



23 May 2024

EXPLORATION UPDATE AT NB-REE GRAVITY TARGET, MT CLERE

- **Infill soil sampling now completed over regional Nb-REE gravity high target area**
- **Soil samples are currently undergoing analysis**
- **Regional stream and reconnaissance soil assays showed anomalous Nb-REE within a 40km long target catchment area prospective for alkaline intrusive systems**

Krakatoa Resources Limited (ASX: KTA) (“Krakatoa” or the “Company”) is pleased to update the market on the continued exploration activities around the exciting new target at the Mt Clere tenement, located in the north-western margins of the Yilgarn Craton in Western Australia.

The Company has undertaken a second pass intensive soil sampling program over the prospective Stone Tank niobium (Nb) and rare earth element (REE) area of interest identified after first pass orientation reconnaissance geochemistry sampling and review of geophysical data (see ASX announcement 2 May 2024).

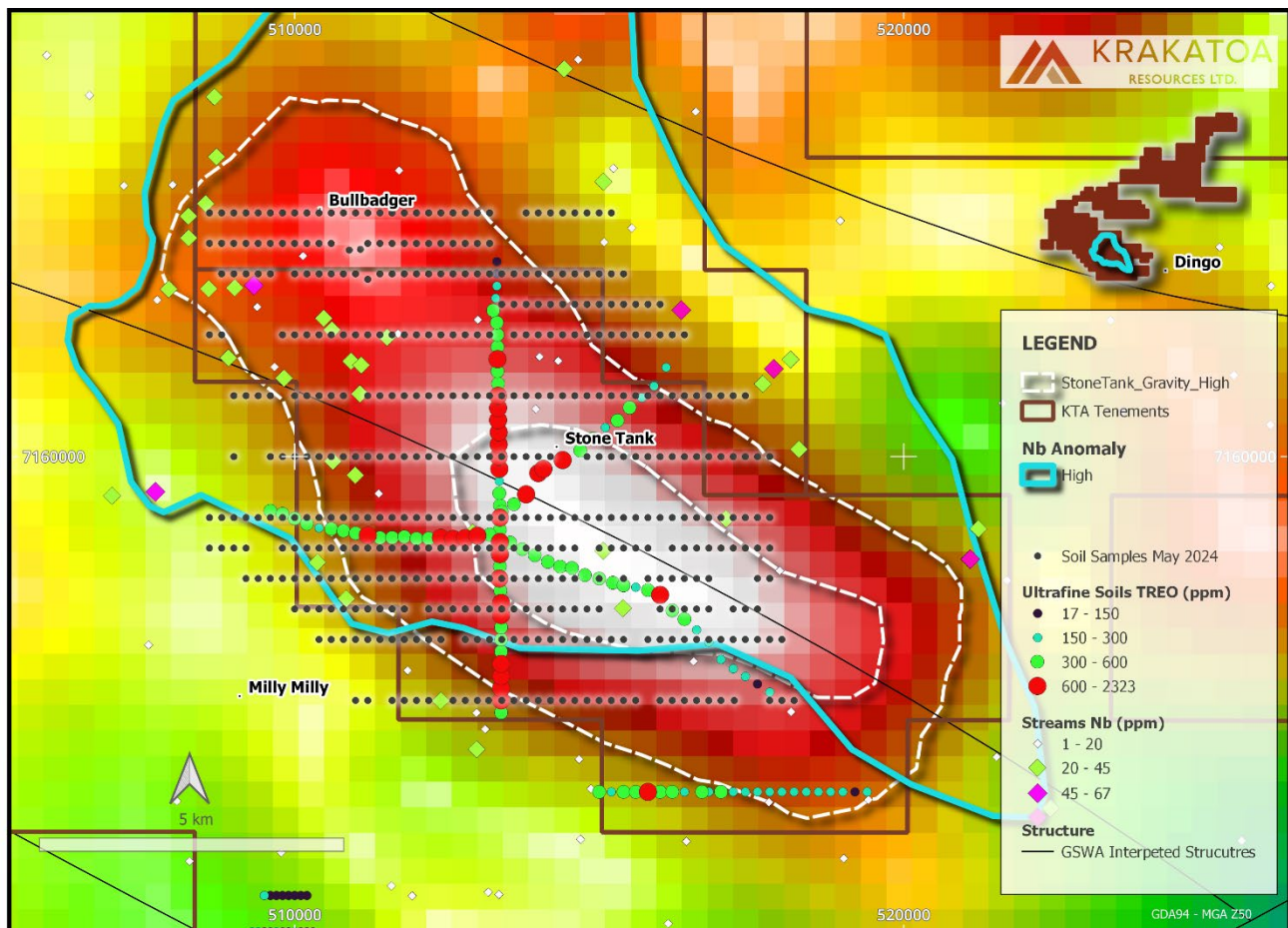


Figure 1: Image showing location of Stone Tank - Bullbadger Nb-REE stream anomaly area of interest (light blue line), over band pass filtered residual gravity with marked gravity high outline (white dash), showing location of the current soil program and results from the 2023 ultrafine total rare earth oxide soil and niobium (Nb) stream assay results (MGA94 zone 55).



ASX Code
KTA

Capital Structure
472,107,220 Fully Paid Shares

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The target area incorporates the Stone Tank and Bullbadger prospect areas which reside in the district level Nb-Ce-Y-Th stream geochemical anomaly coinciding with a large 15km long gravity high geophysical signature (Figure 1). The Company's stream sediment data (refer to ASX announcement 2 May 2024) highlights a possible carbonatite signature (Nb-Ce-Y-Th anomalies) in drainages surrounding the gravity high and adjacent to where historical mapping had identified three lamprophyres (alkaline igneous rocks known to be associated with carbonatites, lamproites and kimberlites). The target area may host hidden alkaline intrusive systems such as carbonatite, obscured by the extensive sand and laterite cover.

Recent work

The exploration team collected over 450 soil samples during May 2024. The soil samples were collected in and around the central gravity anomaly area where the first pass reconnaissance ultrafine soil survey completed in 2023 identified elevated REE along the sampled lines. The recently completed soil sampling was orientated along east-west lines that were spaced 500 or 1000m apart. Sample spacing along the line was approximately 200m (Figure 1).

All samples were sieved in the field and transported to the Companies layout facility in Perth, then delivered to ALS laboratories to undergo analysis. Results are expected to be received by the Company within 4 weeks.

Going forward, the Company is looking to aggressively carry out additional reconnaissance work within the larger surrounding target catchment area, including the target between the Hobbs and Red Valley prospects, focusing on Nb-REE carbonatites and/or associated alkaline systems. The Company may look to undertake ground based geophysical surveys to help assist with defining areas of geochemical potential to assist with designing possible future drill testing.

-END-

Authorised for release by the Board.

FOR FURTHER INFORMATION:

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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 styles of mineralisation and types 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.

Forward Looking Statements

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 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. 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.



Disclaimer

In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcement.