

17 August 2020

## Diamond Drill Program Commenced at Turon Gold Project

- ***Diamond drill program commenced to test the Company's exciting shallow gold targets at the Turon Project in the Lachlan Fold Belt***
- ***The program will test defined targets:***
  - ***RAB drillhole results up to 10m @ 1.64g/t gold from the surface to end of hole which have never been followed up at the Quartz Ridge Mine***
  - ***Multiple high-grade rock chips up to 1,535g/t gold at the Dead Horse Reef Mine***
  - ***DGPR anomalies at former gold producing Britannia Mine***

Krakatoa Resources Limited (ASX: KTA) ("Krakatoa" or the "Company") is pleased to announce the Company has commenced diamond drilling at its 100% owned Turon Project situated near Bathurst, NSW. The Turon Project lies within the Lachlan Fold Belt's Hill End Trough, a north-trending elongated pull-apart basin containing sedimentary and volcanic rocks of Silurian and Devonian age.

The diamond drill program will test several exciting shallow gold targets situated within the Box Ridge and Quartz Ridge line of workings which strike over 2.4km and 1.6km respectively. These targets were detailed in the Company's previous ASX announcements dated 23 June and 26 June 2020 and include:

- The northern extension of the Quartz Ridge Mine where a shallow RAB drill program completed nearly 30 years ago identified several highly anomalous gold intercepts with results up to **10m @ 1.64g/t gold from the surface to end of hole**. All holes were sampled throughout their developed length as a single composite sample of 10m and the anomalous results were never followed up.
- The Dead Horse Reef Mine where past explorers report numerous significant gold grades from chip and mullock sampling, including 1,535g/t, 135g/t, 26g/t, 14.6g/t and 12.55g/t. The outstanding chip result of **1,535g/t gold** lies south of Dead Horse Reef and remains untested by drilling.
- The Britannia Mine where DGPR interpretation identified **two critical anomalies** thought to coincide with structurally-controlled quartz veining. Their relative depth distinguishes the anomalies with a shallower anomaly that directly corresponds with the historic Britannia Mine workings, and a deeper anomaly offset from the known mineralisation which remains untested.

The program is expected to take approximately 4 weeks with assays to follow a further 3-4 weeks later.

**ASX Code**  
KTA, KTAOC**Capital Structure**250,950,000 Fully Paid Shares  
82,800,000 Options @ 5c exp 31/07/21  
5,000,000 Options @ 7.5c exp 31/07/21  
12,000,000 Options @ 10c exp 24/10/20**Directors**Colin Locke  
David Palumbo  
Timothy Hogan**Enquiries regarding this  
announcement can be directed to**Colin Locke  
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Figure 1: Diamond Drill Commencement at Turon

