

Exploring Golden Frontiers

Middle Island Resources Towards a Sandstone Recommissioning Investor Presentation - April/May 2020



Middle Island
RESOURCES LIMITED



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Previously Reported Information

This presentation includes information that relates to Mineral Resources, Exploration Targets and exploration results which were prepared and first disclosed under the JORC Code 2012. The information was extracted from the Company’s previous ASX announcements as follows:-

- Mineral Resources: ASX Releases 14 December 2016, 8 December 2017 & 14 April 2020.
- Exploration Results: ASX Releases of 18 January 2017, 12 September 2017, 14 November 2017, 19 December 2018, 14 April 2020, 21 April 2020 & 28 April 2020.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of reporting of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which any Competent Person’s findings are presented have not been materially modified from the original market announcements.

Investment Highlights

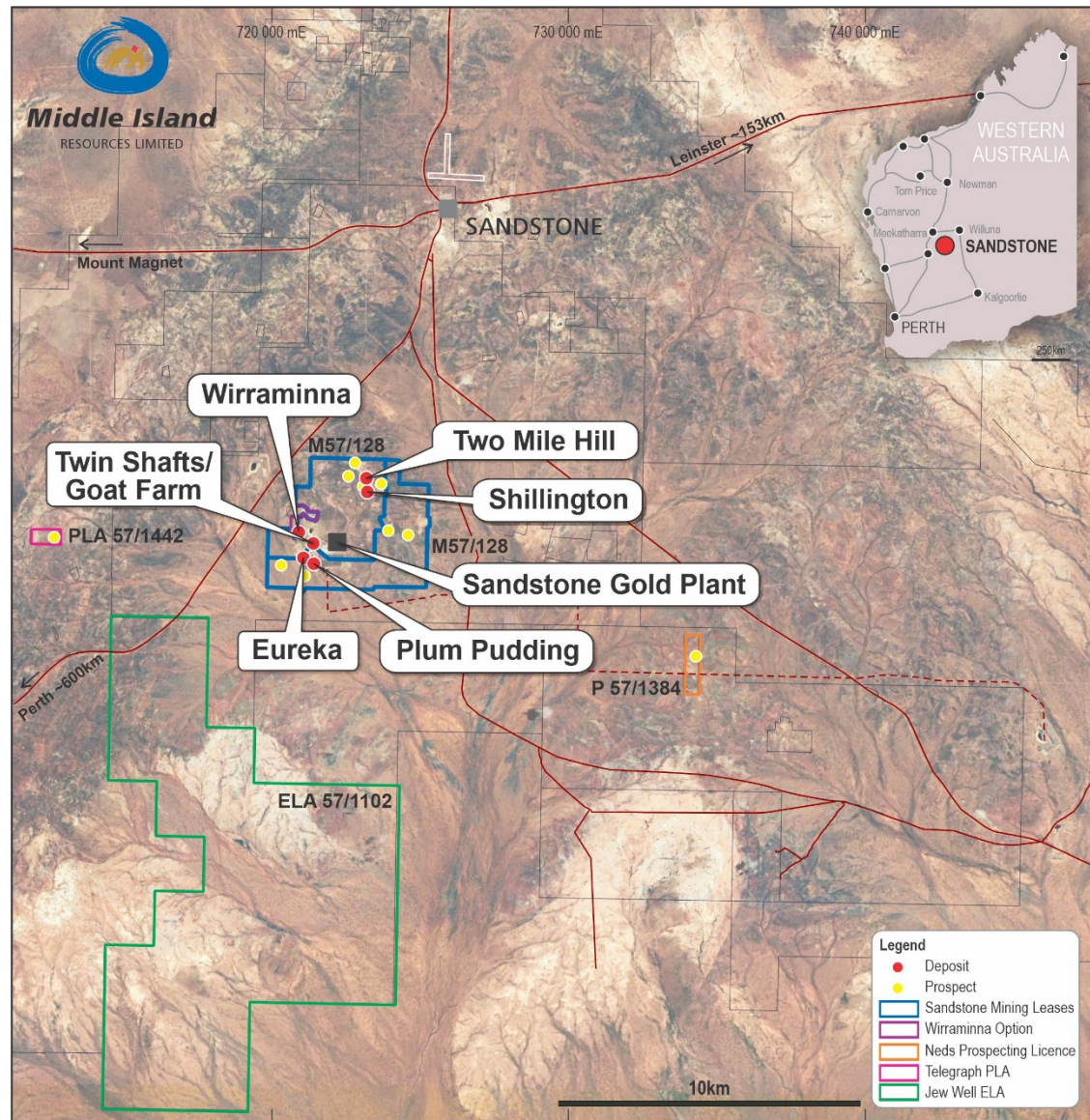


- Sandstone (WA) & Barkly (NT) projects **100% owned.**
- **600,000tpa processing plant;** fully permitted, operating licence.
- JORC Mineral Resources of **624,000oz gold.**
- **Major drilling campaign in progress; expanding due to success.**
- **PFS update in early Q3 2020.**
- High likelihood of **imminent, low capital intensity recommissioning.**
- **5 month recommissioning timeframe.**
- **Only plant for 150km;** actively pursuing broader regional consolidation.
- Optionality of **new Barkly IOCG super-project.**
- **Emerging, under-valued developer** in buoyant Australian gold market.

