24 May 2021

New Gold Discovery at Goodwood Reef, Rand Project

- Highly encouraging assay results from maiden 9-hole RC drilling program
- Broad-spaced, first pass drilling confirmed gold mineralisation at several historic mines and prospects
- **Significant shallow gold mineralisation defined. Best results include:**
  - **40m @ 0.22g/t Au from 60m, including 12m @ 0.52g/t and 2m @ 1.14g/t**
  - **8m @ 0.75g/t Au from 46m, including 5m @ 1.13g/t**
- Drilling intersected multiple sub-parallel gold zones at Goodwood Reef Mine, which remain open downdip and along strike
- Most holes returned elevated metals and pathfinder elements characteristic of intrusive-related gold systems (IRGS), reinforcing the prospectivity of the Project
- Gold mineralisation encountered highlights the significant exploration upside that exists within the 6km zone of magnetic lineaments
- Less than 10% of the highly prospective Rand project has been explored
- Assays from regional auger soil and magnetic bullseye air-core (AC) drill program imminent

Figure 1: Drilling RC hole KBRC007 at Goodwood Reef Mine

Krakatoa Resources Limited (ASX: KTA) ("Krakatoa" or the "Company") is pleased to announce initial assay results from the maiden RC drilling program completed over the Bulgandry Goldfields, within its 100% owned Rand Gold Project ("Project"). The Project is centred approximately 60km NNW of Albury in southern NSW covering 580km^2 of an under-explored part of the well-endowed Lachlan Fold Belt.

The reconnaissance RC drill program was designed as a broad, first-pass test of a small selection of known historical mine workings within the Bulgandry Goldfields. Nine (9) reverse circulation (RC) holes were drilled totalling 1,275 metres (Figures 1, 2 and Table 1); 8 tested for widths and gold grades beneath surface workings and one hole tested a new zone of veins mapped and sampled by KTA in 2021. All initial composite samples were fast tracked by the laboratory and assay results from the program have now been received.

Krakatoa's Chief Executive Officer, Mark Major commented:

"We are excited to have completed our maiden RC drilling program at the Bulgandry Goldfields, the first drilling to have been undertaken over several of the historical yielding, high grade gold mines. It is great to see strong gold results generated from our first ever reconnaissance drilling which has also confirmed widespread IRGS-style gold mineralisation outside the known areas.

It's very pleasing that we have successfully intersected several zones of shallow gold mineralisation at the Goodwood Reef Mine, a location that has never been previously tested by drilling due to historic land access issues. Again, these initial results demonstrate that this area has the hallmarks of a large system with multiple parallel lodes. We are just starting to touch the surface of our knowledge on this area and its systems.

The Company is currently awaiting final assays from the regional scale auger soil geochemical survey and the reconnaissance air-core drilling program over the magnetic bullseye targets area. We look forward to sharing strong news flow over the coming months from this emerging greenfield exploration, These results will enable us to plan the next phase of our systematic exploration strategy."

