

MAY 2022

RESOURCES LTD.

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COMPETENT PERSONS STATEMENT

The information in this presentation 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.

Previously announced information is cross referenced to the original announcements. The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results and exploration target information included in this report from previous Company announcements, including all exploration results extracted from the Company's announcements to the ASX from 10 February 2017 to the 18 May 2022.



IVESTOR PRESENTATION ASX:KT

COMPANY BRIEF

DIVERSE PORTFOLIO LEVERAGED TO CLEAN ENERGY FUTURE METALS WITH STRONG GOLD BASE REE, Speciality Metals, Ni-PGE, Cu and Au.

Strong Foundations	Diversified portfolio of future metal focused projects including REE, Ni-PGE, Cu and Au.
Growth Potential	Recent discoveries made with more likely in the next 9 months; while advancing the current opportunities through development work
Tier 1 Locations	Safe jurisdictions, close to known mineralised camps and world class discoveries
Focused Strategy	Systematic yet aggressive exploration within geology with synergies to major discoveries
Secure Landholding	All projects are 100% owned by Krakatoa

Krakatoa controls
various highly
prospective projects
within known and
emerging mineral
provinces, each
capable of delivering
major upside to
shareholders

CORPORATE OVERVIEW

CAPITAL STRUCTURE May 20 2022

KTA ASX Code

\$26m

Market Cap

Cash in Bank

345m

Shares on issue

26.2m

Unlisted Options

~\$21m

Enterprise Vale



NVESTOR PRESENTATION ASX:KTA

KRAKATOA RESOURCES BOD & EXECUTIVE TEAM



Colin Locke

Executive Chairman

Mr Locke brings to stake holders a mining related background with business management, capital markets and international exploration success spanning over 30 years.



David Palumbo

Non-Executive Director

Mr Palumbo is a Chartered Accountant with over fourteen years' experience across company secretarial, corporate advisory and financial management and reporting of ASX listed companies.



Mark Major
Chief Executive Officer

Mr Major has more than 27 years of mineral exploration, ranging from grassroots programs to mine development. He has extensive experience working with corporate transactions, project acquisitions and project generation.



Tim Hogan
Non-Executive Director

Mr Hogan has approximately 25 years' experience in the stockbroking industry in Australia and is currently a Director of Barclay Wells Limited.



100% OWNED PROJECTS

DIVERSE PORTFOLIO: SIX PROJECTS IN TWO STATES; MULTI-COMMODITY

YILGAN CRATON

REE, Speciality Metals, Ni-PGE, Cu and Au.

WA

MT CLERE

REE with extensive clay hosting potential + Ni-Cu-PGE and Au (e.g Julimar-Chalice)

Multiple targets, greenfield exploration

100% KTA

DALGARANGA

Historical Ta mine with speciality metals hosted within pegmatites Rb, Li, Nb, Ta, Sn

Drill Ready Resource with large upside

100% KTA

MAC WELL

Gold and Ni located south of Western Queen gold Mine Structure.

100% KTA

Highly prospective projects covering a range of commodities, deposit styles and scales, each capable of delivering major upside to shareholders

NSW

RAND

Intrusive Related Gold Systems (IRGS) + Clay hosted ionic REE's over granites + Tungsten and tin potential

Multiple targets & under explored frontier

100% KTA

BELGRAVIA PROJECT

Cu-Au Porphyry & skarn (e.g. Cadia - Newcrest)

Geophysical targets identified

100% KTA

TURON PROJECT

High grade turbidite-hosted gold (e.g. Fosterville - Kirkland Lake)

