

4 May 2021

## Exploration at Mt Clere REE Project Commences

- Extensive reconnaissance, mapping and geochemical survey has commenced over the Company's 100% owned Mt Clere project, within the Narrayer Terrane.
- Granted tenure is prospective for REE deposits, including ion adsorption clays in extensive laterite areas; monazite sands in vast alluvial terraces; and possible Carbonatite dyke swarms akin to Hasting's (ASX: HAS) Yangibana Project.
- Mt Clere's entire multi element tenement package is prospective for:
  - Rare Earth Elements;
  - Heavy Mineral Sands hosted Zircon-Ilmenite-Rutile-Leucoxene; and
  - Gold and Intrusion hosted Ni-Cu-(Co)-(PGEs).
- The Company has further expanded its dominant landholding in the Narrayer Terrane.



**Figure 1: photograph of breakaway located in upper catchment of E52/3731. The area is surrounded by anomalous historical stream sediment geochemical results (refer to ASX announcement October 9, 2020). The weathered profile is believed to be the remains of in-situ outcropping bedrock.**

### 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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Krakatoa Resources Limited (ASX: KTA) (“Krakatoa” or the “Company”) is pleased to provide an update on exploration activities over its highly prospective Mt Clere Project (“Project”), located in the north western margins of the Yilgarn Craton, Gascoyne Region of Western Australia. Mt Clere hosts significant Rare Earth Element (REE) geochemical anomalies originally delineated by BHP Minerals and subsequently confirmed by Astro Mining in the 1990’s. (Refer to ASX announcement October 9, 2020). Significantly, the project also covers regions of structural complexity within the Narryer Terrane in the Yilgarn Craton said to represent reworked remnants of greenstone sequences that are prospective for intrusion-hosted Ni-Cu-(Co)-(PGE's) and possible gold.

The Company has commenced low impact exploration and reconnaissance over the extensive 1,080km<sup>2</sup> land holding currently held under recently granted licenses. A seven-day field program by the Company CEO, Mark Major, and consultant geologists was recently undertaken. During this reconnaissance and mapping period, the Company initiated the commencement of an extensive geochemical survey involving collection of stream sediment and rock samples over areas where permission has been obtained. The sampling work is ongoing and expected to be completed within the week.