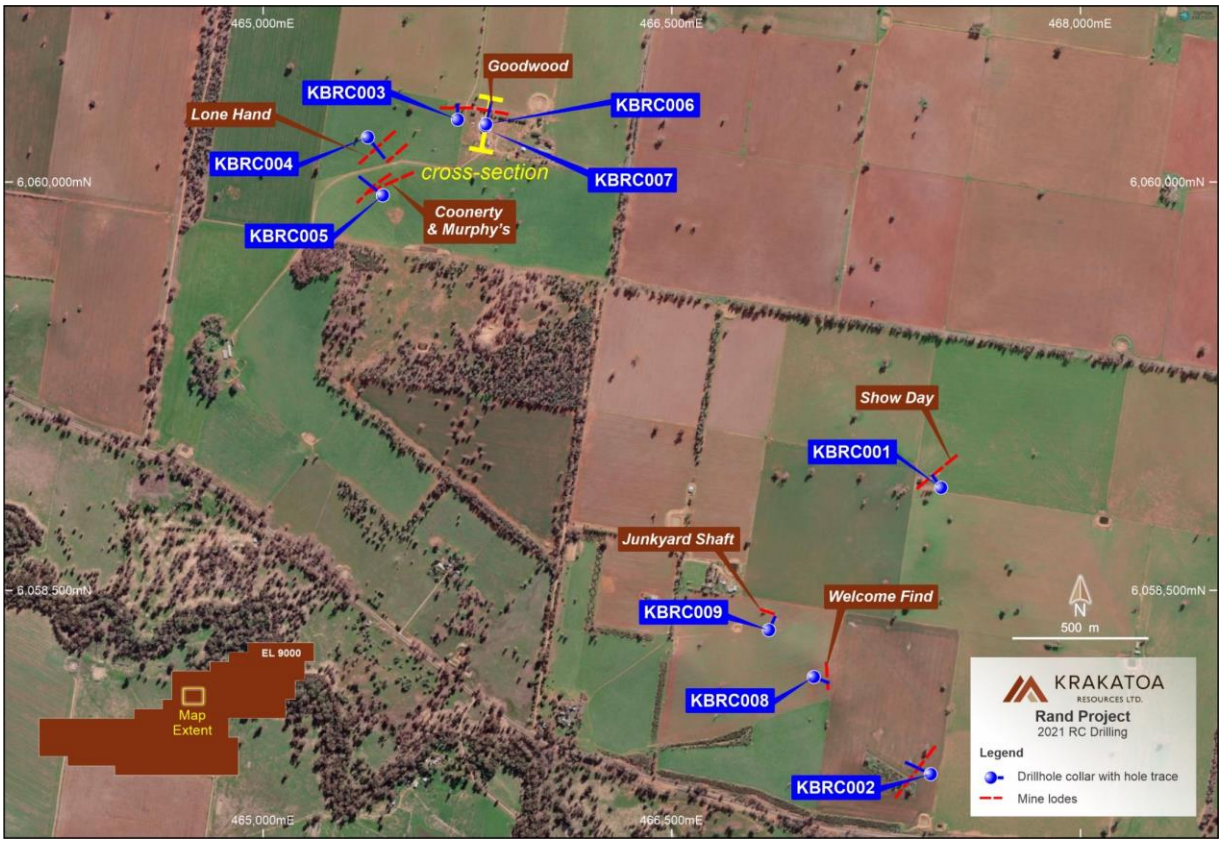

Figure 2: RC drillhole locations and prospect/mine locations over satellite image

DETAILS OF THE RECONNAISSANCE PROGRAM

Goodwood Reef Results

Three holes (KBRC003, KBRC006 and KBRC007; Figures 1, 2 and 3 and Table 1) were drilled at Goodwood Reef.

KBRC006 and KBRC007 (Figures 1 and 2, Table 1) tested the eastern end of the known workings. The holes successfully intersected the main lode down-dip from the open slot (Figure 3). Mineralisation occurs as structurally controlled quartz-pyrite (or hematite in the weathered zone) veins with strong silicification. The main lode zone assayed 5 metres grading 1.13g/t Au (KBRC006; weathered zone) and 12 metres grading 0.52g/t Au from 78 metres (KBRC007; sulphide zone), 50m further down-dip.

KBRC006 returned a broad zone of 40 metres grading 0.22g/t Au (from 60 to 100 metres) incorporating both the oxide and sulphide zones of the main lode (or possible lodes). The main lode's increase in width at depth could suggest supergene enrichment (supported by Ag:Au ratios) or simply a broadening of the zone. Additionally, two other interpreted, low-grade sub-parallel lodes were intersected; a hanging-wall (HW) and footwall (FW) zone (Figure 3). All 3 zones remain open, down-dip and along strike.

KBRC003 tested the western end of the workings and intersected the interpreted lode within the weathered zone. The best result (2 metres @ 0.56g/t Au from 44 metres) could be the mine structure or alternatively, a NW striking silicified cross-cutting structure. KBRC003 failed to explain the high-grade rock-chip samples (up to 14.5g/t Au) collected from silica-hematite rich mullock and outcrop at this easting (refer to KTA ASX announcement 21st April 2021).

