

5 April 2018

Krakatoa acquires cobalt-silver claims in Cobalt Camp, Ontario



Board:

Colin Locke (Exec. Chairman)

David Palumbo (Non-Exec. Director)

Timothy Hogan (Non-Exec. Director)

Capital Structure:

100,000,000 Fully Paid Shares

48,000,000 Options @ 10c exp 31/05/19

12,000,000 Options @ 10c exp 24/10/20

10,893,878 Options @ 40c exp 12/12/19

ASX Codes:

KTA, KTAOB

Projects

Dalgaranga, WA, Ta-Li-Rb

Mac Well, WA, Beryl

- ***Krakatoa establishes a presence in the Cobalt-Gowganda silver-cobalt district, one of the world's most prolific cobalt and silver mining areas***
- ***Claims are peripheral to a cluster of historic high-grade silver-cobalt mines, with the Corkill-Lawson Block partially enclosed by cobalt-focused company, Battery Mineral Resources Pty Ltd***
- ***Limited diamond drilling intersected significant silver and cobalt mineralisation at Corkill-Lawson, yielding:***
 - ***2,393 g/t Ag, 0.31% Co and 0.46% Cu over 0.41m from 99.97m (Hole HCL0701)***
 - ***30.8 g/t Ag (Co not assayed) over 1.47m from 27.58m (Hole HCL0708)***
 - ***93 g/t Ag over 0.46m from 113.20m (Hole HCL0712)***
- ***Commitments for a minimum capital raise of \$525,000 to fund a modern exploration program***
- ***Further acquisition opportunities associated with cobalt and other energy storage and transportation elements anticipated***

Krakatoa Resources Limited (ASX: KTA) is pleased to announce that it has entered into a binding sale and purchase agreement with CBLT Inc. (TSXV: CBLT), an unrelated party, to acquire two claim blocks prospective for cobalt-silver mineralisation, located in the Gowganda area of north-eastern Ontario.

The Cobalt-Gowganda mining area (otherwise known as the Cobalt Camp) of Ontario is historically one of the most prolific cobalt and silver mining areas in the world. Over 600 million troy ounces of silver have been produced from mines in the area since 1903¹.

¹ www.davidkjoyceminerals.com/pagefiles/articles_cobaltgowganda.asp

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Between 1910 and 1989 the Gowganda area produced 60 million ounces of silver and 1.4 million pounds of cobalt representing 11% of the total silver and 6% of the total cobalt production of the Cobalt-Gowganda camp (Ontario Geological Survey, Open File Report 6318, pages 7-10). The claim blocks, lie ~73km to the northwest and west-northwest of Cobalt.

The Cobalt-Gowganda mining district has recently been targeted by several cobalt-focused companies, including Winmar Resources Limited (ASX: WFE) and Battery Mineral Resources Pty Ltd, who partially enclose the companies Corkill-Lawson Claims.