Sandstone Gold Project - Location & Tenure



- 11km south of Sandstone, 400km NW of Kalgoorlie.
- Sealed highway between Mt Magnet & Leinster.
- 100% interest in 180km².
- Includes two fully permitted Mining Leases that pre-date Native Title.
- Existing gold processing plant on site.
- Operating licence, permitted tailings storage facility & bore field.



Sandstone Gold Project – Strategy & Vision



Strategy & Vision comprises three sequential elements:

- **Recommission the Sandstone gold plant** at the earliest opportunity via stand-alone PFS update &/or consolidation of proximal third party deposits &/or exploration.
- **Consolidate additional deposits** & exploration tenure within the broader Sandstone district around a central processing hub.
- **Demonstrate sufficient production, resource & exploration potential** to attract corporate investment.
- **Considerable success in extending production schedule via Two Mile Hill tonalite deeps and BIF underground deposits.**
- **2020 focus to enhance the front-end of the production schedule via:**
 - Major RC drilling campaign (in progress) to supplement open pit inventory.
 - PFS update, applying contemporary costs & gold prices, in Q3 2020.
 - Consolidation of proximal, third-party deposits.

Sandstone Gold Project - Processing Plant & Infrastructure



- **600,000tpa CIP plant** on care & maintenance.
- Includes conventional grinding, milling & leach circuits.
- **Refurbishment costs of \$10.3M**, including owner's costs & contingency.
- **5 months to refurbish mill & infrastructure.**
- **Positive re-optimisation of open pit deposits** at contemporary gold prices.
- Stand-alone **PFS update due Q3 2020.**