Other Areas Results

Five holes (KBRC001, 004, 005, 008 and 009) tested 5 discrete historical mine workings (Figure 2 and Table 1), three of which feature shallow ineffective, 1986-vintage percussion drilling. These historical angled holes were drilled to total depths ranging from 25 to 39 metres and only tested the weathered zone. KBRC002 tested a zone of mapped veins with favourable geochemistry.

Although the gold grades returned from these regional holes were generally low (Table 2), strongly elevated base metals (particularly Pb and Zn) in addition to several IRGS pathfinder elements – As, Bi, Mo, Sb, Sn, W and Te with a low total sulphide content were prevalent.

KBRC001 tested the Show Day Mine under historical hole HB19 (1m @ 1.26g/t Au). The interpreted lode comprised quartz-calcite-pyrite veins with phyllic alteration in a feldspar porphyry that appears to cross-cut both the host metasediments of the Abercrombie Formation and a granite.

KBRC002 was designed to test under a zone of arsenopyrite- and scorodite-bearing quartz veins with favourable IRGS geochemistry (rock-chip samples 11307 & 11308, refer to ASX announcement 23rd February 2021) in an area devoid of major workings. The hole drilled predominantly hornfels and intersected a few zones of quartz-pyrite/iron-oxide veins with a best result of 2 metres grading 0.10g/t Au with 37g/t Ag, 0.6% As, 76ppm Bi, 2.2% Pb and 0.11% Zn from 70m.

KBRC004 and 005 were drilled as scissor holes across the NE striking Lone Hand and Coonerty and Murphy's Mines (Figure 2), previously never drilled. Both holes drilled numerous zones of quartz-pyrite/iron-oxide veins in predominantly silica-iron-oxide altered metasediments. KBRC004 intercepted the interpreted NW dipping Lone Hand lode from 58 to 70 metres (NSR). A zone of quartz-pyrite-galena veins assayed 0.49g/t Au, 4.7g/t Ag, 319ppm As, 0.54% Pb and 0.15% Zn over 1 metre from 121m (Table 2).