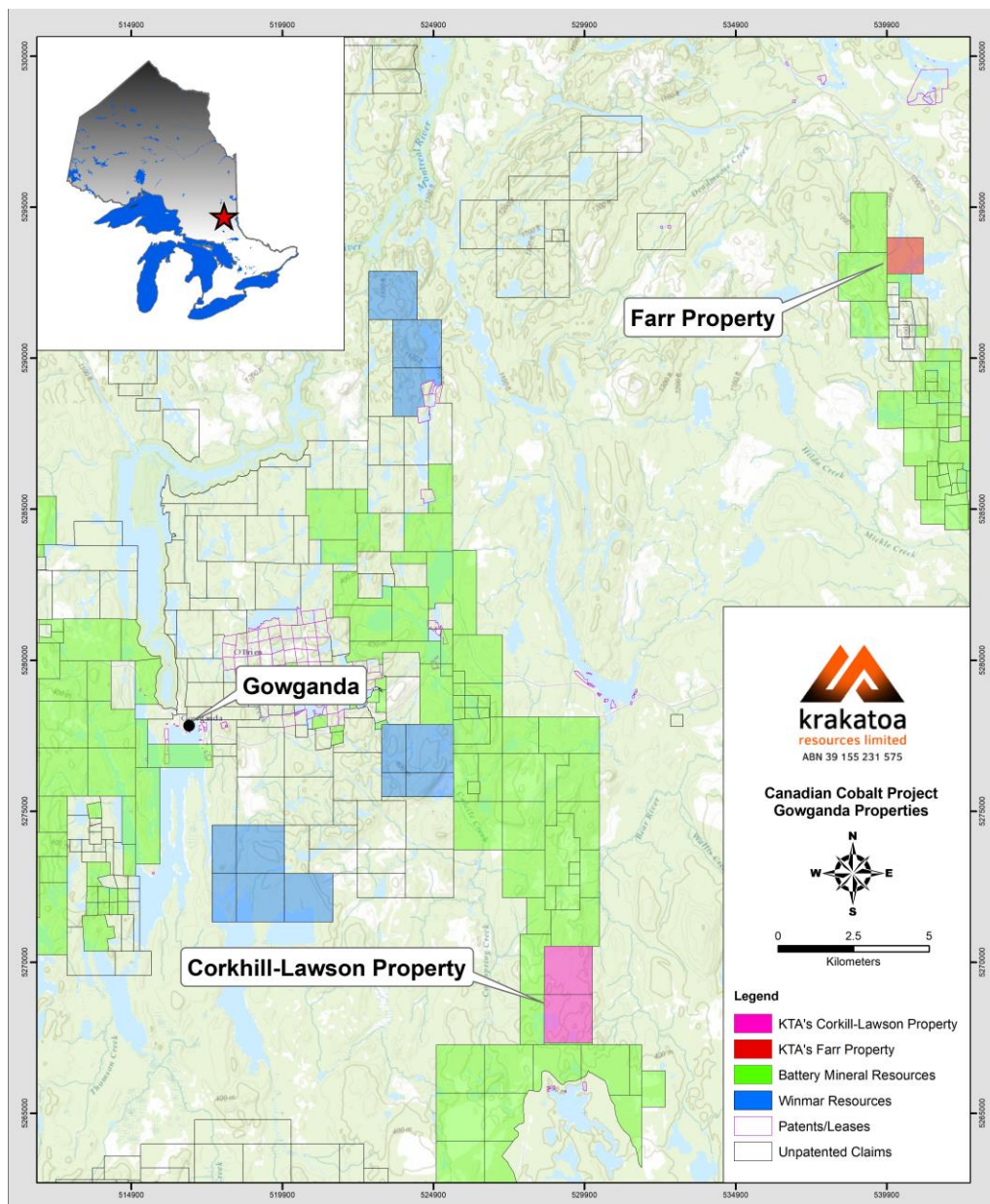


Figure 1: Location Map of the Company's cobalt-silver claims

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Krakatoa anticipates further acquisition opportunities associated with cobalt and other energy storage and transportation elements.

Claim Descriptions

The two claim blocks are described as follows:

Corkill-Lawson

- Comprising 32 units made up of 2 claims (4286175 & 4286176) covering an area of 506ha and valid until 23 March 2019.
- Includes a 3.2km section of the Nipissing Diabase, where historical silver-cobalt deposits at Gowganda occur within fracture-fill type carbonate veins.
- The claims lie near historical mineral occurrences, such as Lacarte and Sydney Creek in the north, Corkill to the west, and the historic small producer Kell in the south.
- A single grab sample taken from a trench exposing the Nipissing Diabase 2.5km north of the Corkill-Lawson block returned 0.2% Co and 65.4oz/ton Ag (MDI41P10SE00008²).
- Ten core holes (see Annexure 1) were drilled by Klondike Silver into silver targets at the Corkill-Lawson property, of which seven were assayed for cobalt (some only partially). Hole HCL0701 returned the peak values of 2393 g/t Ag, 0.31% Co and 0.46% Cu over 0.41m from 99.97m.
- Numerous assays exceeding 1oz/t silver were returned from the 10 holes with Hole HCL0712 yielding 93 g/t Ag over 0.46m from 113.20 m.

Farr

- Comprising 9 units over 1 claim (4285815) covering an area of 143ha and valid until 20 June 2019.
- Includes a section which partly covers the contact between Nipissing Diabase with Huronian sediments or granodiorite.
- A series of historic workings, including Roy, Little Ottisse, Sterling and the Boland-Thompson working, lie south of the Farr claim. Recent surface samples from the Boland-Thompson working have reportedly produced an average of 0.31% Co (with a high of 0.75% Co), 1.45% Cu (with a high of 5.71%) and 111.6g/t Ag (with a high of 252 g/t) (Boland Lake Resources, elk-lake-claim-blocktwo.html).

