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GRAVITY SURVEY REVEALS SIGNIFICANT NEW TARGET ANOMALIES

- **Ground gravity survey data defines a large 5km positive complex with several dense targets in the Stone Tank prospect area**
- **Two large high priority, discrete and strong amplitude gravity anomalies have been identified for future drill targeting**
- **One target is coincident with a buried magnetic high, the other running parallel to a magnetic low feature interpreted to be a structural lineament**
- **Planned auger and extended infill soil sampling program will be completed over target areas, followed by possible reconnaissance drilling**

Krakatoa Resources Limited (ASX: KTA) ("Krakatoa" or the "Company") is pleased to provide the results of the ground gravity survey completed around the Stone Tank prospect at the Mt Clere Project, which has defined significant new gravity anomalies (Figure 1). Mt Clere is located in the north-western margins of the Yilgarn Craton in Western Australia.

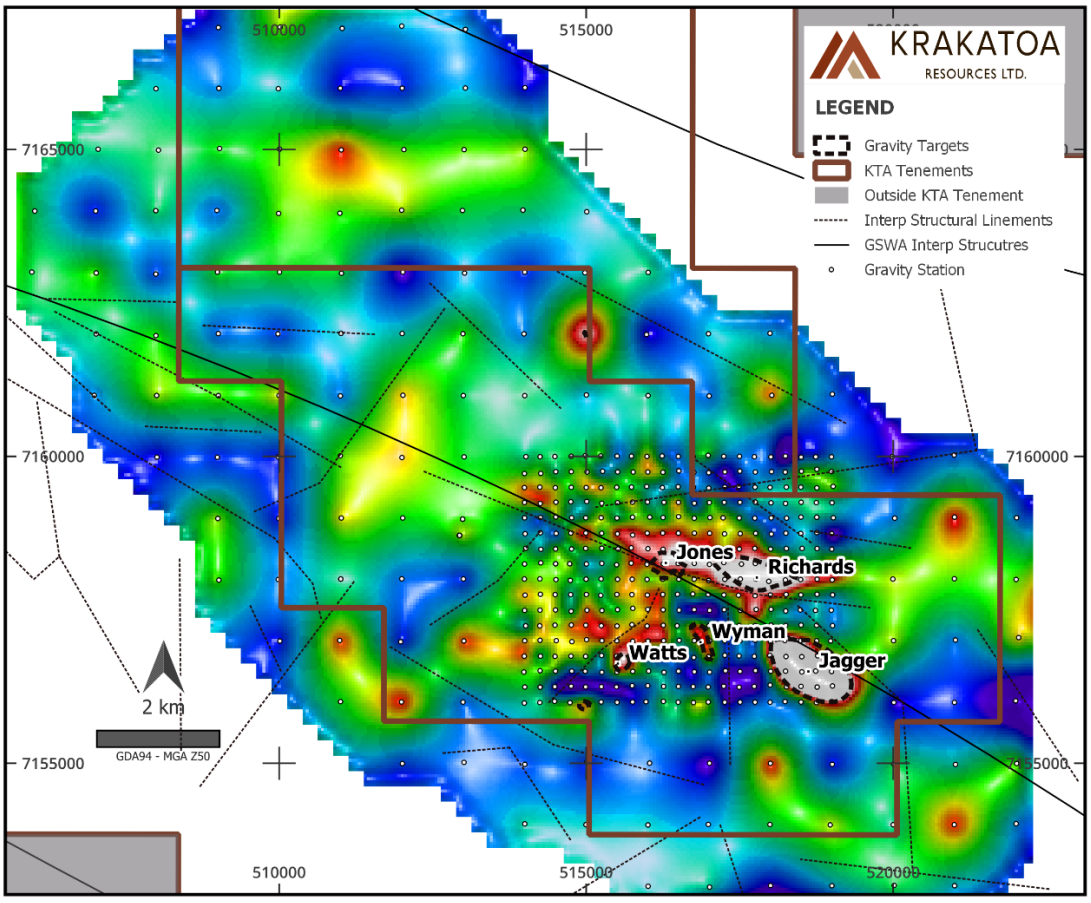

Figure 1: Gravity survey over the Stone Tank prospect showing high amplitude gravity targets and structural environment.