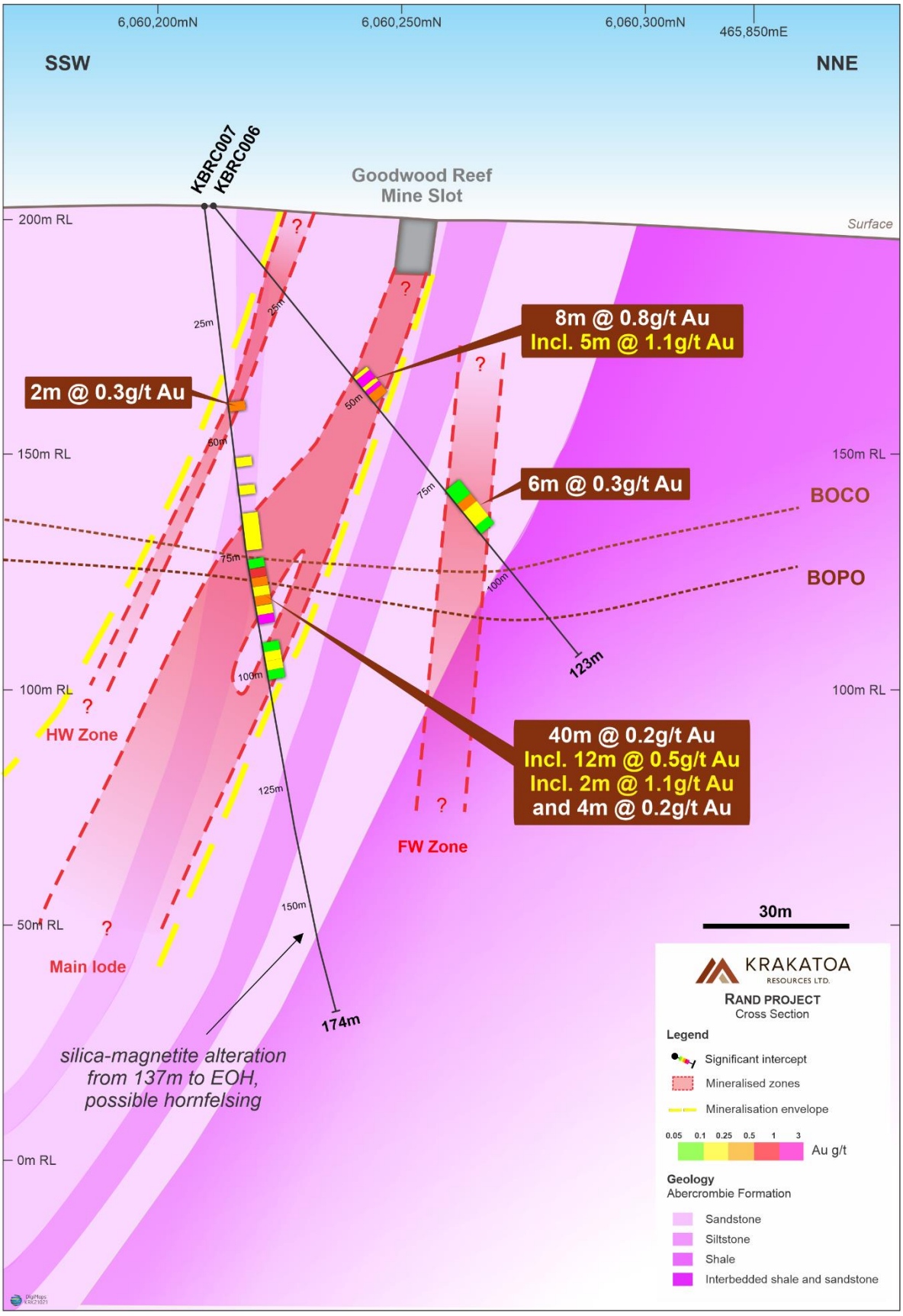

Figure 3: Goodwood Reef Mine cross-section showing drillholes KBRC006 and 007, interpreted geology and mineralised gold zones (g/t Au). Section is oriented on 015° and is looking 285°MGA.

This is interpreted to be a separate lode (or linking structure) between the Lone Hand and Coonerty and Murphy's structures. Quartz veined and altered samples from KBRC005 featured strong As, Sn and W with a best gold result of 2m @ 0.12g/t from 90 metres, tentatively interpreted to be the Coonerty & Murphy's lode. Both holes also intercepted feldspar porphyries close to, or with mineralised veins.

KBRC008 screwed radically clockwise in azimuth, yet successfully tested the flat, west-dipping Welcome Find Mine lode in the weathered zone (42-43m downhole). It also intersected numerous other zones of quartz±pyrite veining but returned no significant gold values.

KBRC009 drilled a relatively deep unnamed shaft (herein named the "Junkyard Shaft") striking 105° and dipping ~80° south. The hole swung severely clockwise in azimuth intersecting the target 25 metres east of the proposed pierce point. The interpreted mine lode was intersected from 79 to 81 metres, within a totally silicified zone that assayed 10m @ 0.14g/t Au (from 74m). A lower zone of strong veining and alteration (from 89 to 102 metres) is interpreted to be a NW striking, linking structure that coalesces with the mine load near this northing.

Summary

First phase drilling has provided new, quality geological data that will help KTA understand the bigger picture, the rock types, and controls on gold mineralisation. Surface outcrop observations, geochemistry and the drilling results collectively suggest the presence of several vein generations of varying mineralisation.

At least 7 of the 9 recent holes intersected hornfels (silica-magnetite±pyrite altered metasediments and foliated cordierite "schists", i.e. contact metamorphism) implying that the workings are proximal to intrusives. The large angular body underplating the centre of the tenement (prominent ovular pink-magenta feature in Figure 4) is now interpreted to be a granitic body that outcrops immediately south of, and 500 metres northwest of the Show Day Mine.

