krakatoa
resources limited
ABN 39 155 231 575

30 April 2019

March 2019 Quarterly Activities Report

Krakatoa Resources Limited (ASX: **KTA**) ("**Krakatoa**" or **the** "**Company**") is pleased to provide the following summary of activities conducted in the March 2019 quarter.

Mac Well Project (Be, Ni-Co, Au)

The Mac Well Project has a land area of 66.9km^2 and is located 10km west of the Company's Dalgaranga Project. The Project contains a 7.5km strike along the prospective Warda Warra greenstone belt, mostly untested due to a thick transported cover.

The Company considers favourable structural conditions for gold mineralisation are likely within the Mac Well tenement, acknowledging the significance and prospectivity of the western granite-greenstone contact, as evidenced by the Western Queen Mine. In addition, WMC's historical gold prospectivity model for the Warda Warra Greenstone Belt identified the importance of northeast-trending lineaments, such as the Stewart and Western Queen Zones, as a critical control on gold mineralisation within the belt.

During the March 2019 quarter, the Company commenced planning for a surface geochemical sampling of the 9 target zones previously identified by Core Geophysics based on:

- open file aeromagnetic data;
- proximity to an interpreted granite-greenstone contact;
- intersections of this contact by NE-SW trending shears/faults considered representative of structural trends paralleling the Stewart Zone trend;
- the intersection of NW and NE structural trends with other cross-cutting structures.

Dalgaranga Project (Ta, Li, Rb)

The Dalgaranga Project is located 80km north-west of Mount Magnet in Western Australia and lies within the Dalgaranga Greenstone Belt. The Dalgaranga Greenstone Belt is about 50km long and up to 20km wide and contains gold mineralisation (Dalgaranga gold mine), a zinc deposit (Lasoda), graphite deposits, and occurrences of tantalum, beryllium, tin, tungsten, lithium and molybdenum related to pegmatites.

During the March 2019 quarter, the Company completed a desktop review on the Dalgaranga Project. A key finding in the review is that there are several base metal occurrences in the Dalgaranga Greenstone Belt, including the Phoebe (Zn), Gum Well 1 and 2 (Zn–Cu–Ag), the Dalgaranga Hill (Zn) and the Lasoda (Pb–Zn–Cu–Ag) prospects.

The base metal prospects were the focus of several explorers from 1968 to the mid-1990s using the Golden Grove volcanic massive sulphide (VMS) deposits as the exploration model. CRA Exploration Pty Ltd carried out the largest and most comprehensive grassroots program. Previous ground and airborne electromagnetic geophysical techniques found several sulphide bearing conductor zones, some of which are partially drill tested such as at Lasoda where high grade base metal intersections were recorded, while others remain untested.

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The Company has concluded that the Dalgaranga Project is prospective for base metal mineralisation, as it lies along strike from the Lasoda VMS mineralisation, contains the right rocks (west of the knotted schists exposed in the open pit) and contains an EM conductor in the south of the property that is, in-turn, supported by coincident lead soil geochemistry.

Modern base metal exploration techniques, including geochemical and geophysical techniques, will be considered in the upcoming quarter.

Corkill-Lawson and Farr Projects (Co-Ag)

The Corkill-Lawson and Farr Projects are located in the Gowganda area of north-eastern Ontario and are prospective for cobalt-silver mineralisation. 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.

No work was conducted on the Corkill-Lawson and Farr Projects during the March 2019 quarter.

Corporate

The Company reviewed a number of potential acquisition opportunities during the March 2019 quarter.

Yours faithfully,

Colin Locke
Executive Chairman

Competent person's 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 date 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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Appendix 1 - Details of Tenements Held at 31 March 2019

Project	Tenement Licence	Interest held at at 31 December 2018	Interest acquired/ disposed	Interest held at 31 March 2019
Dalgaranga	P59/2082	100%	-	100%
Dalgaranga	P59/2140	100%	-	100%
Dalgaranga	P59/2141	100%	-	100%
Dalgaranga	P59/2142	100%	-	100%
Mac Well	E59/2175	100%	-	100%
Farr	131986	100%	-	100%
Farr	131987	100%	-	100%
Farr	148579	100%	-	100%
Farr	162115	100%	-	100%
Farr	204704	100%	-	100%
Farr	233431	100%	-	100%
Farr	233432	100%	-	100%
Farr	251322	100%	-	100%
Farr	251323	100%	-	100%
Farr	300021	100%	-	100%
Farr	317324	100%	-	100%
Farr	330653	100%	-	100%
Corkill- Lawson	113077	100%	-	100%
Corkill- Lawson	127453	100%	-	100%
Corkill- Lawson	139501	100%	-	100%
Corkill- Lawson	155382	100%	-	100%
Corkill- Lawson	155383	100%	-	100%
Corkill- Lawson	170037	100%	-	100%
Corkill- Lawson	170038	100%	-	100%
Corkill- Lawson	170039	100%	-	100%
Corkill- Lawson	170568	100%	-	100%
Corkill- Lawson	191476	100%	-	100%
Corkill- Lawson	200011	100%	-	100%
Corkill- Lawson	200012	100%	-	100%
Corkill- Lawson	203607	100%	-	100%
Corkill- Lawson	203626	100%	-	100%
Corkill- Lawson	210246	100%	-	100%
Corkill- Lawson	228787	100%	-	100%
Corkill- Lawson	228800	100%	-	100%
Corkill- Lawson	228801	100%	-	100%
Corkill- Lawson	237094	100%	-	100%
Corkill- Lawson	237095	100%	-	100%
Corkill- Lawson	247658	100%	-	100%
Corkill- Lawson	267268	100%	-	100%
Corkill- Lawson	267287	100%	-	100%
Corkill- Lawson	267288	100%	-	100%
Corkill- Lawson	286779	100%	-	100%
Corkill- Lawson	294811	100%	-	100%
Corkill- Lawson	307478	100%	-	100%
Corkill- Lawson	307479	100%	-	100%
Corkill- Lawson	307480	100%	-	100%
Corkill- Lawson	307504	100%	-	100%
Corkill- Lawson	307505	100%	-	100%
Corkill- Lawson	314207	100%	-	100%
Corkill- Lawson	314208	100%	-	100%
Corkill- Lawson	314209	100%	-	100%
Corkill- Lawson	314210	100%	-	100%
Corkill- Lawson	314211	100%	-	100%
Corkill- Lawson	314212	100%	-	100%
Corkill- Lawson	323368	100%	-	100%
Corkill- Lawson	335102	100%	-	100%
Corkill- Lawson	335103	100%	-	100%

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