Krakatoa Resources CEO, Mark Major commented *"The higher resolution ground gravity survey has significantly improved the resolution of the dataset over the Stone Tank prospect which has led to us identifying and subsequently define several new anomalies which the company can now target with drilling.*

The two prominent targets are sited on topographical low areas and subsequently under cover. Each gravity target is over 1km long, with the Jagger target being slightly wider. The Jagger target is associated with a coincident magnetic high anomaly while the Richards target follows a structural feature with limited coincident magnetism. Both targets are thought to be potential intrusive bodies or signatures associated with an intrusive system, such as carbonatite or similar system.

We are very pleased with the output of the survey as it has provided the important refined geological data to support our hunt for alkali intrusive systems including possible enriched carbonatite systems."

The overall gravity anomaly highs (Figure 2) are believed to broadly define the lateral extent of a possible carbonatite intrusive system to be tested by upcoming drilling. Both targets are interpreted as shallow potential intrusive bodies or alteration signatures associated with an intrusive system, such as carbonatite hosted critical mineral alkaline systems.

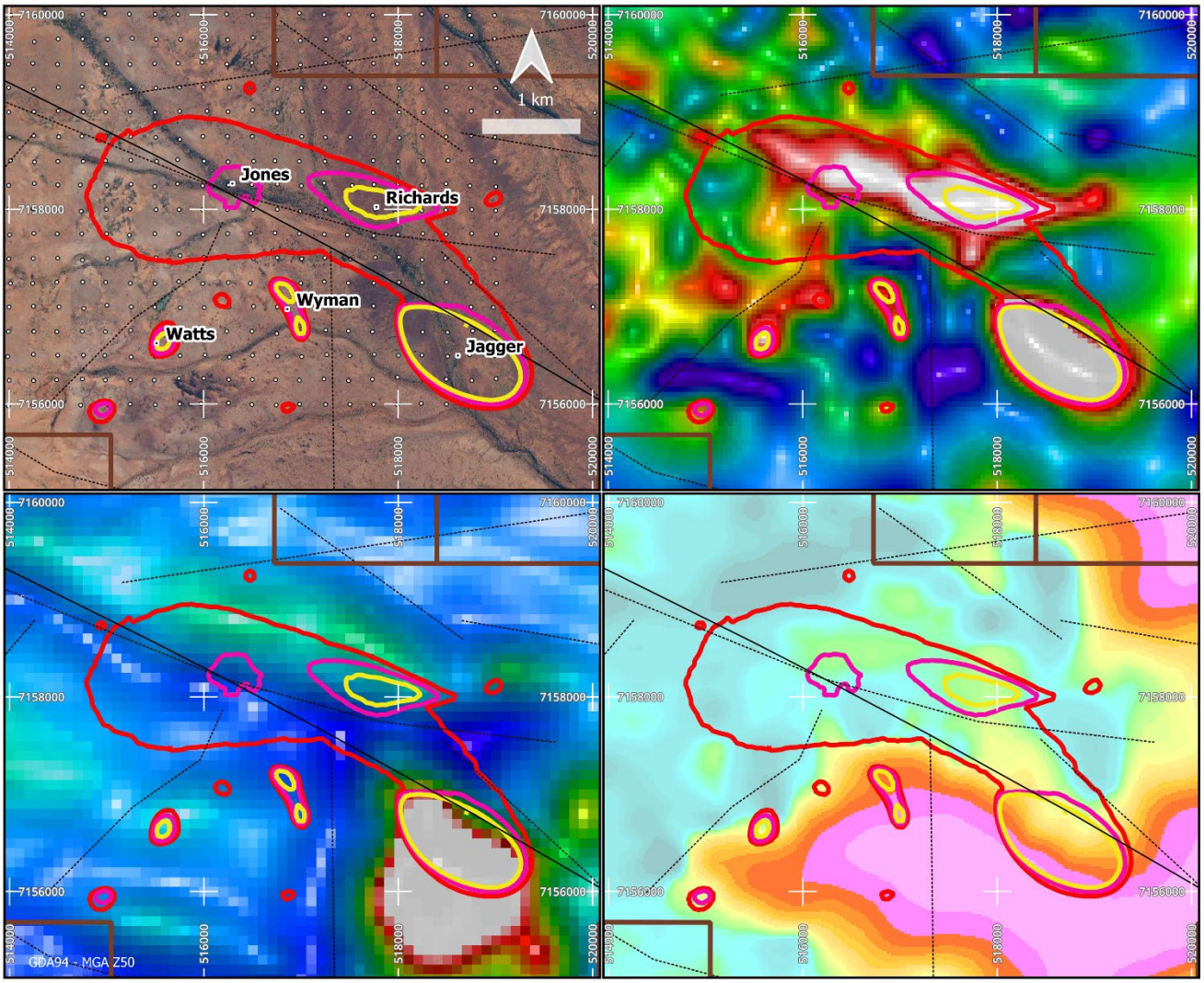

Figure 2: Modelled gravity body silhouettes (Yellow 200, Pink 180, Red 160) over various images; Top Left – Gravity station on satellite image; Top Right – Total Bouguer Gravity image; Bottom Left - RTP magnetic image; Bottom Right – AEM time channel 30z.

