Date: 16 June 2020

ASX Code: MAN

Capital Structure
Ordinary Shares: 266,466,510
Unlisted Options:
206,550,077 (3c exercise)
Current Share Price: 2.1c
Market Capitalisation: $5.6M
Cash: $3.45M (Mar 31 2020)
Debt: Nil

Directors

Patrick Burke
Non-Executive Chairman

James Allchurch
Managing Director

Ben Phillips
Non-Executive Director

Lloyd Flint
Company Secretary

Contact Details
Ground Floor
24 Outram Street
West Perth WA 6005
Australia
Tel: +61 9200 3743
mandrakeresources.com.au

First Pass Sampling Programme at Newleyine Prospect

Highlights

- **Rock chip sampling undertaken across Newleyine prospect – 44 samples submitted for assay**
- **Historical surface Ni anomalies associated with extensive ultramafic rock types to be analyzed for PGE concentrations for first time**
- **Planning well advanced for a systematic soil geochemical programme and moving loop electromagnetic survey (MLEM) at Newleyine to guide drill targeting**
- **Newleyine is in the same geological terrane and approximately 30km east of Chalice's (ASX:CHN) Julimar Ni-Cu-PGE discovery**

Mandrake Managing Director James Allchurch commented:

'Mandrake continues to investigate the Newleyine prospect in a methodical and systematic manner. Initial observations of ultramafic rock types confirm the highly prospective nature of this intrusive feature. In the context of the mineralisation identified at Julimar, the Company looks forward to undertaking the first assessment of platinum and palladium potential at Newleyine".

