NSX Announcement
9 September 2022

CRA enters into Term Sheet to acquire Corktree West Project

Consolidated Africa Limited (NSX: CRA) ('the Company', 'Consolidated Africa' or 'CRA') has agreed to terms with Wavecrest Investments Pty Ltd (ACN 116 220 010) (Wavecrest), regarding the project known as the 'Corktree West' Project (Tenement EL 52/3994).

Executive summary

Known as the 'Corktree West' Project covering 2.8sq km within the Peak Hill Provence in Western Australia. The tenement is prospective for copper-gold sediment hosted volcanogenic massive sulphite (VMS) base metal mineralisation due to its locality within the so-called 'VMS Structural Corridor' Zone, which hosts the Monthy VMS deposits and Sandfire's De Grussa Mine. It has also been explored for its diamond potential where micro diamonds have been encounted. Minerals such as chrome-garnets, chrome-diopside, chrome-spinels and kimberlitic ilmenites, are recognised as definite pathfinder minerals for tracking primary diamond deposits Kimberlite pipes to their source.

The project has been under explored for Copper-Gold and Base Metals. Mantle tapping structures and the tectonic setting in the region around the tenement, provides a suitable environment for the generation of world class deposits, such as that developed at De Grussa.

Term Sheet: Background

CRA currently has 115,705,266 shares on issue and are traded on the NSX. There are 182 shareholders where all but 2 have a minimum parcel of 20,000 $0.10 FPO shares.

Terms of the Deal:

Consolidated Africa will issue 173,557,899 fully Paid Ordinary (FPO) shares in consideration for 100% of the assets described in the term sheet (Corkscrew West Project). The sale will be subject to approval at a shareholder meeting to be held in the near future after an Independent Experts Report (IER) is undertaken.

Following shareholder approval being received, the CRA board will appoint at least three (3) new directors to the board. All current board members and the CEO will resign immediately. There will be no severance or redundancy payments. The deal will leave CRA's financial capacity in a position to pay its ongoing listing requirements following the transaction being approved.

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This term sheet only becomes a binding agreement between the parties once shareholder approval has been received in favour of the proposed transaction. Once the shareholder meeting is completed and the project successfully secured by CRA, the new board of directors will be in a position to raise funds that will ensure the company can progress forward.

A copy of an Independent Geologist's report is attached to this announcement.

Released for and on behalf of the Board:

Kevin Nichol
Company Secretary, B.Comm (Hons) CFA
Consolidated Africa Limited

Independent Review of the Corktree West Project, Peak Hill Province, Western Australia: Tenement EL 52/3994.

Prepared by:

R C B Hall

(*M.Sc.* (*cum laude*) Geology; FAusIMM; MGSA).

28 July 2022

Midas Touch GEOLOGICAL SERVICES
(ABN 71 102 710 250)

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1. Introduction

The Corktree West Project comprises a single block exploration licence application, E 52/3994 (October 2021), applied for by Goldzone Investments Pty Ltd (Figure 1, Table 1). The application is still pending approval.

Tenement	Application Date	Holder	Expenditure ($)	Area Size (km^2)	No. Blocks
E 52/3994	04/10/2021	Goldzone Investments Pty Ltd	?	2.8	1

Table 1. Tenement schedule.