100% KTA



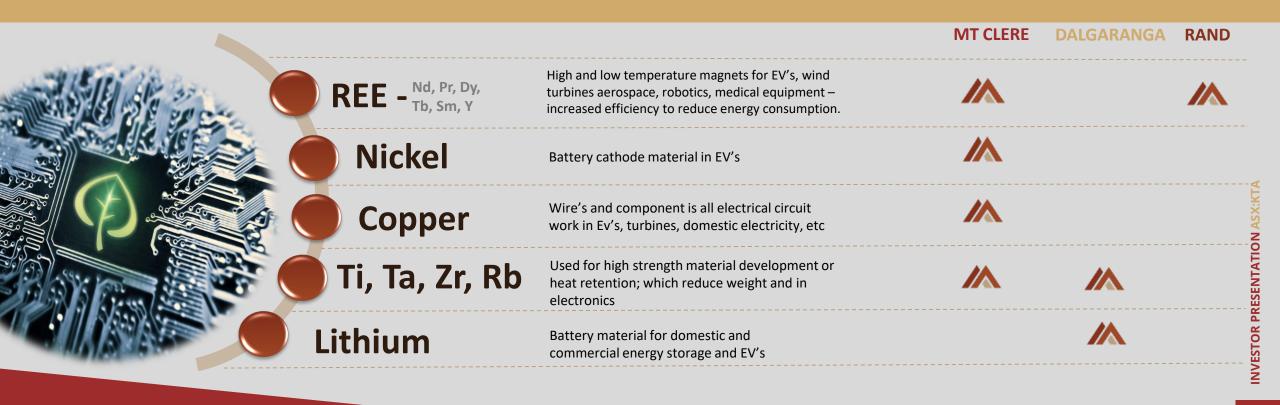
BELT

ACHLAN FOLD



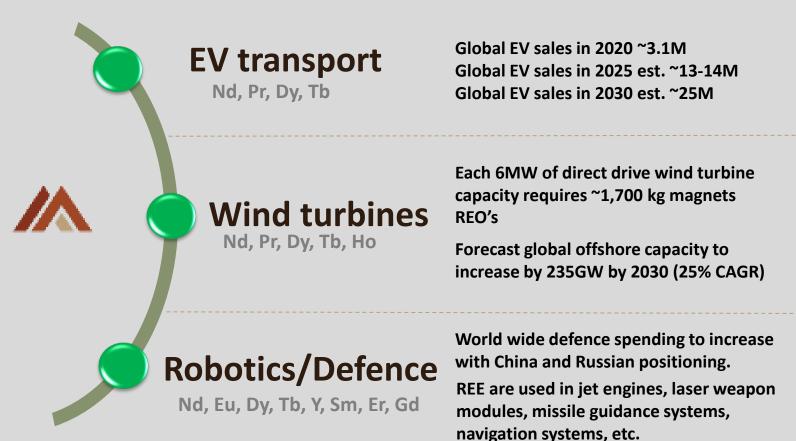
ELECTRIC REVOLUTION DRIVES DEMAND FOR CRITICAL ELEMENTS

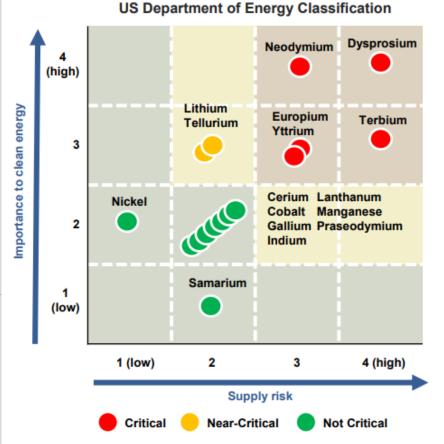
Krakatoa has secured the right projects with the right commodities to align the company's growth with the demands of the electric revolution. The increased demands for the future metals required in the electrification and decarbonisation world are the key fundamentals for the company's direction.



RARE EARTHS CRITICAL FOR THE ELECTRIC REVOLUTION

The Electric revolution requires efficiency in order to reduce energy consumption = Rare earths are essential to obtain high-performance with the lowest amount of energy





Sources: International Energy Agency Sustainable Development Scenario,
IRENA – Future of Wind (2019)US Department of Energy and Argus Analytics – October 2021



DISCOVERY TO DEFINITION – SHARE PRICE CATAYLISTS

Key activities that are going to be undertaken in the next 6 to 9 months that will unlock the value in the company through the clay hosted REE's advancement, Speciality metals and Ni-Cu-PGE Sulphide exploration.

Mt Clere

- Resource drilling at the Tower clay hosted REE prospect (Q2 2022)
- Initial Metallurgical variability test work from Tower (Current)
- Maiden Resource estimate at Tower prospect (Q3-4 2022)
- Phase 2 Metallurgical test work to refine the recovery of critical REE (Q3 2022)
- Further reconnaissance drilling around Tower prospect area (Q3 2022)
- Reconnaissance drilling over other prospective clay hosted REE areas (Q3-4 2022)
- Ground EM conductor to advance to drilling (Current, Drilling Q3-4 2022)
- Commence Scoping study (Q4 2022)

Dalgaranga

- Completion of maiden resource drilling at Dalgaranga- Li/Ta/Rb project (Current)
- Maiden Resource on pegmatite body (Q3 2022)
- Initial Metallurgical test work to identify variable elemental processing options (Q3-4 2022)

Rand

• Reconnaissance drilling over granite terrain of Rand- Urana areas (Q2-3 2022)

Krakatoa is
systematically
exploring for REE and
critical strategic metal
in WA and NSW. We are
advancing to resource
drilling and
metallurgical test work
over the next 6-9
months.

PROPOSED WORK PROGRAMS & PIPLELINE OF NEWS FLOW

AGGRESSIVE YET SYSTEMATIC EXPLORATION CONTINUING

Strong pipeline of work programs and share price catalysts in the coming six months as activity focuses on systematic exploration of Mt Clere, Dalgaranga and Rand.



Note * Drill timing may be affected by drill rig availability, heritage surveys and/or land access.