The current, early hypothesis is that Bulgandry may fall within the "Plutonic" Zone of Morrison's IRGS model verging on the "Porphyry" Zone (Figure 5). The current scale of the target area, favourable geological setting masked by cover, and the tenor of the geochemical results being generated in this early phase of exploration exhibits the significant potential of a large-scale system still yet to be uncovered.

Authorised for release by the Board.

FOR FURTHER INFORMATION:

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Competent Persons 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.

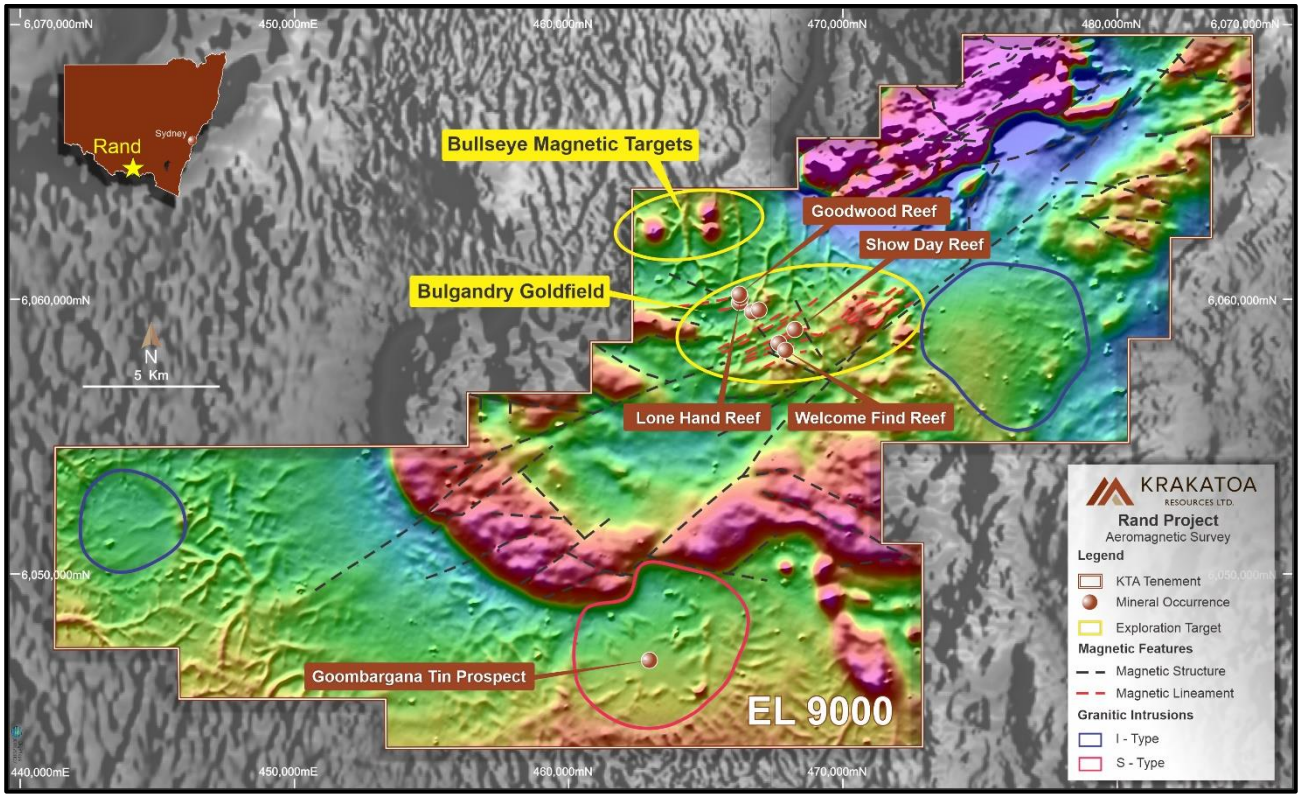

Figure 4: Rand Gold Project exploration targets (Bullseye Magnetic and Bulgandry Goldfield), on aeromagnetic TMI-RTP background