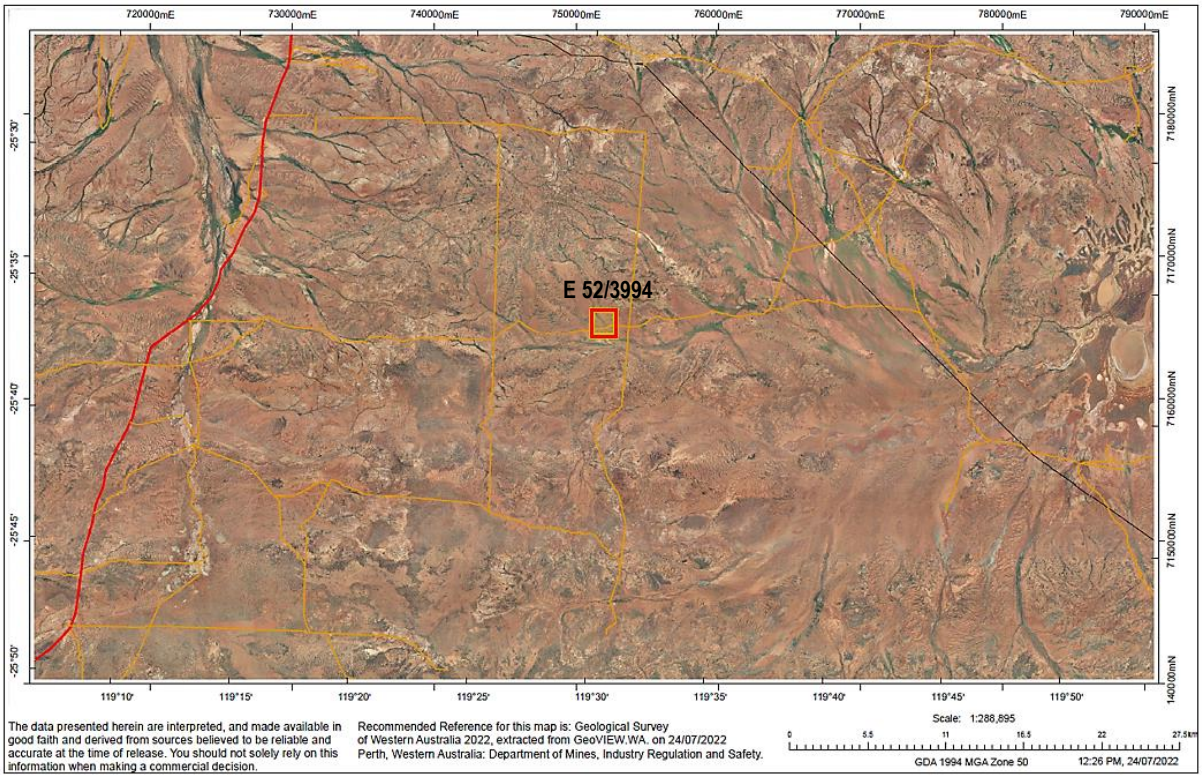

Figure 1. *Locality map of tenement EL 3994 (blue square), applied for by Goldzone Investments Pty Ltd.*

The area previously explored by Western Mining Corporation (WMC, as E 52/46,) during the mid-eighties and thereafter, Attgold Pty Ltd (as E 52/2868, 2014-2019) which overlies a package of Proterozoic rocks within the Peak Hill province, Western Australia. The tenement is prospective for copper-gold sediment hosted VMS base metal mineralisation due to its locality within the so-called 'VMS Structural Corridor' zone, which hosts the Monthy VMS deposits and Sandfire's De Grussa Mine (Figure 2). It has also been explored for its diamond potential.

2. Location and Access

The Corktree West Project lies within MGA Zone 50 (GDA94) on the Peak Hill 1:250,000 sheet (SG 50-8) and is located 160km northeast of Meekatharra, and 120 kilometres north-north-west of Wiluna in

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Western Australia. The block can be accessed eastwards from the SH 95 (Figure 3), via the graded Ned's Creek Station Road. Within the project area, station tracks provide good access.