MT CLERE

A STRATEGICALLY IMPORTANT RARE EARTH DISCOVERY
WITH OVER 2,300 km² OF PROSPECTIVE TENURE
LOCATED ON THE NORTHERN MARGINS OF THE
YILGARN CRATON IN WESTERN AUSTRALIA

Rare Earth Elements (REEs)

- Widespread, high-grade REEs identified in stream samples
- Discovered Ionic clay hosted regolith occurrence

Ni-Cu-(Co)-(PGE's) Sulphides

VTEM discovered multiple major discrete late times targets with MLEM surveys defining drill targets

Heavy Mineral Sands (HMS)

• Identified areas of HMS including zircon, rutile, ilmenite, monazite and leucoxene



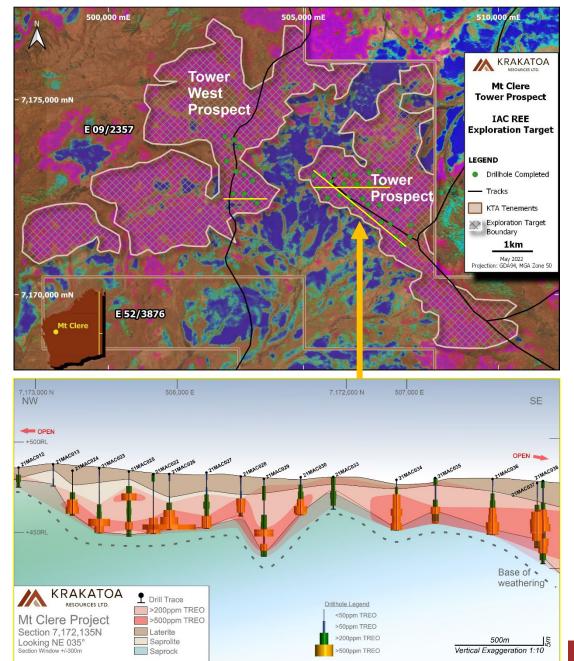
CLAY HOSTED REES DISCOVERY

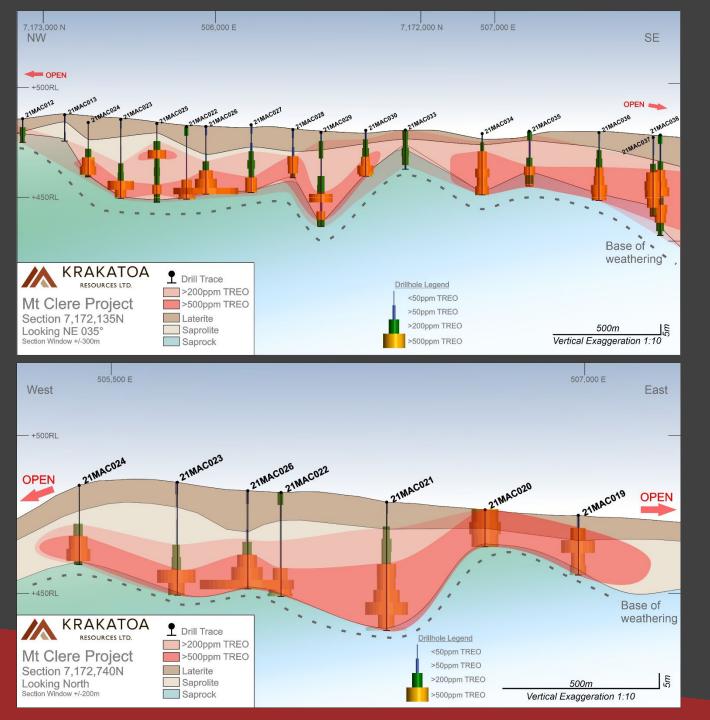
- Krakatoa has discovered thick clay hosted REE deposit at the Tower prospect.
- Exploration Target⁽¹⁾ defined over the reconnaissance drill holes and surrounding areas with well developed clay-rich regolith profiles.

87-519 MT grading 580-1120ppm TREO

- Extensive areas outside the Tower prospect still undrilled.
- TREO makeup is comparable to other Clay hosted REE companies
- Mt Clere hosts abundant REE geochemical anomalies originally identified by several previous explorers including BHP; showing potential for monazite abundant sands, clay hosted IAC's and hard rock sources.

(1) The potential quantity and grade of the Exploration Target is conceptual in nature and is therefore an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.





TOWER PROSPECT

- ★ Comparable TREO grades to Peers
- **M** Consistently thick intervals
- ✗ No intense agriculture

Hole	From (m)	To (m)	Width (m)	TREO (ppm)	TREO- Ce (ppm)	LREO (ppm)	HREO (ppm)	CREO (%)	MREO (%)
21MAC004	28	42	14	979	642	793	186	30%	28%
incl.	32	42	10	1251	834	999	252	33%	29%
21MAC009	0	22	22	689	389	609	80	27%	27%
incl.	8	20	12	1012	562	921	91	23%	27%
21MAC014	12	26	14	587	308	488	98	26%	25%
21MAC015	20	40	20	536	333	421	115	28%	25%
21MAC016	16	29	13	952	418	766	186	27%	21%
incl.	16	24	8	1264	486	1041	223	22%	18%
21MAC017	4	16	12	833	587	677	156	34%	32%
21MAC020	0	12	12	1130	618	1055	75	20%	23%
21MAC021	8	41	33	765	534	490	263	37%	25%
incl.	20	41	21	1005	719	638	367	40%	26%
21MAC023	20	36	16	720	369	645	75	21%	24%
21MAC024	12	25	13	653	369	551	102	26%	24%
21MAC025	8	36	28	841	255	444	36	20%	23%
21MAC026	16	31	15	1395	777	1243	152	23%	25%
21MAC027	12	31	19	521	282	449	72	24%	23%
21MAC028	12	22	10	541	295	492	49	23%	26%
21MAC029	20	43	23	555	355	436	120	31%	28%
incl.	28	32	4	1363	890	1084	278	31%	29%
21MAC035	12	25	13	502	327	387	138	38%	34%
21MAC036	12	31	19	645	436	467	178	37%	29%
21MAC037	12	36	24	692	406	568	124	28%	26%
21MAC038	12	44	32	643	417	496	147	33%	28%
incl.	20	28	8	941	578	767	174	28%	25%
21MAC039	16	37	21	520	290	396	113	32%	26%