Summary Results of the Gravity Program

These new ground gravity stations have greatly improved the resolution and better defined the amplitudes of gravity anomaly patterns within the Stone Tank prospect area, and have assisted with target generation and ranking, modelling for future initial drill targeting.

Atlas Geophysics Pty Ltd was contracted to complete a 486 station ground gravity survey over previously identified GSWA regional gravity high portions of the Stone Tanks prospect areas. An initial 1km station spacing was completed with selected areas showing strong amplitude gravity response (higher density levels), infilled with 250m station spacing (Figure 1). Montana GIS, a specialist geophysical consulting business was engaged to process and interpret the data.

The data was processed and modelled, then underwent interpretation using a combination of existing magnetic and electromagnetic data and models. The modelling has defined two large priority targets and three smaller secondary targets.

The newly identified Jagger target covers an oblong shaped area with an extensive lateral extent of 1.5km by 0.8km. It is located within the southeast area of the Stone Tank prospect and is characterised by a discrete and strong amplitude gravity anomaly response coincident with a highly magnetic feature, in a resistive zone adjacent to a strong conductor. The target is positioned within a topographical low and cut by a creek bed (Figure 2).

The Richards target is a more elongated gravity body around 1300m long by 450m wide body with a 800m long high density core. The target has limited coincident magnetic anomaly response, which runs adjacent to a medium elevated magnetic ridge and is bound to the southern extent by magnetic low features which are interpreted as two key interpreted structural features. This area is a more resistive zone and is located on the northern edge of an intermittent dry creek bed (Figure 2).

A combined gravity and magnetic 3D inversion model has been created for the Jagger and Richards area (Figure 3). This model utilised the detailed magnetic data to help constrain the model and show the relationship between the density variations and magnetic properties.

This model has defined the Jagger gravity anomaly to be sourced by a dense “heart shaped” body coincident with a strong magnetic core, which may extend to over 1km in depth (Figure 3). The Richards anomaly located to the northwest has a dense plugging “kidney shape” core encapsulated within a less dense body which elongates parallel to the magnetic feature (Figure 3).

The ground gravity surveys have greatly improved the resolution and better defined the amplitudes of gravity anomaly patterns within the Stone Tank prospect area and have assisted with target generation and modelling for future exploration.

Next Steps

Going forward, the Company will complete additional deeper regolith geochemical sampling of the two gravity anomalies. This may involve auger or air core drilling to sample below the transported cover. The Company may look to infill and refine the gravity survey over the priority targets to assist with initial drill targeting. The Company will then be able to finalise preparations for a maiden drilling campaign.

