

ASX ANNOUNCEMENT
14 OCTOBER 2021

KOONENBERRY GOLD EXTENDS GOLD ANOMALIES

HIGHLIGHTS

- **Lucky Sevens gold anomaly extended to approximately 2.5km in length and 450m at its widest point.**
- **Atlantis gold anomaly extended to over 5.5km in length.**
- **Four Queens gold anomaly extended over 4km in length.**

Koonenberry Gold Ltd (**ASX:KNB**) (“Koonenberry” or the “Company”) is pleased to share assay results from a small programme of 288 soil samples over four targets.

The purpose of this round of sampling was to infill and extend existing anomalies previously identified by the Company. Prospects of particular focus included Lucky Sevens, Four Queens, Atlantis and Goodfellows.

“The extension of the known gold anomalies at key targets highlight the prospectivity of the Koonenberry Gold Project and continue to delineate multiple targets that will be drilled early in 2022,” said Koonenberry Gold CEO Karen O’Neill.

Overview:

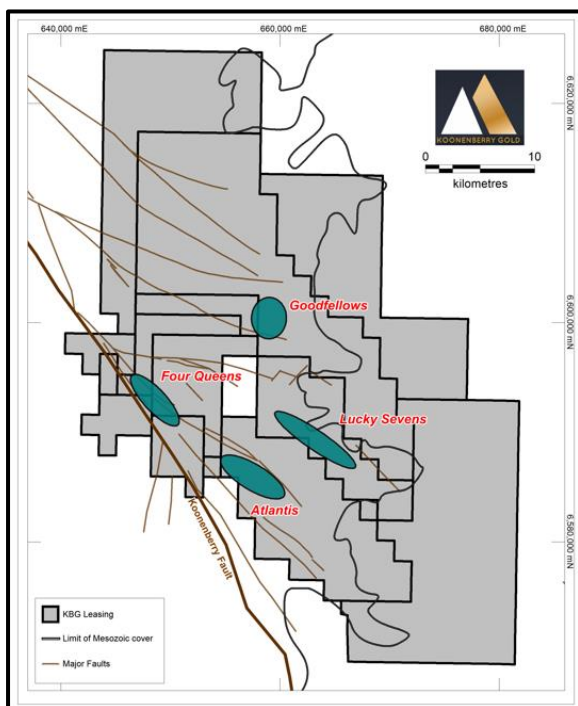


Figure 1: Koonenberry Gold Project

The Koonenberry Gold Project lies within the little-explored Koonenberry fold and thrust belt which is considered prospective for orogenic gold systems based on similar lithostratigraphy, structural style, mineralisation timing and tectonic setting as seen in the Victorian Goldfields, in particular, the Stawell Zone¹.

The most recent results from a 288 soil sample programme focus on four targets within the 1,339km² tenure and include Lucky Sevens, Atlantis, Four Queens and Goodfellows which are illustrated in Figure 1.

Each target is discussed below.

Lucky Sevens:

Six of the ~70 soil assays at Lucky Sevens returned +10 ppb Au results, with a maximum of 52.3 ppb Au. The gold anomaly now **extends approximately 2.5km long** and is up to **450m at its widest point**. More than 2.5km of the length of the known structure has been proven anomalous and the structure is estimated to be greater than 3km long.

Gold anomalism is closely associated with the Lucky Sevens quartz reef. Results are consistent with previous sampling and support a thickening of the anomaly where there is a noticeable bend in orientation of the reef from NW to WNW.