WIDESPREAD, HIGH-GRADE REES DISCOVERED BY KTA AT MT CLERE

Stream Sediment Programs in 2021 returned Highly anomalous REEs and lead to discovery of the Clay hosted REE recently drilled at the Tower AOI.

Some of the Stream sample results:

10,380ppm 8,320ppm

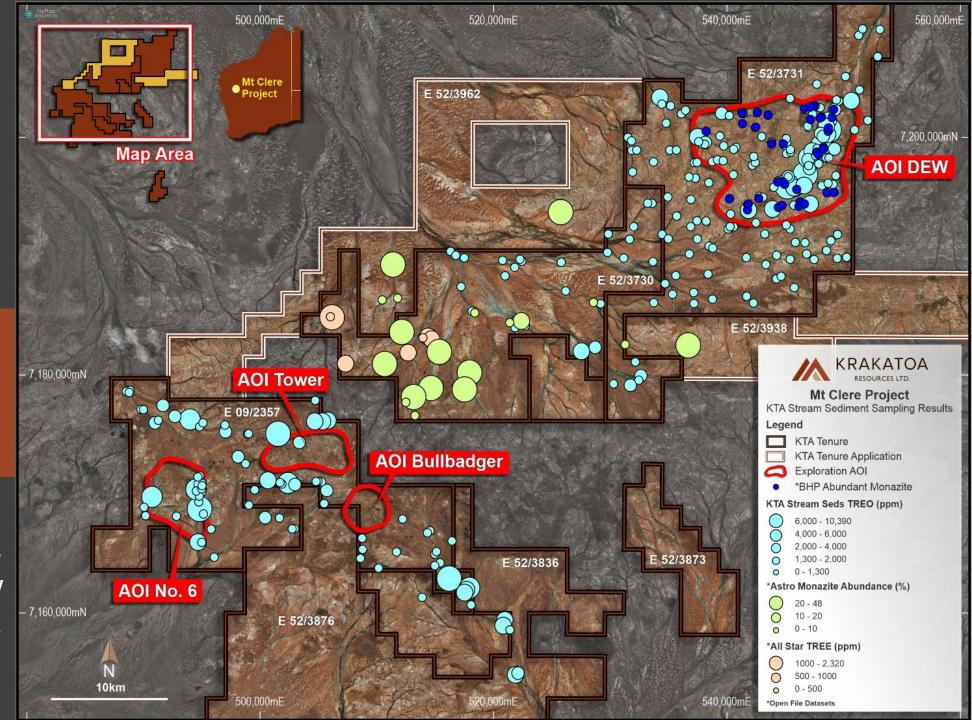
8,126ppm 7,198ppm

7,887ppm 6,790pm

5,456ppm 5,774ppm

LARGE UPSIDE

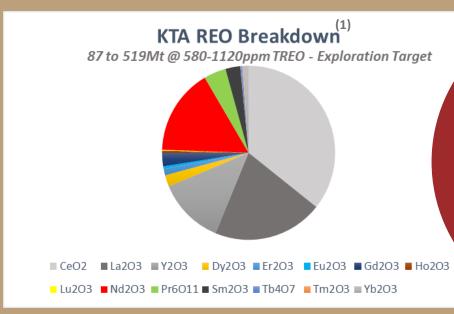
Large upside will expand the current discoveries over other areas such as the Dew AOI which covers an area amounting to approximately 150Km² with well developed laterite profile.



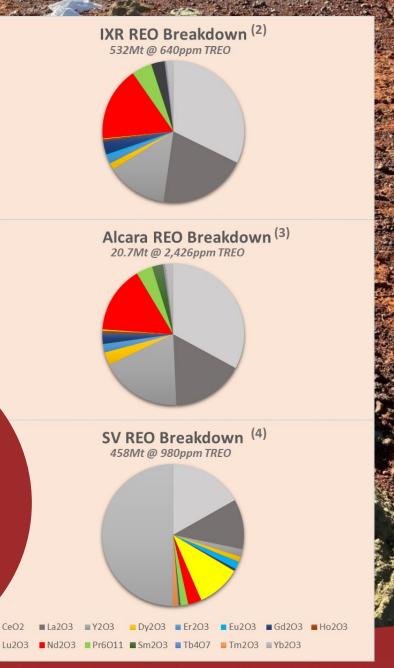
There are various companies exploring for ionic REE outside China; but only several have advanced to prefeasibility level and are closer to the development pathway

KTA's Total Rare Earth Oxide⁽¹⁾ composition from the recent drilling is similar to the composition of other groups.

KTA project is 100% owned and located in the safe and stable jurisdiction of Western Australia, an area familiar with mining



Krakatoa's Tower REE project is comparable to other advanced clay hosted REE projects being developed outside China



REGOLITH REE PEERS @ 23/5/22

KTA: Krakatoa Resources Ltd

- Market Cap': \$26,000,000
- Ownership: 100%
- Location: Western Australia
- Resource: Exploration Target 87-519 Mt grading 580-1120ppm TREO.

IXR: Ionic Rare Earths Ltd

- Market Cap': \$209,000,000
- Ownership: 51% earning 60% (Pre-emptive right to 100%)
- Location: Uganda
- Resource: JORC 2022 (MRE) 532 Mt @ 640ppm TREO

Source: Company announcement 3/5/2022

ARA: Aclara Resources Inc (TSX Listed)

- Market Cap': C\$69,000,000
- Ownership: 100%
- Location: Chile
- Resource: 20.7 Mt @ 2,426ppm TREO Source: Company presentation February 2022

AR3: Australian Rare Earths Ltd

- Market Cap': \$49,000,000
- Ownership: 100%
- Location: Eastern Australia
- Resource: JORC 2021 (inferred) 39.9Mt @725ppm TREO

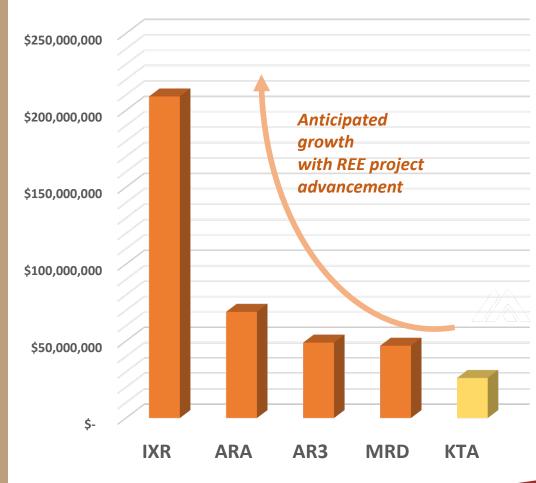
Source: IPO Prospectus of 2021

MRD: Mt Ridley Mines Ltd

• Market Cap': \$47,000,000

- Ownership: 100%
- Location: Western Australia
- Resource: Nil

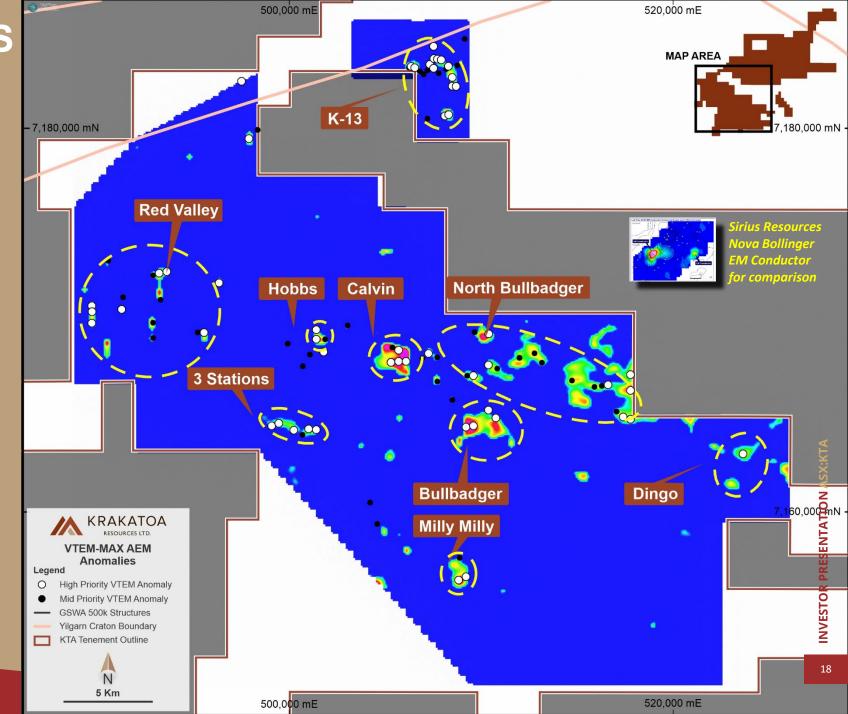
Market Cap' Comparisons





BASEMENT SULPHIDES Ni-Cu-(Co)-(PGE'S)