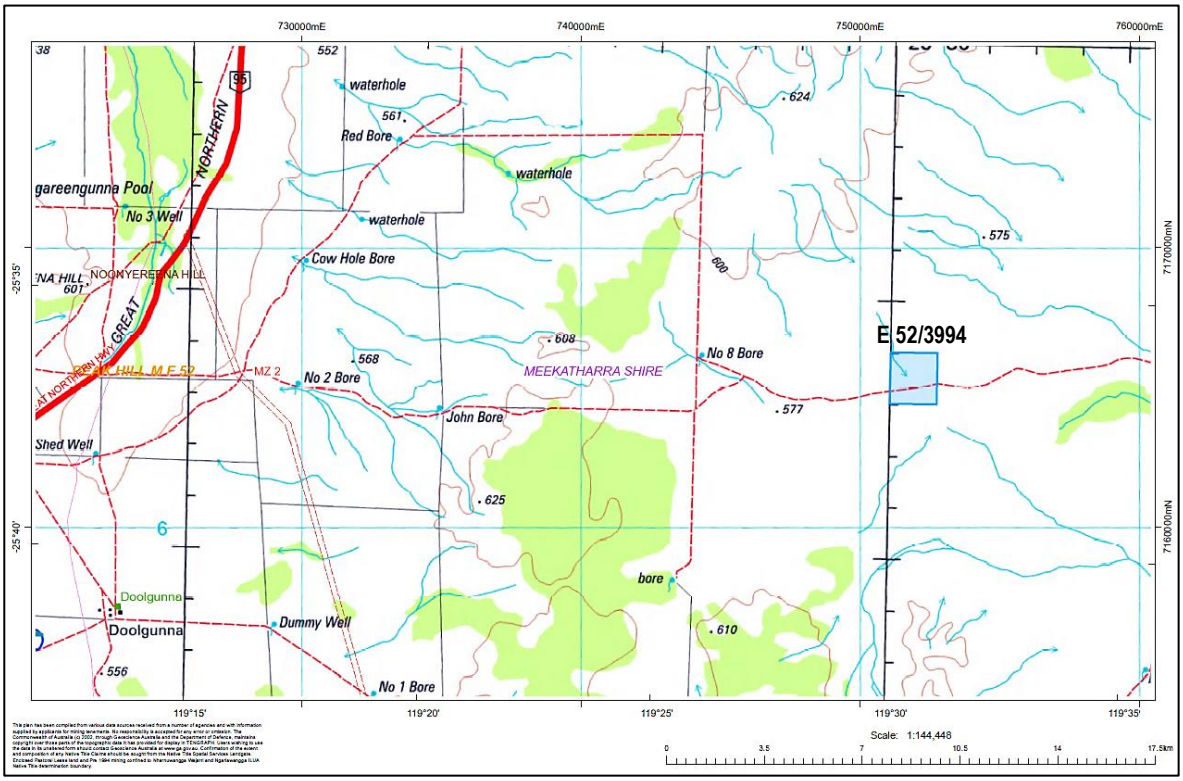

***Figure 2**. Location and access to E 52/3994, eastwards, off the Great Northern Highway (dotted lines are tracks).*

3. Geology

The Corktree West Project straddles rocks of the Yerrida and Bryah Groups. These strike east north-east and abut with the Archaean-age Marymia Inlier to the north and to the east, by the Earaheedy Basin. A small granitic inlier, the Goodin Dome also lies further to the west. The granite greenstone terrain of the Yilgarn block forms the bounding margin with the Yerrida basin to the south.

The area under review is part of an arcuate belt of Palaeoproterozoic rocks developed in basins between the Yilgarn and Pilbara cratons. These basins have a complex tectonic history, forming initially by rifting, and then suffering reactivation due to the oblique collision between the Pilbara and Yilgarn Cratons, which culminated in the Capricorn orogeny. Many of the major faults in the area are long-lived structures that have influenced mineralisation, being active during deposition and then later rejuvenated as thrust faults during basin compression and negative structural inversion. The resulting sequences are thus complex packages within thrust-bounded domains.

Mantle tapping structures and the tectonic setting in the region around the tenement, provides a suitable environment for the generation of World-class deposits, such as that developed at De Grussa. A series of west- north-west faults traverse the project area, and these are interpreted as forming a graben-type structural zone controlled by basement Archaean crustal structures (Figure 3) are cited as evidence for this large deposit potential.