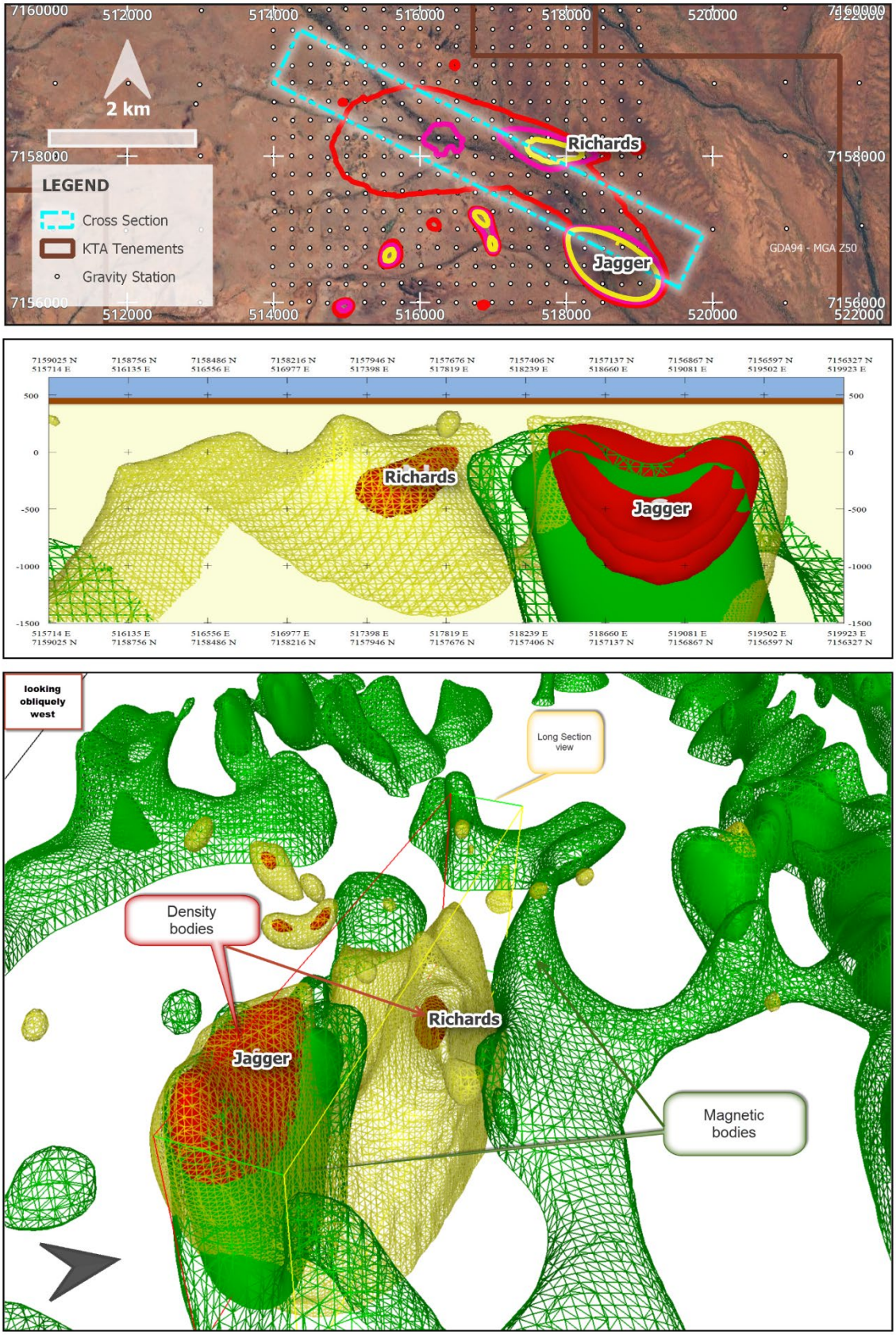

Figure 3: Top – Plan View, Middle – Cross section, Bottom – 3D Gravity and Magnetic Inversion Model. *Schematics of the modelled gravity anomalies (total bouguer 2.67g/cc iso-surfaces, red>0.25g/cc, orange=0.13g/cc) combined with VRMI iso-surfaces (green mesh 0.1SI, green solid 0.2SI units).*

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Authorised for release by the Board.

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Competent Person's Statements

The information in this announcement that relates to Exploration results 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.

The information in this announcement that relates to Geophysical Results is based on information compiled by David McInnes who is a Fellow of the Australia Society of Exploration Geophysicists (ASEG). Mr McInnes is a consultant to Krakatoa Resources Ltd and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McInnes consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. Mr McInnes holds securities in Krakatoa Resources.

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.

Appendix 1 -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.*	• The ground based gravity survey was carried out in a grid based on 1000m by 1000m spacing. Selected areas were infilled with a grid at 250m by 250m spacing. • A CG-5 Autograv Gravity Meter, CHCi70+ GNSS Rover Receiver and a CHCi70+ GNSS Base Receiver were used for the survey. • Gravity data were acquired concurrently with GNSS data using a Scintrex CG-5 gravity meter. Data were acquired in single shifts of up to 12 hours duration, with each shift consisting of a single loop controlled by observations at the gravity control station. Each loop contained a minimum of two repeated readings so that an interlocking network of closed loops was formed. • The sampling techniques used are deemed appropriate for the style of exploration. •
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).*	• Not applicable – no drilling reported
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.*	• Not applicable – no drilling reported
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.*	• Not applicable
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.*	• Not applicable
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.*	• Each loop contained a minimum of two repeated readings so that an interlocking network of closed loops was formed. A total of 20 repeat readings representing 4.12% of the survey were acquired for quality control purposes. • Repeatability of the data was excellent, with the standard deviation of the elevation repeats at 0.011m and the standard deviation of the gravity repeats at 0.014mGal. • Gravity control was established at station 202407900001 via two ABA tie loops to existing control station 201100300001 "Moorarie Station". Standard deviation of the tie loops is 0.004mGal.