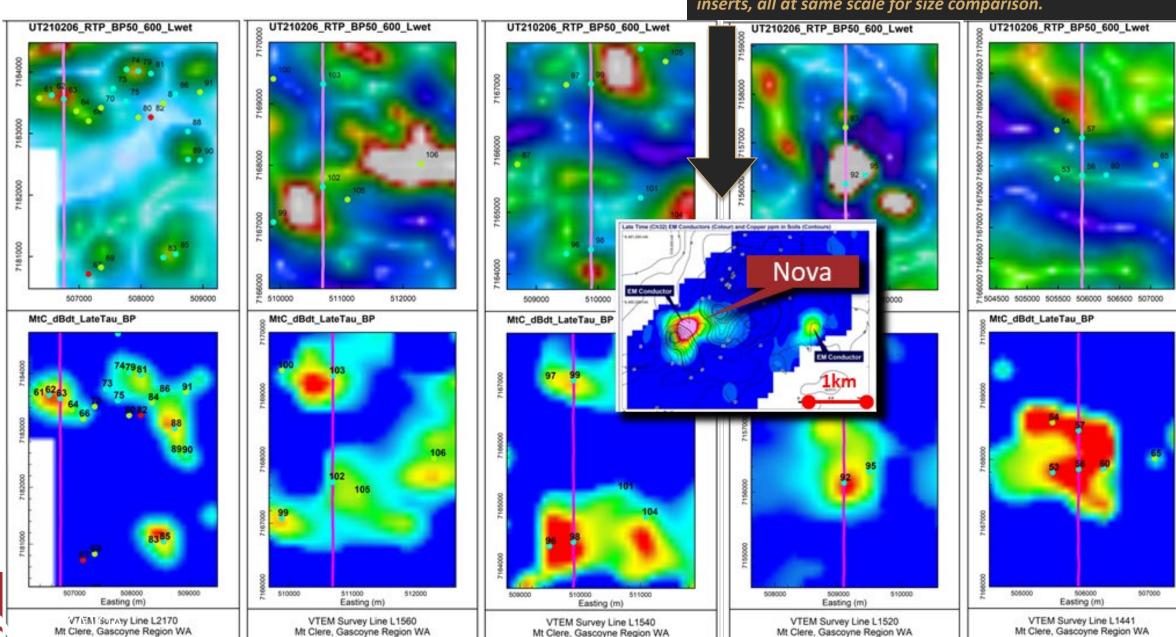
- Highly successful VTEM survey identified multiple conductors
- 20 high priority and highly prospective strong discrete late time targets along regional structural trends
- EM Targets are supported by the stream geochemistry samples and rock samples.
- Catchments where priority late time EM conductors found show elevated Cr, Ni, Cu and other pathfinder elements
- Planning and approvals process complete; phase 1 moving loop EM survey underway to help refine the future drilling of priority targets



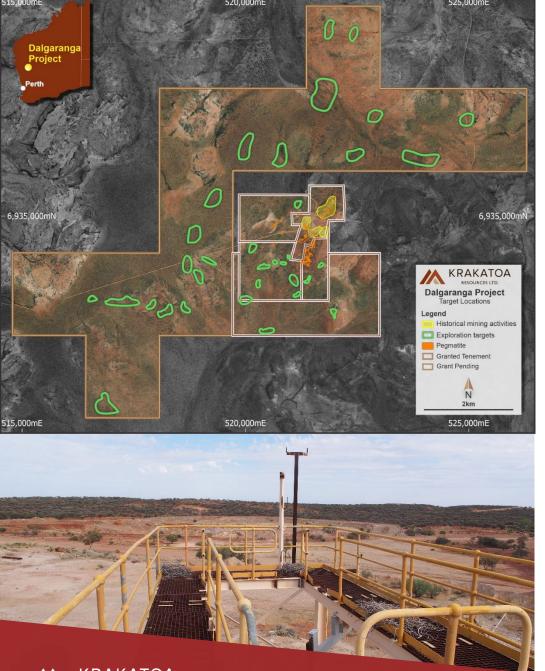


NOVA BOLLINGER - EM COMPARISON

Sirius Resources - Nova Bollinger EM Conductor that lead to the discovery was a discreet late time EM conductor – See inserts, all at same scale for size comparison.







TANTALUM MINE within LCT PEGMATITE SWARMS

Rb, Li, Sn, Ta, Nb +/- W

BROWNFIELDS SPECIALITY METALS PROJECT IN THE MURCHISON REGION OF WESTERN AUSTRALIA.