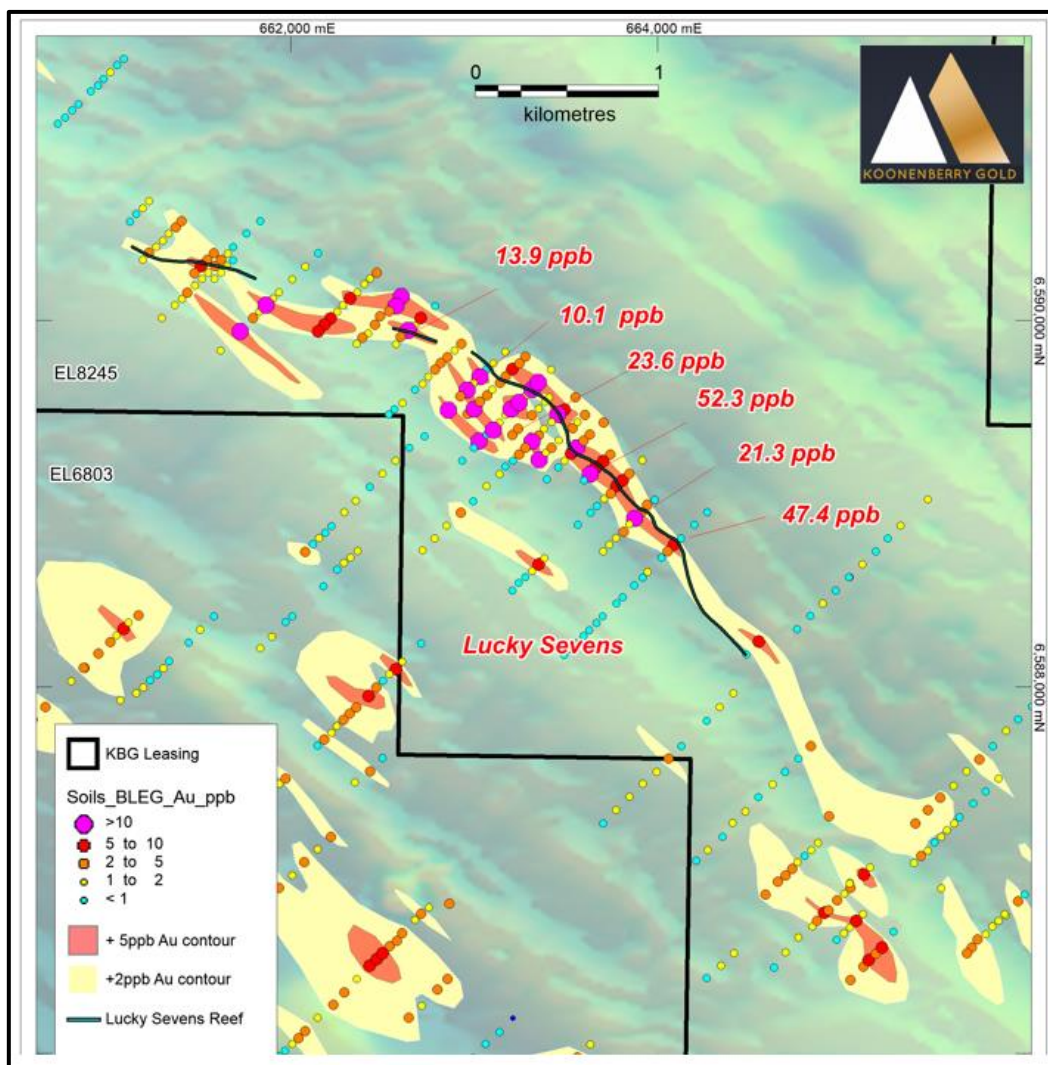


Figure 2: Lucky Sevens Soil Anomaly on RTP magnetic image

Figure 2 highlights current soil anomaly results along the known structure. Lucky Sevens is the most advanced prospect of the Koonenberry Gold Project. There is outcropping mineralised reef and soil sampling has been effective in defining the mineralised trend of the vein system. Trial geophysical resistivity techniques indicate the structure has a steep easterly dip and extends to significant depths.