Historically, the area has been explored for silver with cobalt only used as a pathfinder element. Insufficient exploration for cobalt has been conducted over the two claim blocks, with the Company planning to complete a modern program using and reevaluating the available legacy data (refer to proposed exploration program below).

² All sample results quoted above were sourced from the Ontario Mineral Deposits Inventory database on 3 April 2018 (<http://www.mndm.gov.on.ca/en/mines-and-minerals/applications/ogsearth/mineral-deposits-mdi>) and have not been verified by Krakatoa.

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Geology

The silver-cobalt deposits at Gowganda occur within fracture-fill type carbonate veins. The veins occur within Nipissing Diabase that have intruded Archaean metavolcanic rocks which are unconformably overlain by flat-lying metasedimentary rocks of the Coleman Member of the Gowganda Formation. The vein systems are mostly fault controlled, with mineralisation occurring adjacent to or within the diabase sills. The veins tend to be vertical to sub-vertical, narrow and somewhat discontinuous, but very high-grade.

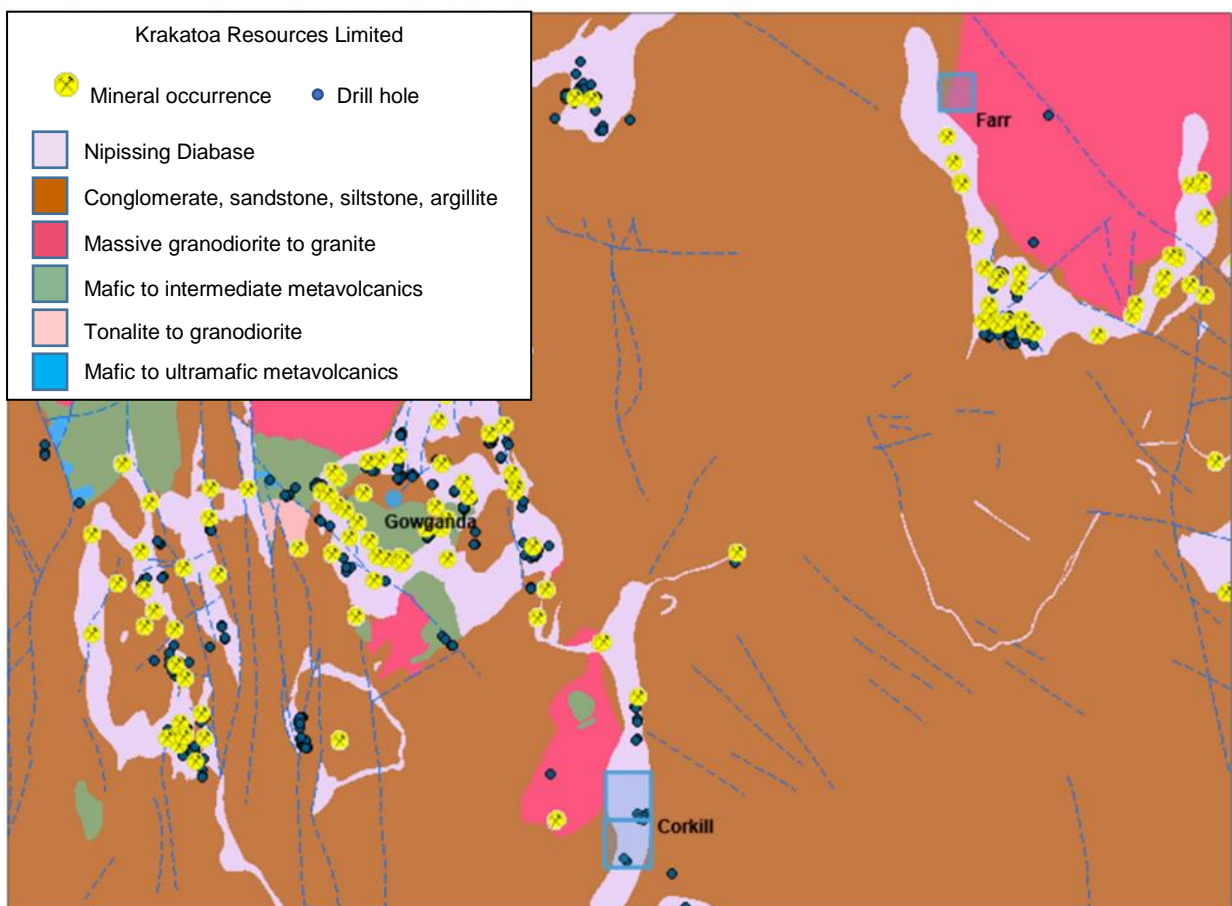


Figure 2: Corkill-Lawson and Farr Blocks on geology with mineral occurrences and drill holes

A thick blanket of cover (averaging 30m) at Corkill-Lawson obscures much of the prospective Nipissing Diabase and has severely constrained past exploration.