Criteria	JORC Code explanation	Commentary
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.*	• Data was reviewed by Altas Geopyhsics field contractors and Montana GIS (David McInnes) geophysical consultant on completion of each preliminary survey. • Montana GIS processed the preliminary data and carried out additional gravity processing and assessment for topographical effects which were considered negligible due to the relatively flat topography. A range of gravity products to Krakatoa in the form of registered images which are stored on Krakatoa's servers. •
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.*	• Station locations were collected at time of sampling internally with the GNSS system. They are collected as WGS84 coordinates and then converted to GDA94 coordinates for each gravity station location. MGA coordinates were then derived by projecting the GDA94 geodetic coordinates with a Universal Transverse Mercator (UTM) transform using the appropriate zone. • All coordinates are in MGA94 Zone 50 grid.
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.*	• Not applicable.
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.*	• N/A • N/A
Sample security	• *The measures taken to ensure sample security.*	• Soil samples were collected into kraft packages and stored in calico bags. • All samples were placed in large plastic bags and transported to Perth by Company personal.
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 Mt Clere Project is located 200km northwest of Meekatharra in Western Australia. It comprises ten granted Exploration Licences, all held by Krakatoa Resources Ltd. The tenements on which gravity Survey was undertaken as reported in this announcement include: • E09/2357 • E52/3876 • E52/3836 • The Wajarri Yamatji people are the Native Title holders over the relevant portion of the Project and the company has an agreement in place with • The Company holds 100% interest and all rights in all these tenements. • The tenure is held in good standing and the company is in compliance with all relevant conditions and legislation.

Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Due to the relatively remote location, very little previous exploration has been conducted by other parties in the area of activity.
		  ○ Helix and Normandy Yandal Operations took regional bleg samples over the area in the search for gold mineralisation from 1994-2000 but were discouraged by the local results and moved to focus on deposits discovered to the west.
		  ○ Astro Mining NL conducted regional exploration for diamondiferous pipes in the area in 1998. They utilised stream sediment samples during their initial work but, despite returning pan concentrates with high proportions of heavy mineral sands, did not receive sufficient encouragement to continue.
		  ○ Geotech International conducted targeted stream sediment programs in K13 and Bedarry Creeks near to Astro's previous indications of high Monazite content pan concentrates. They also conducted auger programs along adjacent station tracks without success.
		  ○ All Star Minerals PLC conducted a regional stream sediment program around their North Bullbadger target during 2007, followed by a soil program and rock chip sampling exploring for REEs. This lies at KTA's B (banana) targets, west of North Bullbadger Bore. They had initially encouraging indications of elevated REE's but did not continue work there.

Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project lies predominantly in the Narryer Terrane, which forms the northwest part of the Archean Yilgarn Craton in Western Australia. The Narryer Terrane contains the oldest known rocks in Australia (c. 3730 Ma) and has been reworked by multiple phases of deformation and metamorphism during the late Archean. • The terrane comprises several groups of gneisses derived from early to late granites and interleaved metasedimentary and mafic meta-igneous rocks. • The Narryer Terrane is separated from the Gascoyne Complex of the Glenburgh Terrane to the north by the <20km wide Errabiddy Shear Zone. • A number of banded iron formation (BIF) outcrops have been mapped through the project area, which may represent dismembered lenses/keels of a former greenstone belt. • Lamprophyre dykes have been noted throughout the Narryer but no diamondiferous pipes have been discovered to date. • Several large Proterozoic dolerite dykes run roughly east-west through the project area. • Deep drilling in the area by the company in 2022 returned significant magnetic and electromagnetic anomalism and were modelled as suspected sulphide-rich mineral bodies. Due to the high degree of deformation and metamorphism, the appearance of surface rock samples near the anomalies was not diagnostic as to the potential for mafic/ultramafic intrusive-hosted styles of mineralisation.
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*	• N/A

Criteria	JORC Code explanation	Commentary
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 weighting of averaging techniques have been utilized. • No aggregations reported. • No metal equivalents presented.
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').*	• This is early-stage, first pass prospecting work. The orientation and geometry of mineralisation is not yet known. • NA • N/A
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 map and a summary assay table included in the body of the report are appropriate for this stage of work.
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.*	• NA
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.*	• All relevant information is report
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.*	• Further reconnaissance mapping and soil sampling to examine and further refine areas of possible mineralisation are warranted. Drilling may also be undertaken to test the geophysical targets.