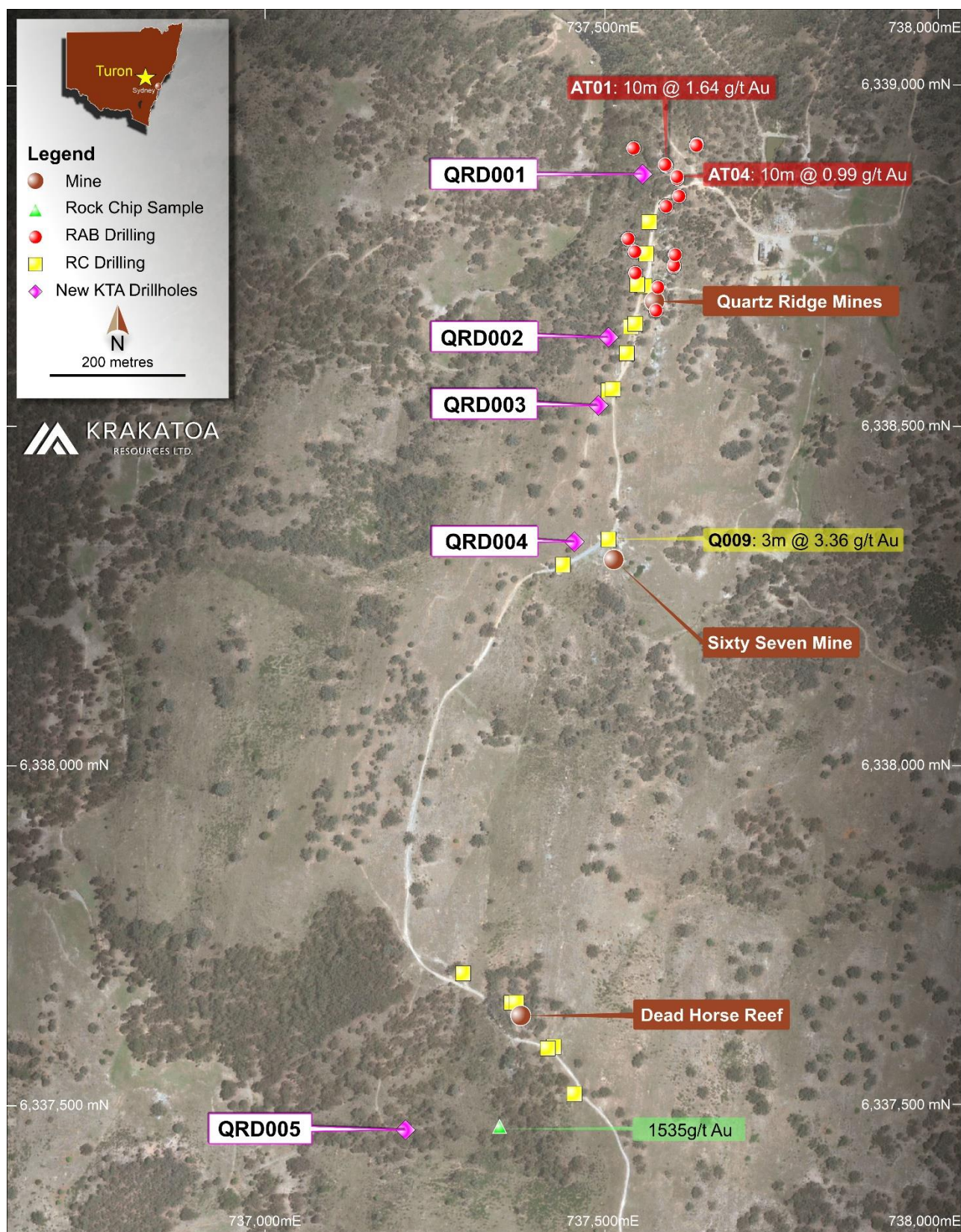


Figure 2: Diamond Drill Locations – Quartz Ridge Line of Workings

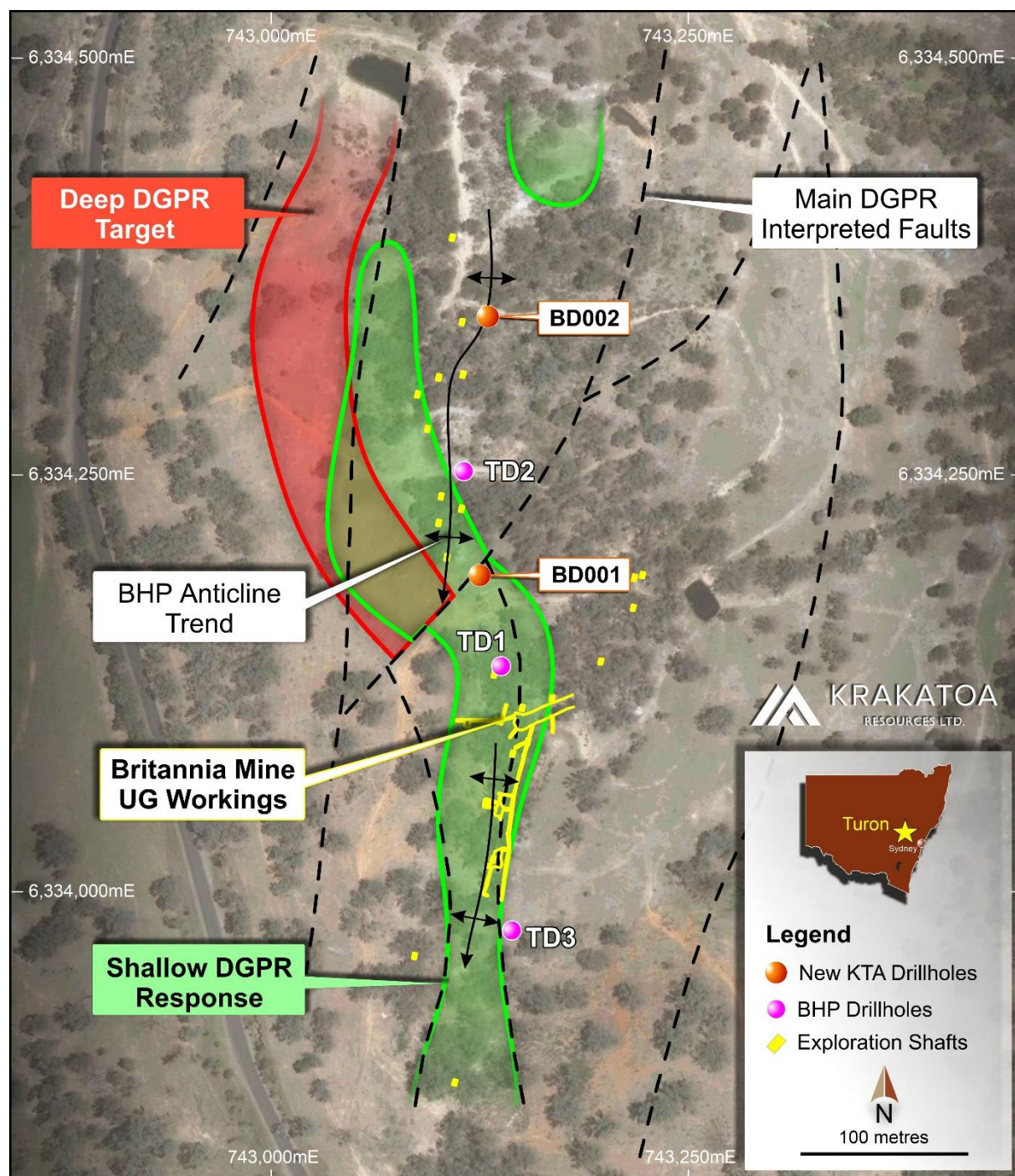


Figure 3: Diamond Drill Locations – Britannia Mine, Box Ridge Line of Workings

Authorised for release by the Board.