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Historical Exploration

Cobalt minerals within the claim areas were historically disregarded as mineral exploration was focused on silver, gold, nickel or copper. Klondike Silver Corp was active at Corkill-Lawson in the late 2000's, using remote sensing geophysical techniques like Induced Polarisation (IP) and electromagnetic methods (VTEM), and geochemical techniques like Mobile Metal Ions, to see through the interpreted thick cover sequence to target features within the obscured Nipissing Diabase.

Klondike drilled 12 holes at Corkill-Lawson into various interpreted IP targets. Ten of the holes lie within the claim area. The pertinent drill information and results are listed in Annexure 1. The Company is yet to assess most historical activity related to the claim blocks.

Proposed exploration program

Krakatoa intends to compile the legacy data with a focus on reprocessing the existing geophysical datasets (IP, Aeromagnetics and VTEM) using modern approaches and enhancements. Similarly, the existing MMI geochemistry will be re-evaluated in light of any new discoveries that result from the aforementioned exercise.

The Company will also move to recover any remaining drill cores for relogging and scanning with a PXRF.

Upon completion of the above, the Company will generate a comprehensive exploration strategy per claim block and move to commence fresh field exploration. Ground electromagnetic methods will be considered prior to nominating drill targets.

Terms of Sale and Purchase Agreement

The consideration for the purchase of the Corkill-Lawson and Farr Claims is AUD\$50,000, 2,500,000 fully paid ordinary shares and 2,500,000 listed options exercisable at \$0.10 on or before 31 May 2019 (ASX:KTAOB).

A net smelter return of 2% is payable upon commercial production.

Completion of the acquisition will occur within 5 business days of Ontario's new Mining Lands Administration System being available for registering transfers. The consideration shares and options will be issued under the Company's existing LR7.1 capacity, and shareholder approval will not be sought for the issue.

The Company will also issue 2,000,000 listed options exercisable at \$0.10 on or before 31 May 2019 (ASX:KTAOB) to the facilitator of the transaction.

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Capital Raise and pro-forma capital structure

To support the proposed exploration program following completion of the transaction, identify and review of further acquisition opportunities and for working capital, the Company has obtained commitments from sophisticated investors to raise a minimum of \$525,000, through the proposed issue of 15,000,000 ordinary shares at a price of \$0.035 per share. The capital raising shares will be issued under the Company's existing LR7.1 and LR7.1A capacity, and shareholder approval will not be sought for the issue. It is proposed that 5,000,000 shares will be issued under LR7.1 and 10,000,000 shares under LR7.1A capacity.

The indicative effect of the transaction and the capital raising on the capital structure of the Company is anticipated to be as follows:

	Shares	Options
Current issued capital	100,000,000	70,893,878
Issued pursuant to transaction	2,500,000	4,500,000
Capital Raising	15,000,000	-
Total	117,500,000	75,393,878¹

¹ Comprised 52,500,000 listed options exercisable at \$0.10 on or before 31 May 2019, 12,000,000 unlisted options exercisable at \$0.10 on or before 24 October 2020 and 10,893,878 unlisted options exercisable at \$0.40 on or before 12 December 2019.

FOR FURTHER INFORMATION:

Colin Locke

Executive Chairman

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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.