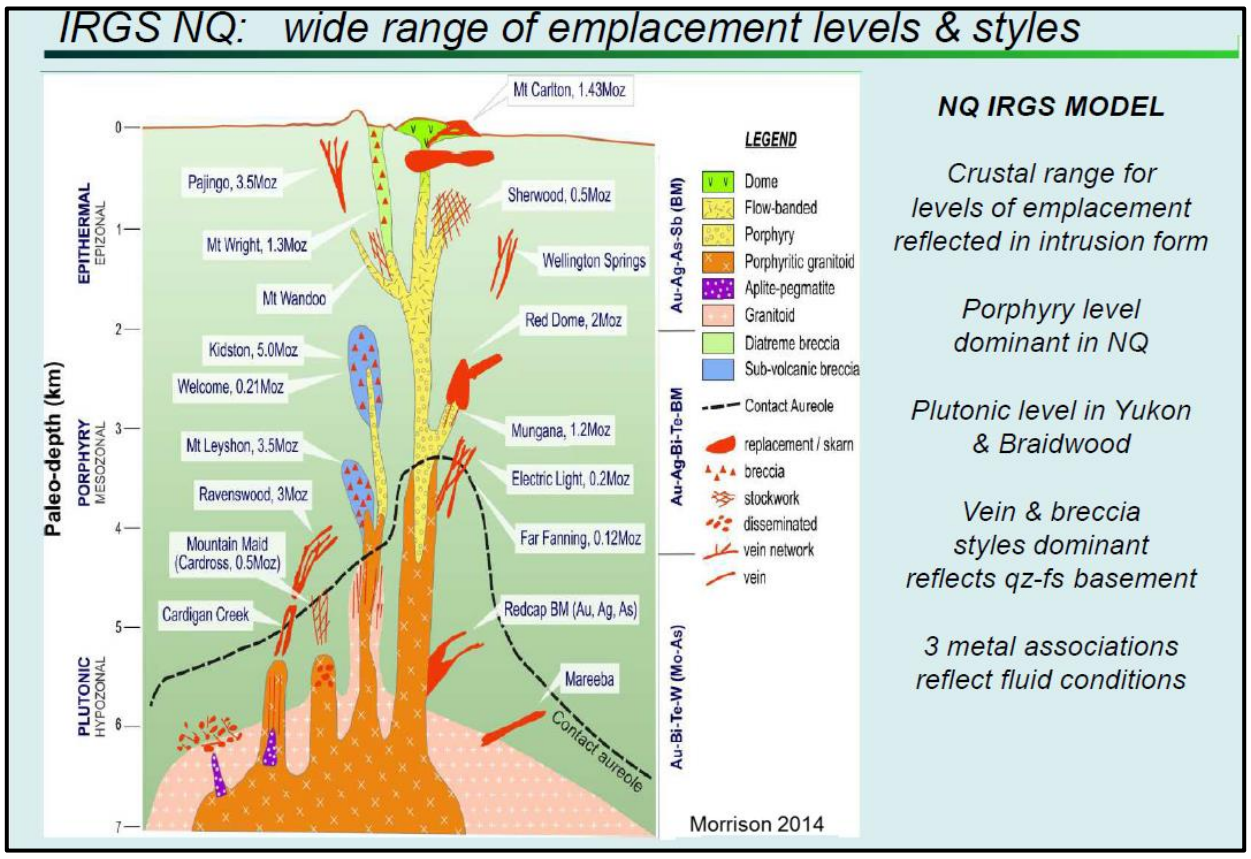

Figure 5: IRGS model applicable to Bulgandry, (after Morrison 2014)

Table 1: RC drillhole specifications (easting, northing and azimuth in MGA94 zone 55 grid, RL in AHD)