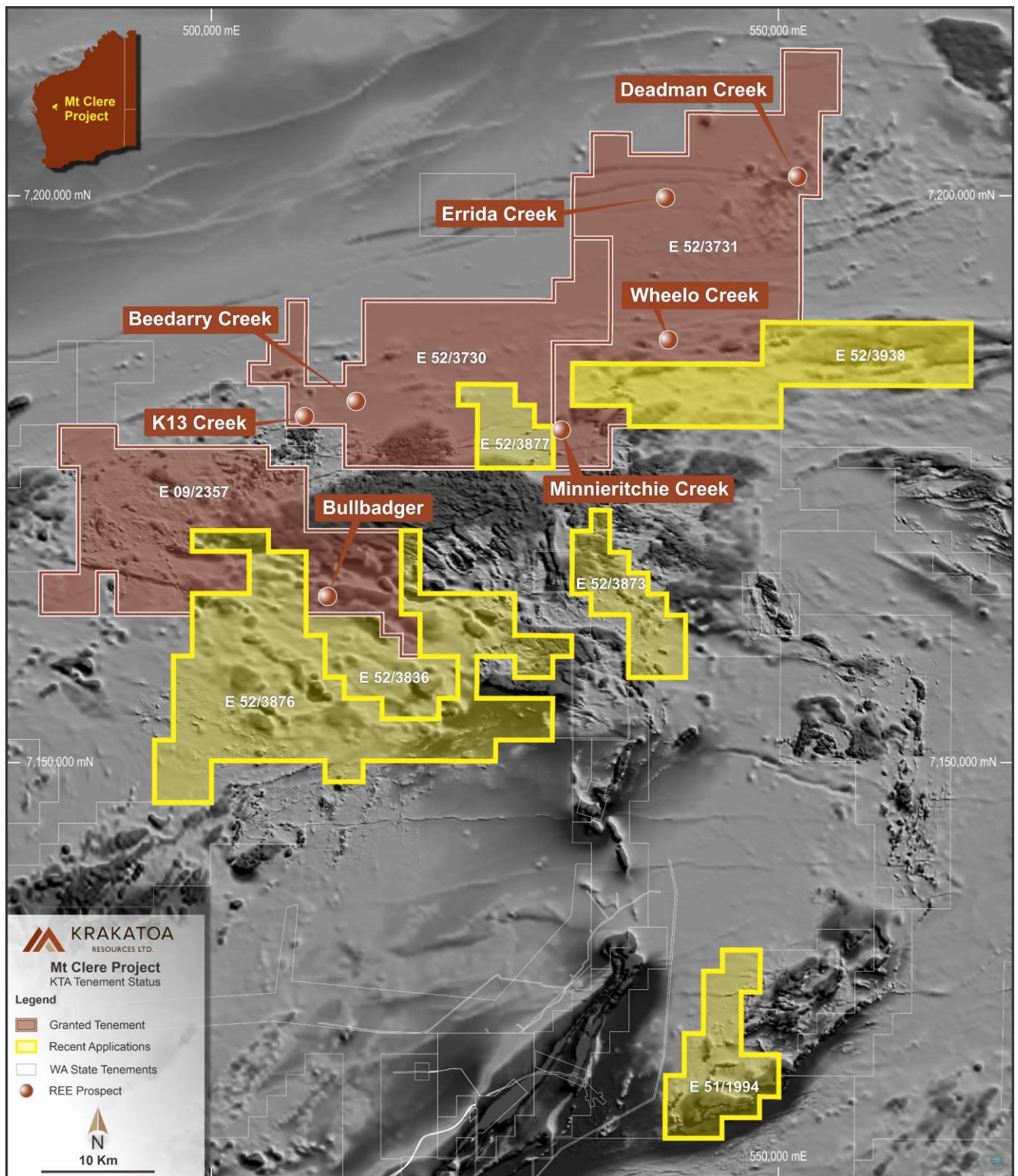


**Figure 2: Krakatoa exploration personal showing localised outcrop and surface topography typical of the Mt Clere Project, Gascoyne Region, Western Australia.**

## **NEXT STEPS**

The Company proposes to implement a staged approach to exploration activities over the vast land holding. Stage 1 reconnaissance mapping has been undertaken and the commencement of Stage 2 stream and rock geochemical sampling is currently underway over areas where permissions have been obtained for low impact exploration. The Company endeavours to widen the Stage 2 program further once heritage/regulatory approvals are complete or upon the granting of additional applications.

The exploration program will consist of initial field reconnaissance, geological and geochemical mapping, sampling of geological outcrops and stream sampling.



**Figure 3: Krakatoa exploration licenses and applications within the Narryer Terrane, highlighting known REE anomalies, Mt Clere Project, Gascoyne Region, Western Australia**



Authorised for release by the Board.

#### FOR FURTHER INFORMATION:

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#### 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.*

#### Competent Person's Statement

*The information in this announcement is based on, and fairly represents information compiled by Mark Major, Krakatoa Resources CEO, who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Krakatoa Resources. Mr Major 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 Major consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.*

## ABOUT KRAKATOA:

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



### **Belgravia Cu-Au Porphyry Project (100%); Lachlan Fold Belt, NSW**

The Belgravia Project covers an area of 80km<sup>2</sup> 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 (100%); Lachlan Fold Belt, NSW**

The Turon Project covers 120km<sup>2</sup> 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 Belt, NSW**

The Rand Project covers an area of 580km<sup>2</sup>, 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 1,780km<sup>2</sup> 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 deposit 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.