Competent Persons Statement

The information in this announcement is based on information compiled by Mr Jonathan King, consultant geologist, who is a Member of the Australian Institute of Geoscientists and employed by Collective Prosperity Pty Ltd, and is an accurate representation of the available data and studies for the claim blocks. Mr King 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 King consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

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ANNEXURE 1 – Drilling Summary

Drill Hole	NAD83_E	NAD83_N	RL	Azimuth	Dip	Depth	From	To	Interval	Ag g/t	Co ppm	Cu ppm
HCL0701	529259	5267602	407	306.3	-46.5	201.06	94.74	95.32	0.58	4.10	238	1,641
							96.28	97.24	0.96	5.40	42	1,564
							99.66	99.97	0.31	4.00	201	3,441
							99.97	100.38	0.41	2,393.00	3,116	4,622
							100.38	101.13	0.75	25.50	37	1,146
							101.13	102.59	1.46	6.60	23	52
						121.06	121.81	0.75	2.70	65	1,534	
HCL0704	529240	5267617	409	305.5	-45	101.88	No significant intercepts					
HCL0705	529339	5267541	400	127.5	-55.2	149.9	No significant Ag intercepts. Co and Cu not assayed					
HCL0706	530006	5269112	405	319.5	-43.3	131.6	35.78	36.42	0.64	9.80	61	577
							90.27	90.7	0.43	37.70	49	240
							90.7	91.62	0.92	4.70	531	2613
							92.31	93.31	1	7.00	175	2730
HCL0707	529889	5269088	405	136.5	-45	132	No significant Ag intercepts. Co and Cu not assayed					
HCL0708	529822	5269012	410	323	-42	170.78	16.65	17.18	0.53	38.90	Not assayed	
							27.58	29.05	1.47	30.80	Not assayed	
							61.27	61.74	0.47	19.30	Not assayed	
HCL0709	529703	5269140	410	136.5	-45	161.37	No significant intercepts					

Drill Hole	NAD83_E	NAD83_N	RL	Azimuth	Dip	Depth	From	To	Interval	Ag g/t	Co ppm	Cu ppm
HCL0710	529788	5268988	410	024	-42.5	161.9	21.10	21.71	0.61	5.50	59	51
							21.98	22.64	0.66	2.40	41	1349
							23.27	23.77	0.50	3.40	59	1079
							23.77	24.91	1.14	4.60	65	1778
							25.74	26.39	0.65	1.20	45	1135
							32.21	32.9	0.69	13.70	135	333
							56.89	57.61	0.72	6.50	32	469
							74.31	75.07	0.76	11.70	66	226
							81.60	82.48	0.88	8.00	83	116
HCL0711	529726	5268968	405	049.7	-44.5	152	61.39	62.11	0.72	12.80	52	275
							70.61	71.16	0.55	5.50	70	319
HCL0712	529867	5268945	405	319.5	-44.5	259.93	86.12	86.69	0.57	10.30	159	288
							89.62	90.71	1.09	19.50	269	2438
							92.12	92.67	0.55	6.30	82	897
							113.20	113.66	0.46	93.10	97	842

JORC Code, 2012 Edition – Table 1

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"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> 	<p>The announcement refers to historic grab sample result quoted in the on-line Ontario Mineral Deposits Inventory (MDI) database. The relevant entry from the MDI is MDI41P10SE00008.</p> <p>Unless otherwise noted, Krakatoa is of the view that the term "grab sample" means selective rock samples typical of those collected by most field geologists. In the context, it is reasonable to assume that the samples contained visible calcite-quartz veining and associated metallic minerals.</p> <p>The Company cautions that the results are unlikely to be representative of the area as a whole. The company will update the information with new data obtained from its own field activities in 2018.</p>
Drilling techniques	<ul style="list-style-type: none"> <i>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).</i> 	<p>A representative selection of the results for 10 diamond drill holes for 1,335.35m are presented in the report.</p> <p>It is unknown whether the core was oriented.</p>