Atlantis:

At Atlantis, the planned lines were designed to extend the existing anomaly, and the best result of 13.4 ppb Au was returned. This result extends the anomaly by over 1km at +10 ppb Au, making the western branch now **more than 5.5km in length**, and **typically 100m in width**. The anomaly is 6km long at +5 ppb Au. Results on the eastern limb show the anomaly narrowing, but still persisting at +5 ppb Au. New results are highlighted in Figure 3.

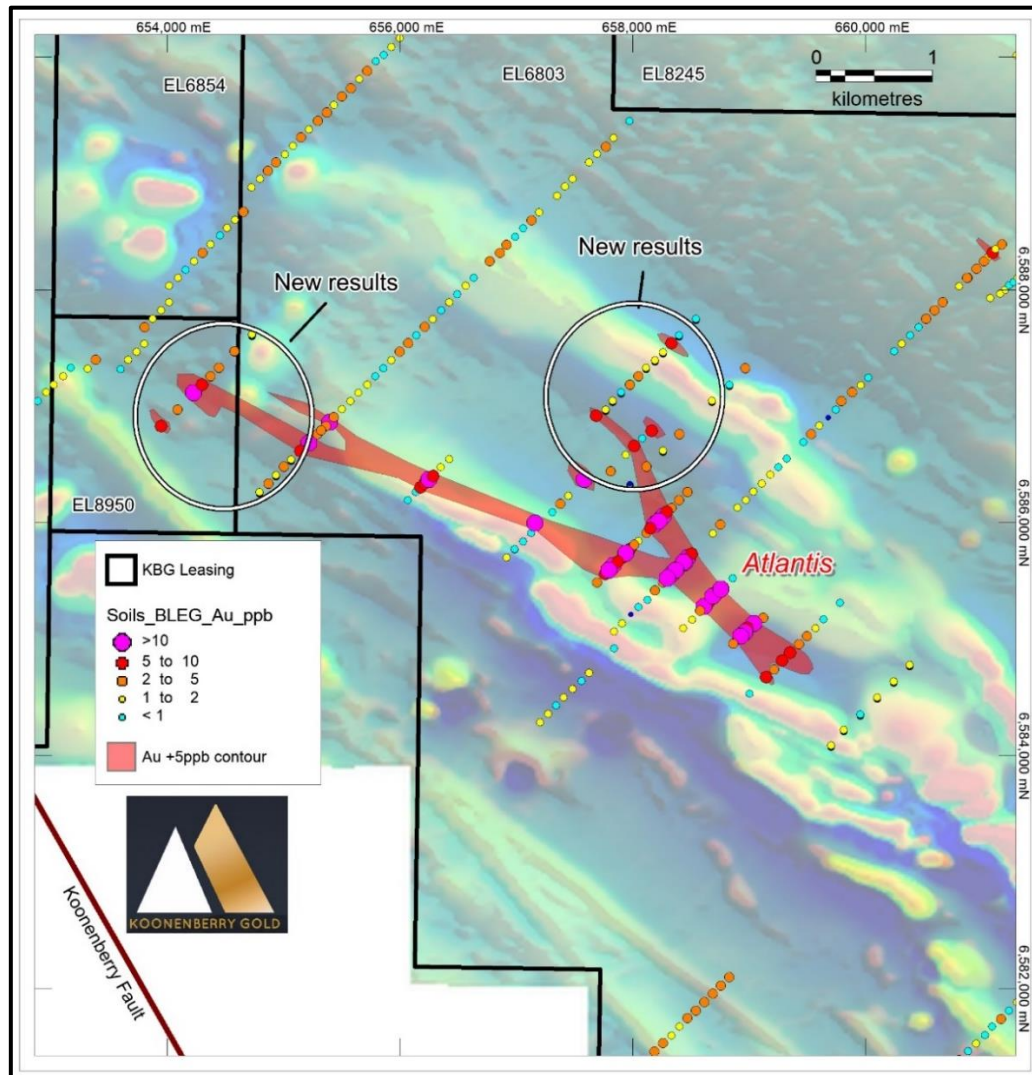


Figure 3: Atlantis Soil Anomaly on RTP magnetic image

Overall, the Atlantis anomaly appears to show excellent consistency, even at the current 400-1,000m line spacing. It is situated in a synclinal fold surrounded by mafic rocks of the Bittles Tank Volcanics and is associated with strong silicification and hematite alteration, along with visible copper mineralisation in places. The thickest portion of the anomaly to date occurs within the fold hinge.