Hole ID	Mine/Prospect	Easting	Northing	RL	Total Depth (m)	Dip (°)	Azimuth (°)
KBRC001	Show Day	467488	6058877	199.2	132	-60	324
KBRC002	na	467405	6057815	181.2	156	-50	302
KBRC003	Goodwood	465714	6060229	198.7	132	-60	356
KBRC004	Lone Hand	465384	6060164	186.8	141	-50	135
KBRC005	Coonerty & Murphy's	465439	6059951	187.4	171	-50	314
KBRC006	Goodwood	465818	6060212	202.9	123	-50	011
KBRC007	Goodwood	465818	6060210	202.8	174	-85	008
KBRC008	Welcome Find	467021	6058182	194.3	126	-60	094
KBRC009	Junkyard Shaft	466856	6058354	189.0	120	-60	009

Table 2: Drillhole summary gold intercepts, using a 0.1g/t gold cut-off grade. All assays are from 2 metre composites except where indicated. (* denotes 1 metre samples). NSR = no significant results

Hole ID	Mine/Prospect	From (m)	To (m)	Width (m)	Au (g/t)
KBRC001	Show Day	0	2	2	0.25
KBRC002	na	70	72	2	0.10
KBRC003	Goodwood	46	48	2	0.56
KBRC004	Lone Hand	120	124	4	0.21
	including	121	122	1	0.49*
KBRC005	Coonerty & Murphy's	90	92	2	0.12
KBRC006	Goodwood	**46**	**54**	**8**	**0.75**
	including	**47**	**52**	**5**	**1.13***
KBRC006	Goodwood	82	88	6	0.25
KBRC007	Goodwood	42	44	2	0.31
KBRC007	Goodwood	**60**	**100**	**40**	**0.22**
	including	66	74	8	0.15
	and	**78**	**90**	**12**	**0.52**
	including	**88**	**90**	**2**	**1.14**
	and	96	100	4	0.19
KBRC008	Welcome Find				NSR
KBRC009	Junkyard Shaft	74	84	10	0.14
	including	78	84	6	0.17

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.