- Dalgaranga was discovered around 1961 and underwent small scale **mining over many years**, producing tantalum, beryl, tin and tungsten.
- Prospective for Tantalum, Lithium, Niobium, Tin and Rubidium.
 Multiply pegmatites swarms identified.
- Prilling by KTA in 2017 revealed wide zones (up to 71m) of Rubidium⁽¹⁾ enrichment the existence of Tin, Tantalum, and Niobium, a mineralised extensions immediately along strike and east of the open pit
- Significant **Exploration Target** defined from 2017 KTA drilling and historical holes next to the historical open pit area. (2)
- Rubidium is a high-value metal used for solar panels (photoelectric cells), motion sensor and night vision devices, and medical imaging devices.
- Krakatoa rock chips taken near the historical open pit returned significant number of rubidium values exceeding 800ppm, with a maximum value greater than 5000ppm Rb. (3)

EXPLORATION TARGET

1.47 to 3.18 million tonnes⁽¹⁾

The potential quantity and grade of the Exploration Target is conceptual in nature and is therefore an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource



500-2000



25-100



50-300



50-700

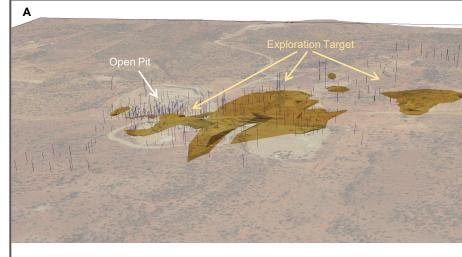


100-500

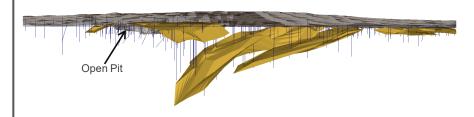


10-100

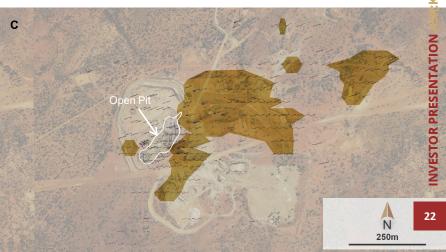




В

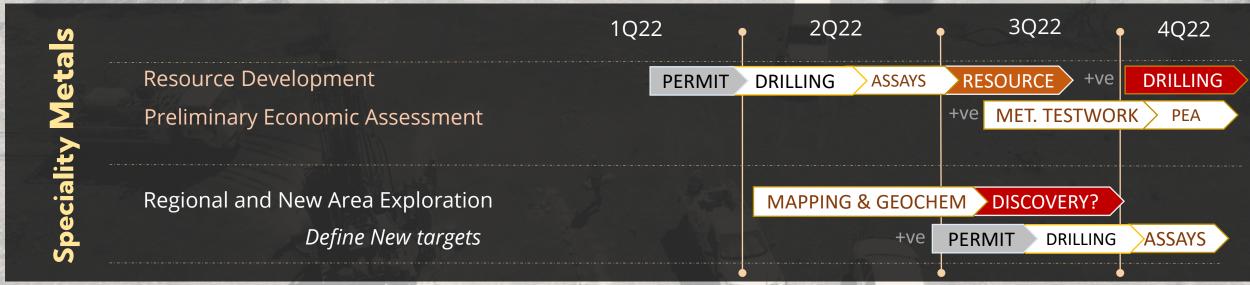




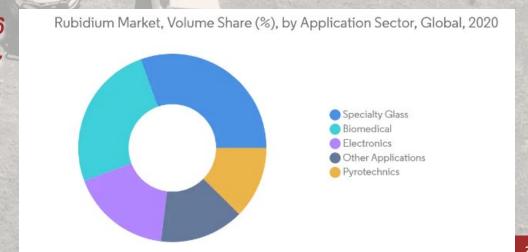


Exploration Schedule Dalgaranga 2022 – KEY MILESTONES

AGGRESSIVE YET SYSTEMATIC EXPLORATION CONTINUING in 2022



The global Rubidium market is expected to grow at a CAGR +4% through till 2026
The global Llithium market is expected to grow at a CAGR +19% through till 2027
The global Tantalum market is expected to grow at a CAGR +6% through till 2027
The global Niobium market is expected to grow at a CAGR +5% through till 2027
Source: Mordor Intelligence and SMM



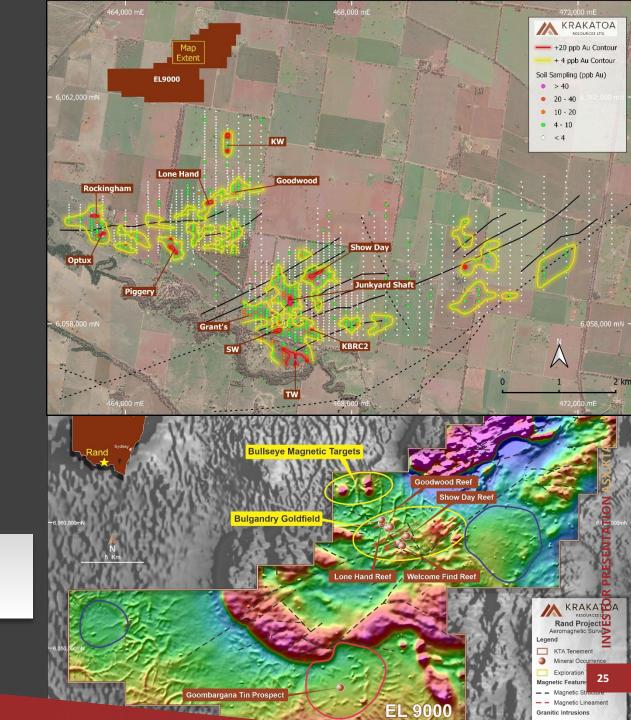


BULGANDRY GOLD PROSPECT

Historic high-grade gold mines in limited outcrop within Central Lachlan Fold Belt, NSW