The Company is the first to undertake exploration around this target. Atlantis is currently the largest soil anomaly defined on the project to date and its copper association, (up to 15% copper in rock chips), is pointing towards a completely different style of mineralisation.

Four Queens:

Results of infill soils at Four Queens have continued to show that this prospect has excellent size potential, with three samples in the current program returning over 10 ppb Au, including a maximum of 26.4 ppb Au. The anomaly has been extended from 2.5km to **over 4km long at typically 100m width** at +5 ppb Au and is still open in some directions as illustrated in Figure 4.

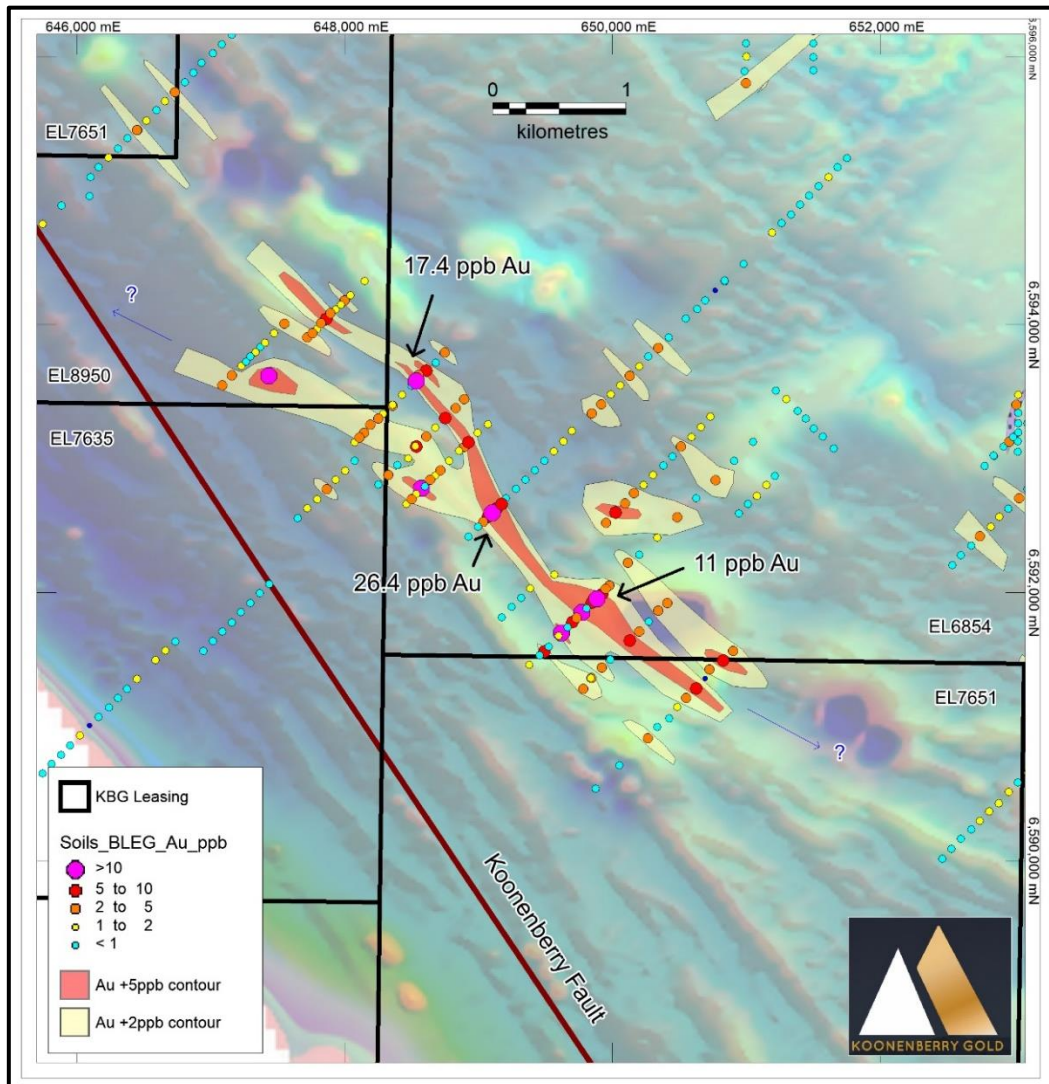


Figure 4: Four Queens Soil Anomaly on RTP magnetic image

The anomaly is situated along the margin of the Nuntherungie Basin and appears to be associated with the Kandie Tank Fault splay. There has been no previous exploration undertaken in the area.

Goodfellows:

This is a relatively new target that lies adjacent to the Turkey Creek Fault, one of the many prospective splay faults from the Koonenberry Fault. The highest gold value in the current program of 105 ppb Au was reported from this area. A number of discrete anomalies are recognised with a current strike extent of ~1km, open to the south and east as illustrated in Figure 5.