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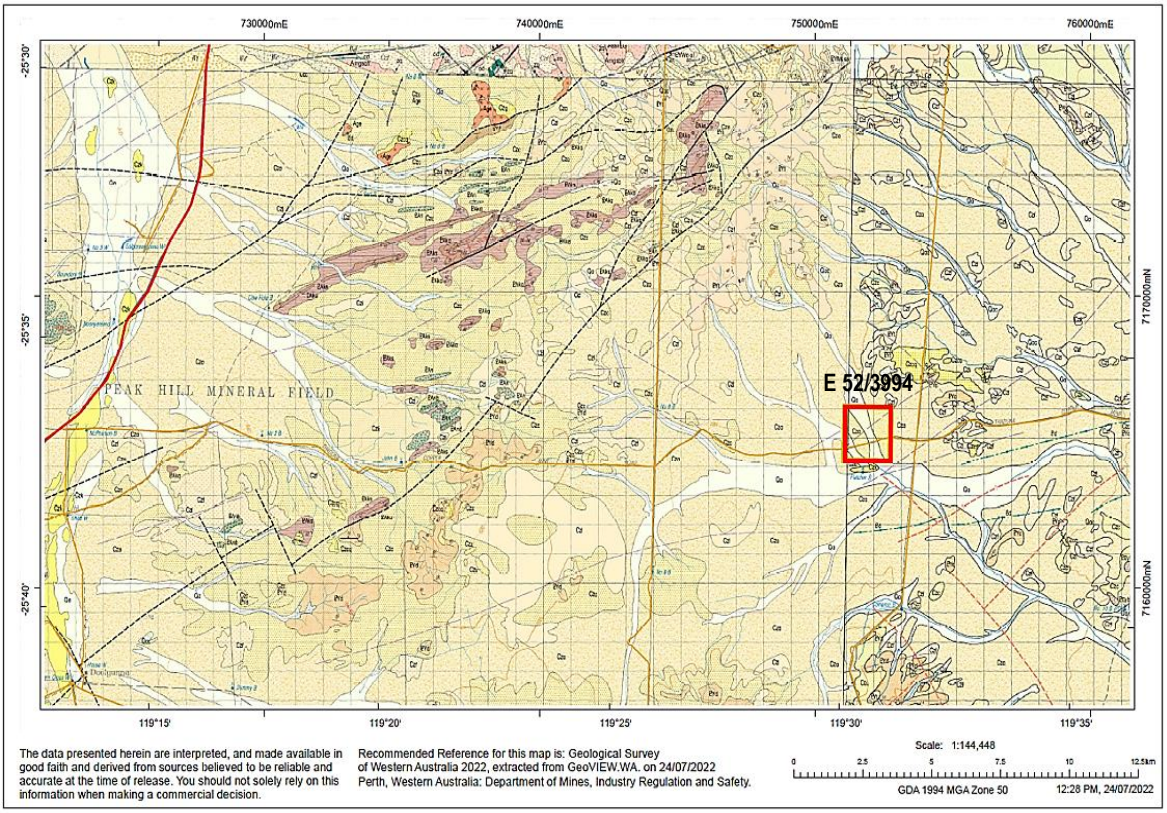

***Figure 3**. Geology and structure of the area in and surrounding tenement 52/3994.*

4. Previous Work

Base Metal Exploration

The Corktree West Project region has been lightly explored by past work. WMC carried out systematic regional work in the 1970's copper boom. At this stage, only four copper prospects were known in the area: the Thaduna, Green Dragon, Ricky Lee and Red Bore occurrences. Later, CRAE also explored at a regional scale, first attracted to the area by its gold potential but later recognising the areas base metal potential. Subsequently, other companies have carried out geochemical programs, including Peak Resources Ltd which carried out soil sampling just west of the Corktree West project area. The project overlies a 1.5km magnetic anomaly typical of the Naracoota Volcanics, the host lithologies to the Besshi-style cu-rich volcanogenic massive sulphide (VMS) deposits at the nearby DeGrussa Mine. The recently discovered Monty Prospect lies to the northwest of Corktree, with both areas situated within a west north-west structural corridor, thought to reflect the influence of Archean basement structures reactivated during the Proterozoic. There has been little historic mining in the project region. However, Sandfire's recent DeGrussa discovery and mine development has shown that World Class deposits are present in the area. The recent discoveries relate to hydrothermal systems driven by heat from mafic volcanism. They may be in, or near to the volcanic centres (i.e., the VMS style DeGrussa deposit), or in a more distal environment (e.g., the sediment-hosted style Enigma prospect). In both cases, mineralisation appears to have been focussed by local structures and these deposits may be syngenetic or epigenetic in nature.