Criteria	JORC Code explanation	Commentary
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 whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>Holes were marked up on metre intervals and logged to those markers unless a specific subinterval (geological contact or other feature) altered the requirement. The metre marks were established as a best fit to the driller's meter tags. The new metre marks were generally within 15cm of the driller's tags.</p> <p>No bias analysis has been performed.</p>
Logging	<ul style="list-style-type: none"> 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. 	<p>Core was geologically logged only, as the holes were primarily for exploration (Qualitative not Quantitative).</p> <p>There is no guidance regarding the presence of core photos.</p> <p>Ten diamond drill holes for 1,335.35m were logged. Sampling was less consistent.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<p>No information provided on the sampling strategy though the core was definitely split (presumably in halves).</p> <p>Quality control procedures are not outlined.</p> <p>The perceived sampling strategy is considered adequate with standard practice.</p> <p>Sample sizes are unknown.</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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. 	<p>Assay certificates are available for the completed work, but these don't document the analytical method used.</p> <p>Use of handheld tools such as PXRF are not reported.</p> <p>The commercial laboratory inserted use only standards and blanks at a rate of one of each per small batch. The representativity of the used is uncertain.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<p>This is not clear from the report.</p> <p>Some scissor holes were used to confirm interpreted geological trends.</p> <p>No protocols are documented; however, the level of reporting is of a high standard.</p> <p>Assay data was not adjusted.</p>
Location of data points	<ul style="list-style-type: none"> 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. 	<p>Garmin rino 530HCx GPS unit in averaging mode was used to position the holes.</p> <p>These were exploration holes only.</p> <p>Zone 17, NAD 83 measurements.</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	No indications of the topographic control provided.
Data spacing and distribution	<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> 	<p>Adequate.</p> <p>Work was for exploration purposes only, not resource estimation.</p> <p>No sample compositing applied.</p>
Orientation of data in relation to geological structure	<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> 	<p>Some drilling appears to be down dip and therefore biasing the reporting in terms of width and assay.</p> <p>Given the early exploration nature of the work, this is not considered critical at this time.</p>
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	A full sampling handling procedure covering the time from development to logging and sampling is discussed and are considered adequate for this early stage work.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	No reviews or audits reported.

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>Krakatoa has entered into a binding claim sale and purchase agreement with CBLT Inc. (TSXV: CBLT) to acquire two claim blocks prospective for cobalt-silver mineralisation. The consideration for the purchase of the Corkill and Farr Claims is AUD\$50,000, 2,500,000 fully paid ordinary shares and 2,500,000 listed options exercisable at \$0.10 on or before 31 May 2019 (ASX:KTAOB).</p> <p>No material issues affect the conditions of the claims.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>The announcement acknowledges that the historic results cited were conducted by parties other than Krakatoa.</p> <p>The historic results quoted in the announcement were obtained from online data sources, namely the Ontario Geological Survey or a search of internet.</p>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>The silver-cobalt deposits at Gowganda occur within fracture-fill type carbonate veins. The veins occur within Nipissing Diabase that have intruded Archaean metavolcanic rocks which are unconformably overlain by flat-lying metasedimentary rocks of the Coleman Member of the Gowganda Formation. The vein systems are mostly fault controlled, with mineralisation occurring adjacent to or within the diabase sills. The veins tend to be vertical to sub-vertical, narrow and somewhat discontinuous, but very high-grade.</p>

Criteria	JORC Code explanation	Commentary
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. 	<p>The sources of the historic results cited have been defined within the body of the announcement.</p> <p>Collar information for the drill holes reported on within the report are presented in Annexure 1.</p>
Data aggregation methods	<ul style="list-style-type: none"> • 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. 	<p>For Annexure 1 the following lower cut off were applied for the purpose of reporting: Ag 5g/t, Co 0.1% and Cu 0.1%</p> <p>No metal equivalent values were calculated.</p>

Criteria	JORC Code explanation	Commentary
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 (eg 'down hole length, true width not known'). 	<p>Grab samples are likely to introduce some bias, as discussed earlier (see JORC Table 1). Some drilling was deliberately drilled in the opposite direction to confirm the geological orientations. Intercepts on these holes are likely introduce extended widths and mineralized intercepts where drilling was down dip.</p> <p>True widths are reported within the drilling report and these are carried into this document.</p>
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. 	<p>Appropriate location maps are provided within the announcement.</p>
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. 	<p>The historic results have been discussed as fully as possible, and the original source locations for the information provided.</p>
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. 	<p>The availability of this information has been identified in reports but is yet to be recovered for review and assessment.</p>
Further work	<ul style="list-style-type: none"> 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. 	<p>Krakatoa intends to compile the legacy data with a focus on reprocessing the existing geophysical datasets (IP, Aeromagnetics and VTEM) using modern approaches and enhancements. Similarly, the existing MMI geochemistry will be re-evaluated in light of any new discoveries that result from the aforementioned exercise.</p>



Criteria	JORC Code explanation	Commentary
		<p>The company will also move to recover any remaining drill cores for relogging and scanning with an PXRF.</p> <p>Upon completion of the above, the Company will generate a comprehensive exploration strategy per claim block and move to commence fresh field exploration. Ground electromagnetic methods will be considered prior to nominating drill targets.</p>