**FOR FURTHER INFORMATION:**

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**Disclaimer**

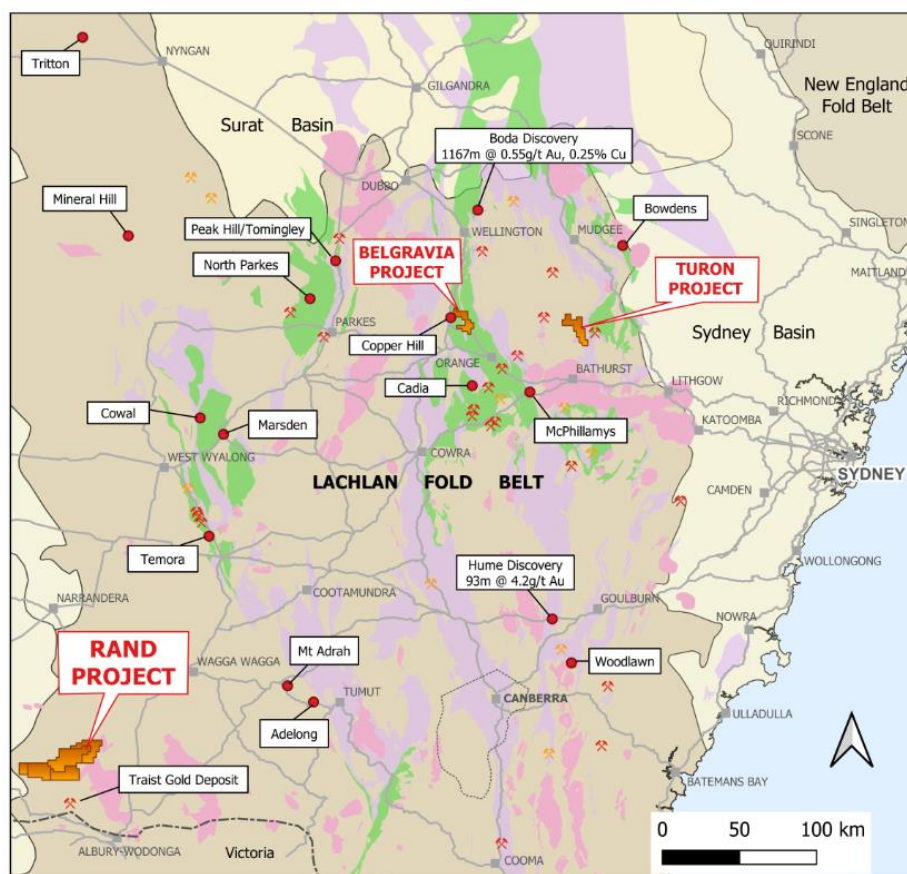
*Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding 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 and fairly represents 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 Project. 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.

## ABOUT KRAKATOA:

Krakatoa is an ASX listed public Company predominately focused on gold exploration in the world class Lachlan Fold Belt, NSW across two projects: Belgravia and Turon.



### Legend

- KRAKATOA PROJECTS
- Major mines/recent discoveries
- ✱ Major Cu deposits
- ✱ Major Au deposits
- Lachlan Orogen**
  - I-type Granites
  - Silurian Belts
  - Ordovician Macquarie Arc
- Regional Elements**
  - Younger Basins
  - Palaeozoic Fold Belts



### Belgravia Project (Krakatoa 100%):

The Belgravia Project covers an area of 80km<sup>2</sup> and is located in the central part of the Molong Volcanic Belt (MVB), East Lachlan province, between Newcrest Mining's Cadia Operations and Alkane Resources Boda Discovery. The Project has six initial target areas considered highly prospective for porphyry Cu-Au and associated skarn Cu-Au, with Bell Valley and Sugarloaf representing the two most advanced target areas. Bell Valley contains a considerable portion of the Copper Hill Intrusive Complex, the interpreted porphyry complex which hosts the Copper Hill deposit (890koz Au & 310kt Cu) and has highly prospective magnetic low features spanning 6km. Sugarloaf contains a 900m Deep Ground Penetrating Radar anomaly located within a distinctive magnetic low feature considered characteristic of a porphyry-style deposit and co-incident with anomalous rock chips including 5.19g/t Au and 1.73% Cu.

### Turon Project (Krakatoa 100%):

The Turon Project covers 120km<sup>2</sup> and is located within the Lachlan Fold Belt's Hill End Trough, a north-trending elongated pull-apart basin containing sedimentary and volcanic rocks of Silurian and Devonian age. The Project contains two separate north-trending reef systems, the Quartz Ridge and Box Ridge, comprising shafts, adits and drifts that strike over 1.6km and 2.4km respectively. Both reef systems have demonstrated high grade gold anomalism (up to 1,535g/t Au in rock chips) and shallow gold targets (up to 10m @ 1.64g/t Au from surface to end of hole) that warrant detailed investigation.

### Rand Project (100% - application)

The Rand Project covers an area of 580km<sup>2</sup>, located approximately 60km NNW of Albury in southern NSW. The Project has a SW-trending shear zone that transects the entire tenement package forming a distinct structural corridor some 40 km in length. The historical Bulgandra Goldfield, which is captured by the Project, demonstrates the project area is prospective for shear-hosted and intrusion-hosted gold. Historical production records show substantial gold grades, including up to 265g/t Au from the exposed quartz veins in the Show Day Reef.