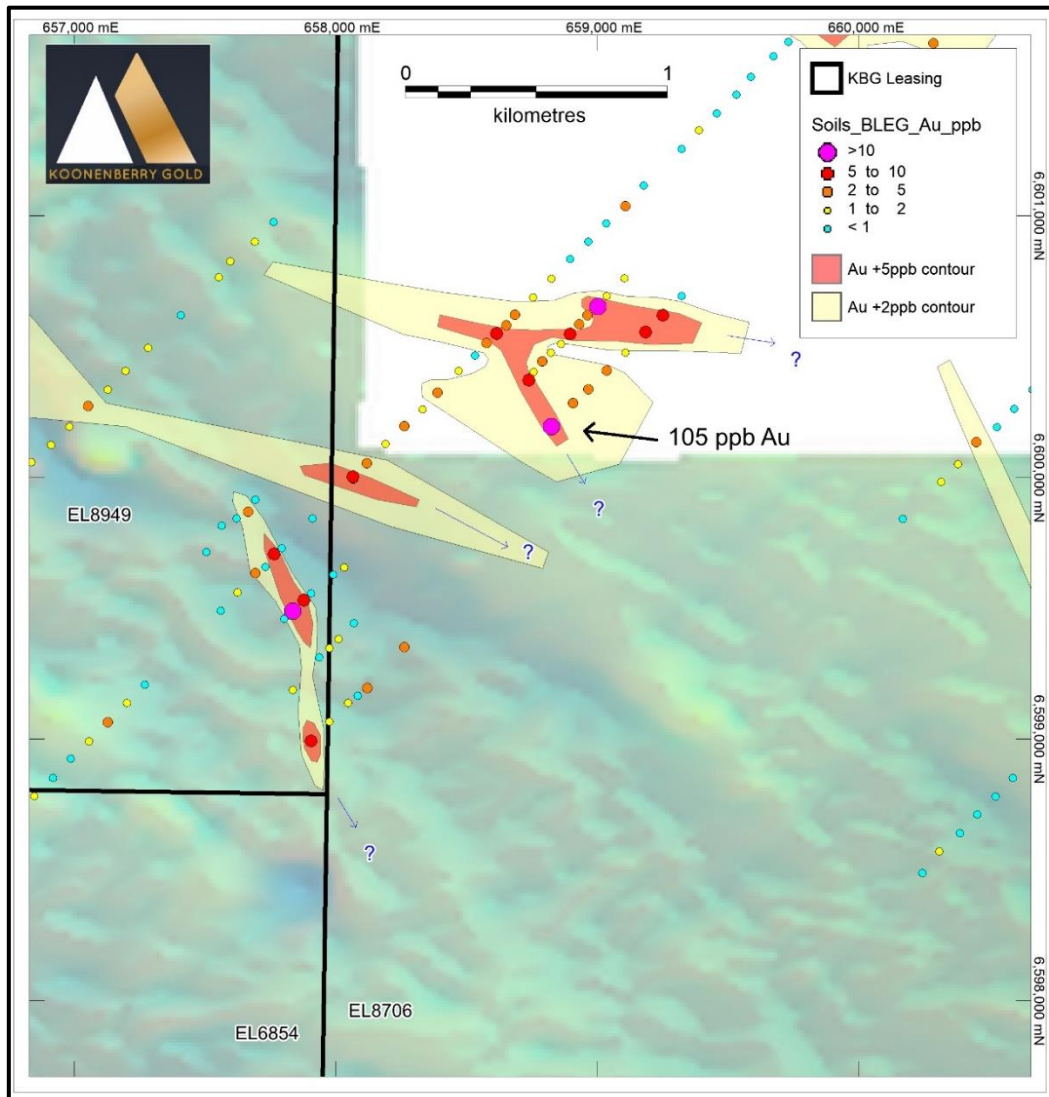


Figure 5: Goodfellows Soil Anomaly on RTP magnetic image

Outcrop in this area is quite poor, but comparison of the results in relation to the detailed magnetic images, (which only partially covers the Goodfellows target) highlights the importance of both NNW and WNW –trending structures.



UPCOMING EXPLORATION

A programme of a further 441 infill soil samples has been completed and are to be delivered to the laboratory for assay. This programme has focused on regional reconnaissance as well as additional infill. These results are expected to be reported in November.

The Company has received the pulps from all past soil sampling programs and will soon begin a program of multi-element geochemical characterisation using portable XRF. This will assist not only in identifying pathfinder elements of interest in gold exploration, but also other mineralisation styles which have never been previously investigated.

The Company is pursuing large gold deposits at its Koonenberry Gold Project and is encouraged not only by the geological similarities with the Victorian Goldfields, but also by the size of the geochemical anomalism generated and widespread surficial expression of gold to date.

CEO Comment

