63.4	4.6	1.2	Coarse Disseminated
BEKMETF07	60.2	6.2	1.1	Coarse Disseminated
BEKMETF08	54.1	12.2	1.6	Coarse Disseminated
BEKMETF09	63.9	4.4	1.3	Coarse Disseminated
BEKMETF12	59.3	7.1	1.7	Coarse Disseminated
Averages	**62.8**	**4.8**	**1.3**	

Table 2

Iron, silica and alumina product grades, from unoptimized processing trials, on the combined iron mineralisation at Bekisopa. Average grades of 62.8%Fe and competitive combined silica and alumina grades 6.1% combined.

Magnetic fraction, -2mm, 900 gauss magnetic drum separation, wet LIMS (Calc Head = head grade back calculated from combined magnetics and non-magnetics assays)

Conclusion

The unoptimised processing trials on AKORA's Bekisopa 2020 drill core has produce excellent high-grade iron ore fines products, averaging 62.8% Fe from the combined massive and coarse disseminated iron mineralisation, with low phosphorous at 0.045%P and with very competitive low combined silica and alumina content at 6.1%. The AKORA fines products have excellent quality when compared to traded iron ore fines. Our expectation is that further drill core samples from these iron mineral types will confirm these high-quality product results, which may even be enhanced as we evaluate the light processing options further.

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About AKORA Resources

AKORA Resources (ASX: AKO) is an exploration company engaged in the exploration and development of the Bekisopa Project, the Tratramarina Project and the Ambodilafa Project, iron ore projects in Madagascar, in all totalling some 308 km2 of tenements across these three prospective exploration areas. Bekisopa Iron Ore Project is a high-grade magnetite iron ore project of >4km strike and is the key focus of current exploration drilling and resource modelling.

Competent Person's Statement

The information in this report that relates to Exploration Targets, Exploration Results, and related scientific and technical information, is based on and fairly represents information compiled by Mr Antony Truelove. Mr Truelove is a consulting geologist to Akora Resources Limited (AKO). He is a shareholder in Akora Resources Limited, holding 4,545 Shares he purchased in 2011, some 8 years prior to being engaged as a consultant. Mr Truelove is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and a Member of the Australian Institute of Geoscientists (MAIG). Mr Truelove has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Truelove consents to the inclusion in this report of the matters based on his information in the form and context in which it appears including sampling, analytical and test data underlying the results.