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 80km^2 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 120km^2 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 580km^2, 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 Graton. The company holds 1,780km^2 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	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised 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 pulverised 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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Reverse Circulation (RC) holes were sampled on 2m composite intervals using a riffle splitter. A representative sample is taken through each metre of the bulk sample and put in a calico bag to create a composited ~3kg sample. Sample weights were monitored in the field. Where significant alteration was noted individual 1m samples were taken using a riffle splitter. • The samples were prepped by ALS Global in Orange then sent to Perth for gold and multi-element geochemistry. Gold (30g charge) by FA-AA (method Au-AA21), ME by four acid digestion and ICP_MS finish (ME-MS61 for 48 elements). • Each sample was assayed for 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. • Samples with over-range Pb were re-analysed by OG-62. • Samples were crushed to a nominal 3mm then pulverised to 95% passing 75 microns. • Sample weights were recorded.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• RC percussion drilling with a face sampling hammer bit, 105mm nominal hole diameter.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise 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.*	• RC sample recovery was monitored and recorded. • Sample moisture was recorded. • RC sample recovery is ensured by keeping the hole as dry as possible and cleaning the cyclone out at regular intervals. • No relationship has been observed between sample recovery and grade. Sample bias is unlikely due to the good general recovery of sample.
Logging	• *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, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes are qualitatively logged and for particular observations such as vein and mineral content a quantitative recording is made. Wet photos of chip trays were taken. • All bulk sample bags were measured for magnetic susceptibility. • The descriptions were of sufficient detail to support the current work.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, 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 maximise 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.*	• RC samples are collected from the bulk sample from the rig cyclone which passes through a riffle splitter. If a sample is wet or damp it is recorded. Most samples were dry. • Sample preparation comprises an industry standard of drying, jaw crushing and pulverising to -75 microns (85% passing). • RC sample duplicates were collected every 30 samples for RC drilling. This was done by pouring the individual bulk sample bags through the riffle splitter and collecting in calico bags. • 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	• *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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• ALS Global method Au-ICP21 is used for gold analysis. A 30g fire assay with ICP-AES finish. • ALS Global method ME61 by four acid digestion and ICP_MS finish. Both methods are considered to be near total. • A standard or a blank was inserted into the sample batch at the rate of 1 in every ~30 samples. • The nature and quality of the QAQC and analytical methods are considered appropriate to style of mineralisation at this early stage of the project.
Verification of sampling and assaying	• *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.*	• Verification has been undertaken by Company personnel. • The use of twinned holes is not appropriate at this early stage of assessment. • Data had been recorded in a drill hole database with QAQC analysis of samples undertaken to validate data prior to it being inserted into the database. • No adjustments made to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole collars were surveyed by a handheld GPS (Garmin Map 64sx with ±5m precision). The grid system is GDA94 Zone 55. • Collar RLs is taken from a detailed DTM produced from the aeromagnetic survey flown by the company in 2020. • Downhole surveys were done every 30m using a REFLEX single shot tool provided by the drilling contractor.
Data spacing and distribution	• *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.*	• Analytical data points downhole are sufficient to characterise 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. • No Mineral Resource is being calculated in this report. • 2m sample composites were taken on site for the RC Drilling. One metre riffle split samples of some visually mineralised zones were taken and reported..
Orientation of data in relation to geological structure	• *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.*	• Drill hole orientations were based on interpretation of geological mapping and on the orientation of open mine workings. Mined structure orientations are also given in NSW GS Mineral Occurrence datasets. • The interpreted true widths and geometries of the mineralised lodes drilled at Goodwood Reef is shown in a cross-section within the report.
Sample security	• *The measures taken to ensure sample security.*	• One metre RC drill samples were collected in heavy-duty green plastic sample bags. 2 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 ALS Global (Orange NSW) in two batches. One batch was submitted via Main Freight via Albury. The other batch was delivered to the assay laboratory personally by the exploration manager.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been completed to date

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• 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 over the majority of the Bulgandry Goldfields area. • EL9000 is considered to be in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Various parties have held different parts of the Rand Project in different periods and explored for different commodities. • 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. The hole had an average mx depth of 30 metres and failed to test the mineralised lodes below the bae of weathering. This data has been compiled and reviewed the Exploration Manager.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• 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 volcanic rocks (e.g. Wallandoon Ignimbrite) ○ Devonian I-type granites (e.g. Jinderra) • 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	• *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 information is summarised in Tables 1 and 2 in the body of the release

Criteria	JORC Code explanation	Commentary
	this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• *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.*	• No weightings or other manipulations were made to the data. • No metal equivalents were used or calculated.
Relationship between mineralisation widths and intercept lengths	• *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 (eg 'down hole length, true width not known').*	• True widths are estimated to be between 55 and 75% of the reported downhole widths .
Diagrams	• *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 appropriate sectional views.*	• Pertinent maps for this stage of Project are included in the release. • Coordinates in MGA94 Z55. • A cross-section displaying the most significant intercepts is included.
Balanced reporting	• *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.*	• The Competent person has reviewed this information and believes it is consistent with his observations and knowledge of the Project.
Other substantive exploration data	• *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.*	• Undertaking a high-resolution aeromagnetic survey (flown in 2020) drove the exploration strategy at Rand • Field mapping, prospecting, rock-chip sampling continue. • A regional scale auger soil sampling program was completed in Feb 2021, the results of which are imminent. • A 2,760 metre air-core (AC) program completed in March 2021 over the bullseye magnetic targets, the results of which are also close to finalisation.
Further work	• *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.*	• Ongoing work programs largely depend on the pending results of the auger soil and AC programs. • Further regolith and geological mapping with surface (soil and rock) geochemistry is warranted. • Further AC drilling in covered areas is possible • Further RC and possible diamond drilling of known mineralised zones (e.g. Goodwood Reef) is warranted • The market will be updated as information comes to hand.