Koonenberry CEO Karen O'Neill said: *"The results continue to affirm our belief that there is strong prospectivity for significant discovery. The anomaly extensions, particularly at Atlantis, more than 5.5km, and Lucky Sevens, more than 2.5km, build our geological knowledge and with detailed mapping, complemented with the multi element geochemistry data, we will be able to characterise top priority targets and design the drill programme for a major RC drilling campaign to follow in early 2022."*

This ASX release was authorised by the Board of the Company.

References

- 1 Greenfield and Reid (2006). Orogenic gold in the Tibooburra area north of Broken Hill- an extension of the Victorian goldfields? (AESC2006, Broken Hill).

-ENDS-

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www.koonenberrygold.com.au**



Methodology:

The soil survey was designed primarily in residual terrain, avoiding the network of alluvial channels. After scraping away surface lag gravels and windblown sands, samples were taken typically from about 10-20cm depth and sieved to collect about 3kg of the -2mm fraction. These samples were sent to Bureau Veritas in Adelaide where they were pulverized and a 1kg split was taken for BLEG gold analysis (24-hour cyanide leach) with a detection limit of 0.1 ppb Au.

Infilling at Lucky Sevens has enabled a grid of typically 100-200m spaced traverses across the anomaly at typically 50m sample spacing. Spacings are typically of a more regional nature over the remainder of the project area. In general, results above 5 ppb Au are considered strongly anomalous and above 10 ppb are very strongly anomalous (approximately 97th percentile).