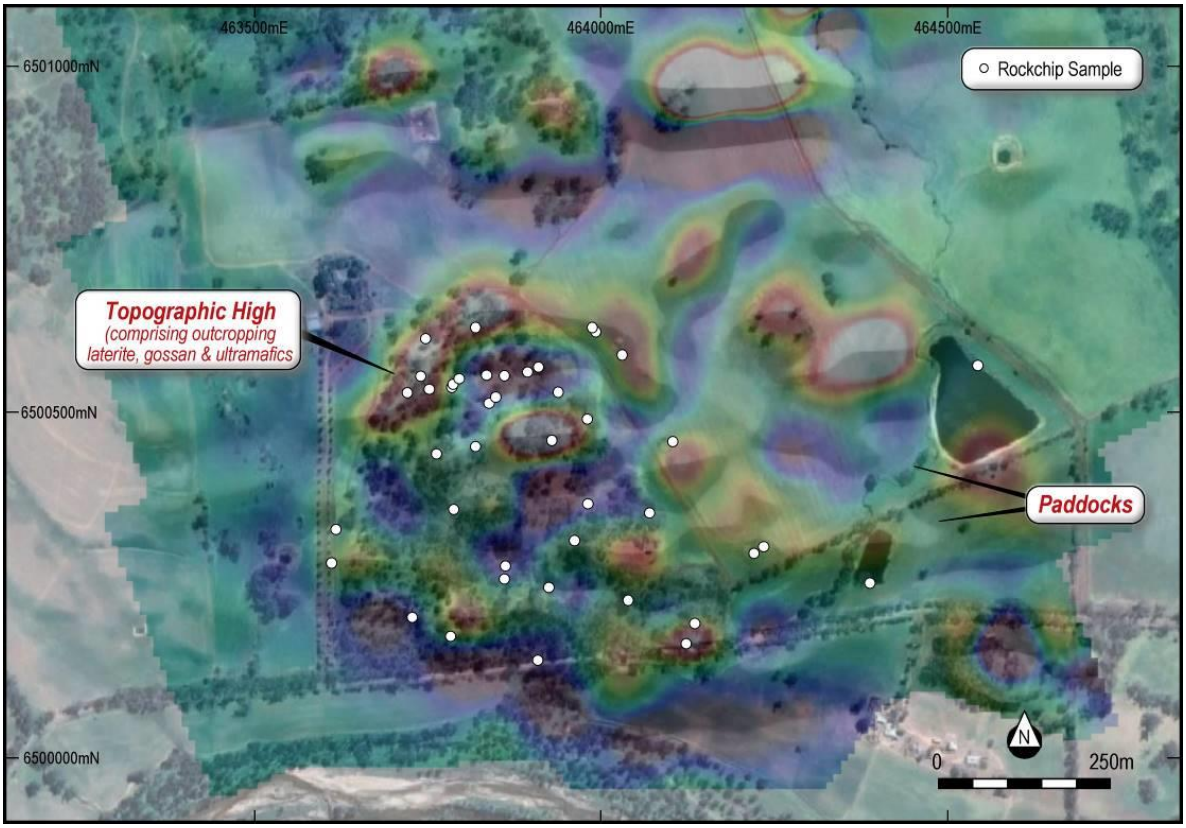

Figure 1 –RTP ground magnetic image over satellite imagery – rock chip sampling locations

Mandrake Resources Limited (ASX: MAN) (Mandrake or the Company) is pleased to announce the commencement of field exploration at the Company's Newleyine prospect in the Jimperding Metamorphic Belt located 70km north east of Perth, Western Australia.

The Newleyine prospect lies approximately 30km east of Chalice Gold Mines Limited's (Chalice) Julimar Ni-Cu-PGE discovery.

As per the historic drill results and geochemistry outlined below, the Newleyine prospect has discernable nickel and copper anomalism both at surface and at depth however the prospect has never been assayed for platinum group elements (PGEs). This is of particular interest given the demonstrated platinum and palladium grades at the Julimar discovery, hosted in the same geological terrane as the Newleyine prospect.

Plate 2 – Example of ultramafic rocks occurring in outcrop and float across Newleyine

Mandrake has now completed a preliminary surface rock chip sampling programme involving the collection of 44 rock chip samples from the Newleyine prospect. Samples from outcrop and sub-crop were primarily collected from the topographic high in the west of the Newleyine anomaly (see Figure 1).

Ultramafic rock types (primarily serpentenised dunite) were observed together with banded iron formation (BIF), gossan, laterite and ironstone.

The eastern half of Newleyine comprises two paddocks with little to no outcrop however ultramafic float and sub-crop was observed. This lower lying area incorporates distinct magnetic highs that are not readily explained by the presence of BIF and may be related to deeply weathered "blind" ultramafic units, never previously tested.

A soil geochemical programme is being planned for the eastern paddock area with a view to determining the source of the strong magnetic response in that area.

Mandrake will then likely undertake a moving loop electromagnetic (MLEM) survey to assist in refining drill targets.

Plate 2 – Looking NW towards outcropping area in the west of the Newleyine prospect

Historic Drill Results and Geochemistry

Historic drilling at Newleyine has confirmed the presence of widespread Ni-Cu-Fe sulphide mineralisation grading 0.24% Ni and 172 ppm Cu over drill widths of up to 240m. (see Mandrake ASX release 14 April 2020).

Nickel grades up to 1.18% and copper grades up to 0.12% were recorded within the relatively shallow lateritic zone, while nickel grades up to 0.49% and copper grades up to 0.02% were recorded with the underlying fresh ultramafic intrusive within these drill holes.

Crucially, these historical drill holes were not assayed for PGEs.

Further confirming the Ni/Cu anomalism, historic surface sampling of the Newleyine ultramafic intrusive by way of 90 rock chip samples returned assay values up to 0.52% Ni and 805 ppm Cu (see Mandrake ASX release 14 April 2020). Again PGEs were not assayed.

Mandrake's exploration licence application (ELA) 70/5345, comprising the Jimperding Project, was applied for on 4 March 2020, prior to the Julimar discovery hole announcement and prior to Chalice pegging over 2,000km^2 of ELAs contiguous to the Jimperding Project.