Recent work by Attgold Pty Ltd included a geomorphological assessment of the tenement area and the capture of nearby historic drill collar positions. This drilling, conducted outside of E 52/3994, appears to have targeted magnetic features in past exploration activities (*cf.* Figure 4, Figure 5). Attgold Pty Ltd subsequently reviewed the Corktree West magnetics data on this basis (*cf*. DMIRS Annual Technical

Report for the period 25 July to 24 July 2018). It was concluded that the interpretation convincingly identified magnetic anomalies with characteristics of mafic fragments belonging to the Naracoota Formation. The stratigraphy of these magnetic units remains unclear, but they are interpreted to be strike-slip wedges preserved during basin compression (DMIRS Annual Technical report for the period 25 July to 24 July 2018). The strike - slip faults are interpreted to be adjacent to long-lived mantle structures. These are prospective for hydrothermal systems that are favourable for the deposition of copper-gold sulphide mineralisation.

Detailed open file magnetics data were enhanced and used to define features of VMS interest. These are shown in Figure 4 and are interpreted as late-stage structures affecting the large magnetic feature straddling the tenement. The magnetic data shows post-depositional local demagnetisation has resulted in zones where magnetite has been altered. It is interpreted that this corridor extends to the Monty, Red Bore and De Grussa VMS occurrences, and that the interpreted zone may host important structures which provide a similar hydrothermal system for copper-gold mineralisation. The TMI magnetics data displays a magnetic anomaly along the northern portion of the tenement area with an intensity characteristic of Naracoota Volcanics. It is suggested that these rocks may be present at depth (*cf*. Figure 4).