SampleID	Prospect	East MGAz54	North MGAz54	Sample Type	Au BLEG (ppb)
91449	Goodfellows	658825	6600193	SOIL	105
91697	Lucky Sevens	663355	6589240	SOIL	52.3
91642	Lucky Sevens	663876	6588919	SOIL	47.4
91534	Four Queens	649103	6592596	SOIL	26.4
91680	Lucky Sevens	663105	6589402	SOIL	23.6
91695	Lucky Sevens	663632	6589163	SOIL	21.3
91512	Four Queens	648536	6593580	SOIL	17.4
S009	Lucky Sevens	662642	6589945	SOIL	13.9
91629	Atlantis	654225	6587117	SOIL	13.4
91568	Four Queens	649885	6591953	SOIL	11
91740	Lucky Sevens	662999	6589515	SOIL	10.1

**Table 1: Significant Sample Results >10 ppb Au (approximately 97th percentile).
288 soil samples collected in total (incl. QAQC)**

Competent Persons Statement

The information in this announcement that relates to exploration results is based on information compiled under the supervision of Mr Andrew Bennett, who is a Member of the Australasian Institute of Mining and Metallurgy and the Exploration Manager of Koonenberry Gold Limited. Mr Bennett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves." Mr Bennett consents to the inclusion in this report of the matter based on his information in the form and context in which it appears.

Forward looking statements

This announcement may include forward looking statements and opinion. Forward looking statements are based on Koonenberry and its Management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect Koonenberry's business and operations in future. Koonenberry does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that Koonenberry's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by Koonenberry or Management or beyond Koonenberry's control. Although Koonenberry attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of Koonenberry. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law in providing this information Koonenberry does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any changes in events, conditions or circumstances on which any such statement is based.

APPENDIX 1 - JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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 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 (e.g. ‘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 (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Soil sampling was undertaken by KNB - samples were taken typically 10-20cm below surface after scraping windblown sand and lag from the surface. After sieving dry sample on site to about -2mm, the fine fraction was bagged for assay. This is the same method as used in previous sampling by KNB. Approximately 7.5% of the samples were for duplicated for quality control at various stages, including field duplicates, coarse and fine lab duplicates and pulp repeats. Pulps will be subjected to pXRF determinations in future. Samples were delivered directly to the Bureau Veritas laboratory in Adelaide for determination of gold only by BLEG (method BL002). Locations have been collected using in-built tablet GPS which is of sufficient accuracy for this style of early exploration.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, 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"> N/A
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 maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and 	<ul style="list-style-type: none"> N/A

Criteria	JORC Code explanation	Commentary
	<i>whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> • <i>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.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • Soil samples are not geologically logged, however general terrain observations are made, particularly where the samplers consider that doubt exists whether the terrain is residual.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Only the -2mm fraction was collected in the field. • For all samples delivered to the lab, the entire sample was pulverised in an LM5 and a 1kg split was taken for the BLEG analysis. The Bureau Veritas codes are PR001 and PR301. • To monitor the representivity, approximately 7.5% of the samples were for duplicated for quality control at various stages, including in-field duplicates, coarse and fine lab duplicates, and pulp repeats. • The large sample size for analysis is considered appropriate for gold mineralisation and allows for low detection limits (0.1 ppb Au), which is important when considering low levels of anomalism (~5 ppb Au). • Pulps have been retained if further analysis is required.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks)</i> 	<ul style="list-style-type: none"> • The BLEG technique (BV code BL002) is a partial extraction procedure which is standard industry practice, but only cyanide leachable gold (after 24 hours) is measured, not total gold content. • 7.5% of the samples were for duplicated for quality control at various stages, including in-field duplicates, coarse and fine lab duplicates, and pulp repeats. Analyses of these results has shown that they are acceptable.