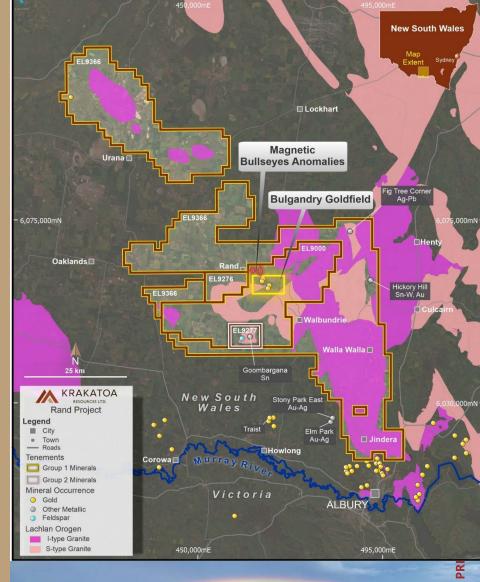
- The Bulgandry Goldfield comprises several shallow mines which historically produced **grades up to 265g/t gold**⁽¹⁾. Recent drilling has confirmed gold below Goodwood Reef mine area
- Substantial rock samples across limited outcrop returned significant gold results including, 81g/t, 70g/t, 21g/t, 17g/t 14g/t, 10g/t from various areas around the Bulgandry goldfield area (2)
- Multiple large (1-3km) coherent and **robust gold anomalies defined**⁽¹⁾ from regional auger soil geochemical surveys
- Several new IRGS targets defined outside of known workings and rock chips, several parallel
- Broad-spaced, first pass drilling confirmed gold mineralisation at several historic mines and prospects
- Gold mineralisation encountered highlights the significant exploration upside that exists within the 6km zone of magnetic lineaments

NEXT STEP - Complete ground geophysics followed by reconnaissance drilling program in 2022.



NEW REGOLITH REE DISCOVERIES

- **⚠** Discovered in November 2021 (1)
- Analysis reveals anomalous REEs from shallow AC drilling program at the Rand Magnetic Bullseyes
- Significant REE intersections discovered over re-assayed (REE) samples include:
 - 11m @ 1,223ppm TREO from 43m (HAC020)
 - 7m @ 1,285ppm TREO from 42m; within 28m @ 598ppm TREO from 38m to EOH (HAC023)
 - 4m @ 1,424ppm TREO from 35m; within 12m @ 633ppm TREO from 31m
 (HAC029)
 - 8m @ 1,230ppm TREO from 9m; within 35m @ 579ppm TREO from 1m to EOH (HAC043)
- Analysis using weak acid solution (WAR) displays weakly bound, highly soluble REEs, characteristic of ionic absorption clay REE deposits
 - Up to 86% recovery using WAR over intrusive basement and up to 77% recovery within metasediments
- Significant and strategic new regional land holding recently granted, expanding the Rand Project by a further 2,241km²



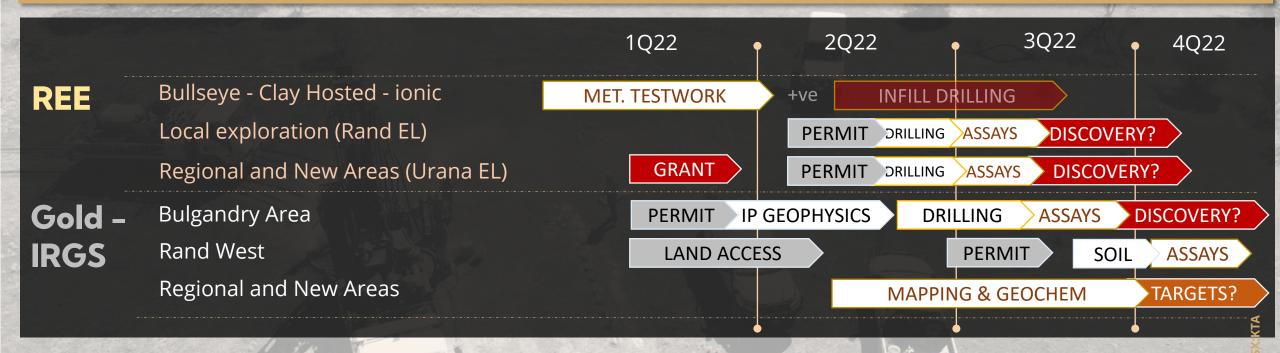






Exploration Schedule Rand 2022 – KEY MILESTONES

AGGRESSIVE YET SYSTEMATIC EXPLORATION CONTINUING in 2022



Metallurgical test work on the initial ionic REE samples underway.

Granting of the new extensive land position is complete – reconnaissance drilling planning and permitting in progress

Advancing the Bulgandry IRGS soil anomalies with IP geophysics with the intention to drilling the targets in 2022.