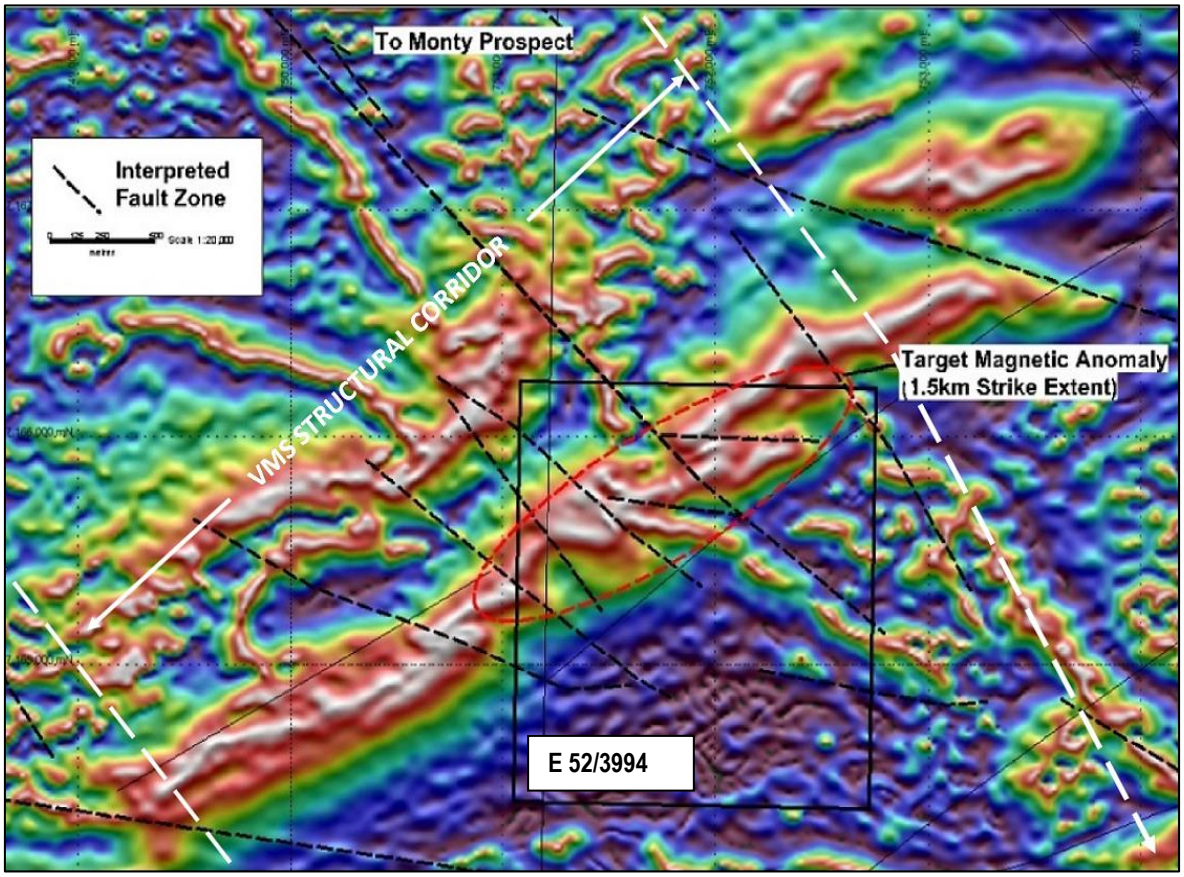

***Figure 4**. Detailed airborne magnetic imagery (TMI) with major structures shown. A review of these data was conducted in 2018 which highlighted a high-interest area (red ellipse).*

The geomorphology of the tenement area was also reviewed by Attgold Pty Ltd during their tenure. It was reported that much of the area is masked by deep channel cover but hardpan / laterite and saprolite cropping out around 751854E 7164567N indicates the potential for geochemical orientation sampling.

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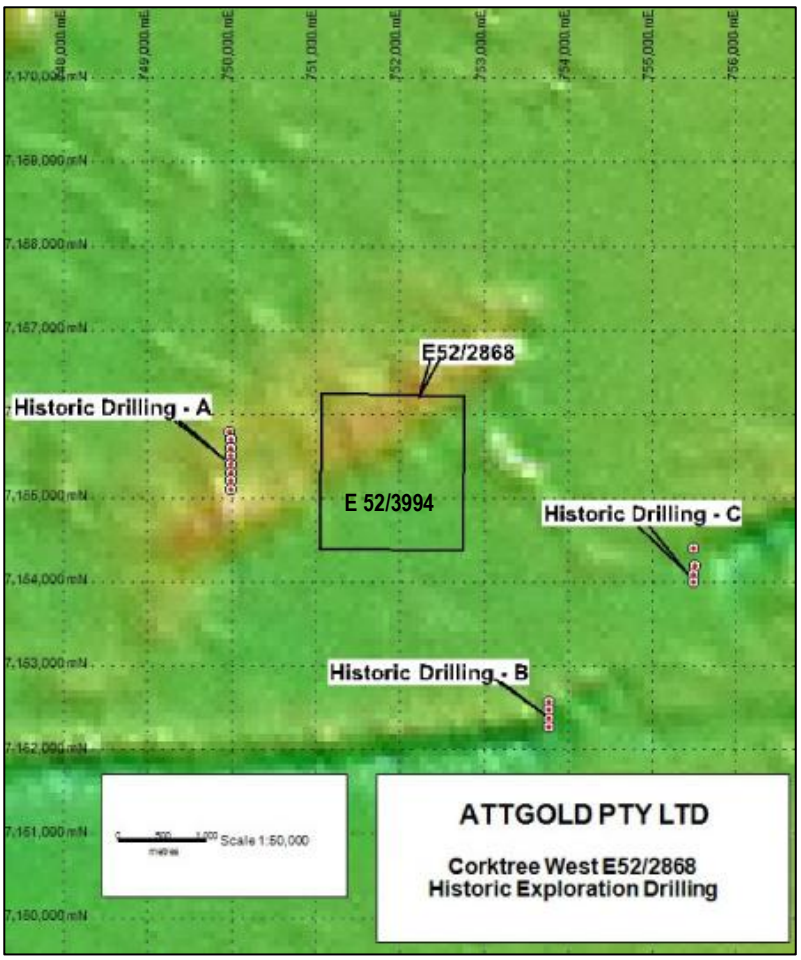