Criteria	JORC Code explanation	Commentary
	<p><i>and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></p>	<ul style="list-style-type: none"> The lab has undertaken its own CRM and blank analyses which has been reported with the results. There are no indications of issues with these results.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> No drilling results reported. All sample data has been manually collected on pre-prepared paper templates and transferred to MS Excel spreadsheets, where it was merged with the lab assay data. Data was checked and verified by the competent person. Paper copies were filed as back-up and spreadsheets are stored on a backed-up server.
<p>Location of data points</p>	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> All data points have been collected in standard GPS mode in UTM Zone 54 (WGS84) with an accuracy of approximately +/- 5m. Topographic control based on 30m SRTM data.
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> No Mineral Resource has been estimated. Data spacing is irregular, with regional soil lines traversing across reefs and prevailing structures, typically at 100m spacing. Anomalous areas are infilled to approximately 200x50m. Irregular line and sample spacing is necessary to ensure samples are obtained from appropriate locations, (i.e. not from drainage channels or cover sequences).
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<ul style="list-style-type: none"> Sampled lines are planned orthogonal to the prevailing quartz reef orientations, which are the likely gold-bearing features.

Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> KNB samples are collected in pre-numbered calicos and delivered to the lab by KNB personnel. Pulps are kept for future reference.
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"> An overall geological review has been undertaken by an independent geologist and is provided in the KNB's Prospectus (May 2021).

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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. 	<p>The project consists of 12 exploration licences, all held by Lasseter Gold Pty Ltd, a 100%-owned subsidiary of Koonenberry Gold Ltd, all of which are in good standing.</p> <ul style="list-style-type: none"> EL6803, EL6854, EL7651, EL7635 and EL8245 and any and all mining claims, leases, licences or other forms of interest in minerals, or surface water rights, located wholly or in part within a two-kilometre area around the outside boundaries of the properties underlying those Tenements carry a 3% net smelter royalty to EMX. EL6803, EL6854, EL7635, and EL7651 carry a 2% net smelter royalty to T. Clarke of Kayrunnera Station as well as a conditional 7.5% profit share arrangement on the following leases: EL6803, EL6854, EL7635, EL8819, EL8918 and EL 8949. EL6803 carries a 2% NSR to Arastra. EL6854 carried a 2% NSR to Perry & Armstrong. EL7651 carries a 2%NSR to Bates. <p>Security of \$153,000 is held by the Department of Planning Industry and Environment in relation to the 12 tenements.</p>

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous relevant gold exploration has been completed by: <ul style="list-style-type: none"> Rockwell Resources Pty Ltd (2005-2010). EMX Exploration Pty Ltd (2011-2013). North Queensland Mining Pty Ltd (2014-2017). <p>Exploration has included mapping, rock chip, soil, stream, lag and auger sampling, geophysics (aerial mag-rad survey), and RAB, aircore and RC drilling.</p>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Orogenic gold within the Koonenberry Belt, bases on similarities with turbidite hosted gold deposits of central and western Victoria. The primary gold is structurally controlled and hosted in quartz veins (reefs). Placer and palaeoplacer gold deposits are also known.
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: <ul style="list-style-type: none"> 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"> N/A
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) 	<ul style="list-style-type: none"> N/A

Criteria	JORC Code explanation	Commentary
	<p>and cut-off grades are usually Material and should be stated.</p> <ul style="list-style-type: none"> 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. 	
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"> N/A
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 appropriate sectional views. 	<ul style="list-style-type: none"> Refer to figures in text.
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"> Only the soil results collected by KNB are reported and shown in the diagrams, to ensure consistency due to different collection and assay methods by previous explorers.
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"> Soil geochemistry is considered effective in residual terrain in defining mineralised structures, and this work is ongoing. Excellent magnetic data and interpretation is also available to aid in structural analysis and targeting. KNB have mini-bulk sampling equipment available, with gravity concentration, in order to obtain better representative samples than is possible by conventional rock chip sampling or drilling samples.

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> KNB are planning detailed mapping and soil geochemistry, prior to costeaning and drilling.