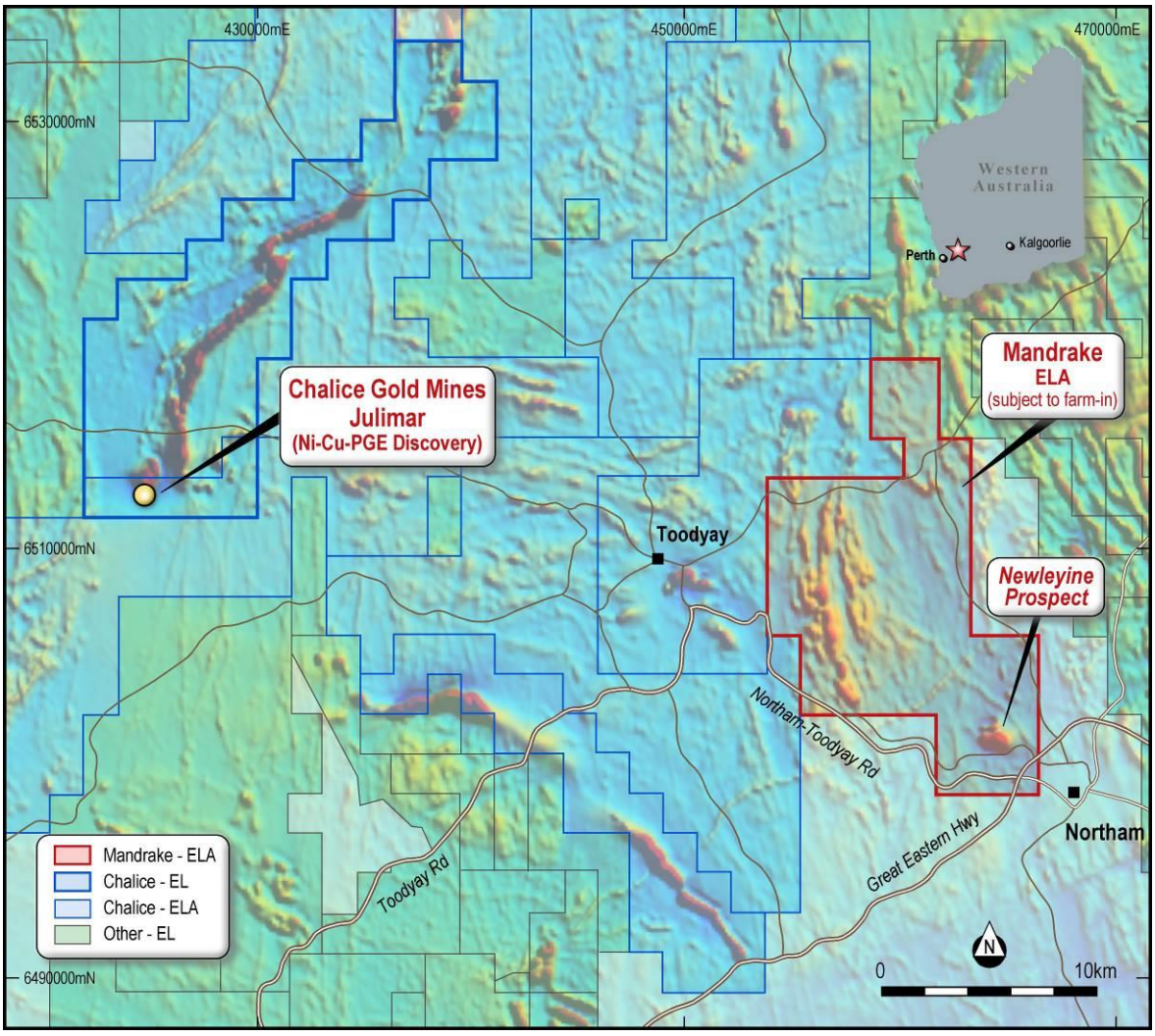

Figure 2 - Regional aeromagnetics – Jimperding Project

This announcement has been authorized by the board of directors of Mandrake.

About Mandrake Resources

Mandrake is a junior exploration company established with the purpose of exploring and developing gold, nickel, copper and PGM opportunities. The Company recently entered into an agreement to earn-in to exploration tenure prospective for Ni/Cu/PGMs in the exciting Jimperding Metamorphic Belt, 70km NE of Perth.

Mandrake also owns a mineral exploration project located in the prolific Pine Creek Orogen of the Northern Territory prospective for gold, silver and base metals.

For further information visit www.mandrakeresources.com.au

Competent Persons Statement

The technical information in this announcement complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr James Allchurch, Managing Director of Mandrake Resources. Mr Allchurch is a Member of the Australian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Allchurch consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.