***Figure 5**. Historic drilling conducted outside of the tenement boundaries (as E52/2868). 'Historic drilling – A' drilled the edge of the magnetic anomaly that crosses the NW section of the tenement.*

Diamond (Kimberlite) Exploration

The diamond potential of the area has also been investigated by WMC who carried out regional stream sediment sampling for kimberlitic indicator minerals (KIM) between 1979-1980 on the basis of magnesiochromites, which were recovered in stream bed trap sites in the area, and which provided the initial encouragement for WMC to explore for diamonds.

Minerals such as chrome-garnets, chrome-diopside, chrome-spinels and kimberlitic ilmenites, are recognised as definitive pathfinder minerals for tracking primary diamond deposits (kimberlite pipes) to their source. In addition, microdiamonds (defined as 0.5mm width and below) have been discovered historically in the area (Curara Well and Number 8 Bore), as have kimberlite-affinity chromites.

WMC explored an area along the northern edge of the Glengarry sub-basin that includes the Marymia Dome, the latter comprising basement rocks. Apart from these, the only other provenance that would sufficiently explain the presence of micordiamonds and KIMs, is the mixed provenance sandstones and greywackes of the Glengary Group. In total, 100 stream sediment samples were recovered, with the samples being sieved into .2-.8 sieve fractions and heavy minerals being separated by bromoform.

In addition to the drainage sampling campaign, WMC flew an aeromagnetic survey in 1970, which was used to assist in primary diamond exploration.

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Despite this exploration strategy, WMC reports that a diamond source was never located, and it was interpreted that the diamonds were secondary in nature, being derived from a stepmother (secondary sedimentary) source, from the nearby 2170 *Ma* Thaduna Greywacke Formation.

Conclusions

The area that includes the single block E52/3994 has been investigated for both its base metal and diamond potential since the late seventies. Whilst the diamond potential seems to have been refuted after an intensive investigation by WMC, the potential to host VHMS copper and gold mineralisation, has not been fully tested within the boundaries of the tenement.

Historic drilling around the tenement appears to have not tested, or just touched on, the magnetic area of interest alluded to and cited from previous reports. The potential referred to, appears largely aligned with basement features and structures similar to those described hosting the Monty and DeGrussa Besshi-style cu-rich volcanogenic massive sulphide (VMS) deposit mineral occurrences (*cf.* DMIRS annual technical reports), within the fertile Naracoota Formation.

Further exploration would be recommended to test the airborne anomaly passing through the NW sector of the tenement (cf. Figure 4 and Figure 5), with a ground-based electromagnetic survey, followed by reconnaissance RC drilling to test any high-resolution target anomalies that arise. The opportunity to deploy a low-cost geochemical soil (auger) survey, should be investigated initially.

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COMPETENT PERSON'S STATEMENT

The information in the report to which this statement is attached, is based on information compiled by Mr Richard Hall who is a Fellow of The Australasian Institute of Mining and Metallurgy Geoscientists and who is included in a list promulgated by the Australian Securities Exchange (ASX) from time to time. Information contained in this report has been compiled from unpublished information. Whilst third party sources are believed to be reliable, the accuracy and completeness of data herein cannot be guaranteed.

Mr Hall has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('The JORC Code').

Bibliography

Annual Technical Report for the Corktree West Project, E52/2868 for the period 25 July 206 to 24 July 2017, Attgold Pty Ltd, Author S. Attwell (2017).

Annual Technical Report for the Corktree West Project, E52/2868, for the period 25 July 2017 to 24 July 2018, Attgold Pty Ltd, Author S. Attwell (2018).

Terminal Report for Exploration Licence E 52/46, Peak Hill Mineral Field, by Western Mining Corporation Limited for the period 21 August 1983- 8 July 1985.