Sandstone Gold Project - Processing Plant & Infrastructure



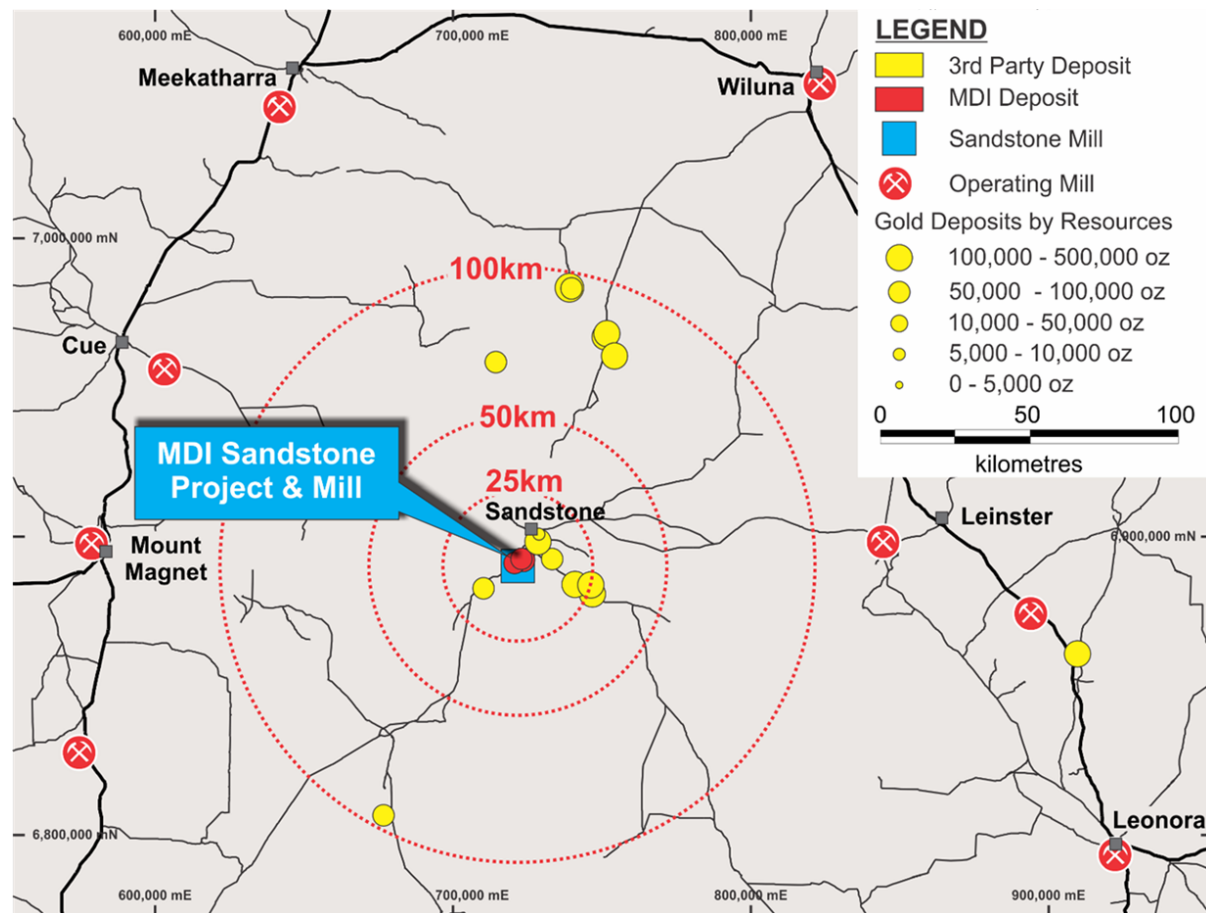
- **Contract diesel-generated power plant.**
- **Fuel tanks, workshops, laboratory & mine offices.**
- **Substantial inventory of equipment & spares.**
- **Permitted tailings storage facility & bore field.**
- **Fully equipped camp (accommodating 100) on freehold title in nearby Sandstone township.**
- **Well-maintained airport to service FIFO operations.**



Sandstone Gold Project – Consolidate Additional Deposits



- **Sandstone only plant within 150km; central processing hub.**
- **At least 15 stranded gold deposits aggregating 1.8Moz within 100km.**
- **Significant M&A activity in district (SPX & AME).**
- **Actively pursuing any or all of several consolidation opportunities.**
- **Flexible on milling options.**
- **May ultimately justify larger processing plant.**
- **Potential to consolidate two greenstone belts.**



Sandstone Gold Project – Mineral Resources



- **Total 2012 JORC Mineral Resources of 624,000oz gold.**
- **Open pit Indicated & Inferred Mineral Resources of 124,000oz gold in four deposits:**
 - **Two Mile Hill**
 - **Shillington**
 - **Shillington North**
 - **Wirraminna.**
- **Underground Inferred Mineral Resources of 500,000oz gold in two deposits:**
 - **TMH tonalite deeps**
 - **TMH BIF deeps**

Table 1
Sandstone Gold Project Mineral Resource Statement

Deposit	COG (g/t Au)	Tonnes	Grade (g/t Au)	Contained Gold (oz.)	JORC Classification	JORC Classification
+Two Mile Hill – Open Pit	0.7	1,012,000	1.36	44,000	Indicated	2012
+Two Mile Hill – Open Pit	0.7	114,000	1.10	4,000	Inferred	2012
^Two Mile Hill – Tonalite Deepes	NA*	14,000,000	1.10	480,000	Inferred	2012
^Two Mile Hill – BIF Deepes	NA*	200,000	3.10	20,000	Inferred	2012
+Shillington – Open Pit	0.7	1,015,000	1.33	43,000	Indicated	2012
+Shillington – Open Pit	0.7	272,000	1.17	10,000	Inferred	2012
#Wirraminna – Open Pit	0.5	307,000	1.50	14,600	Indicated	2012
#Wirraminna – Open Pit	0.5	243,000	1.10	8,400	Inferred	2012
Total Indicated		2,334,000	1.37	101,600	Indicated	2012
Total Inferred		14,829,000	1.09	522,000	Inferred	2012
Total Resource		17,163,000	1.13	623,600		2012

Sandstone Gold Project – Initial Open Pit Inventory



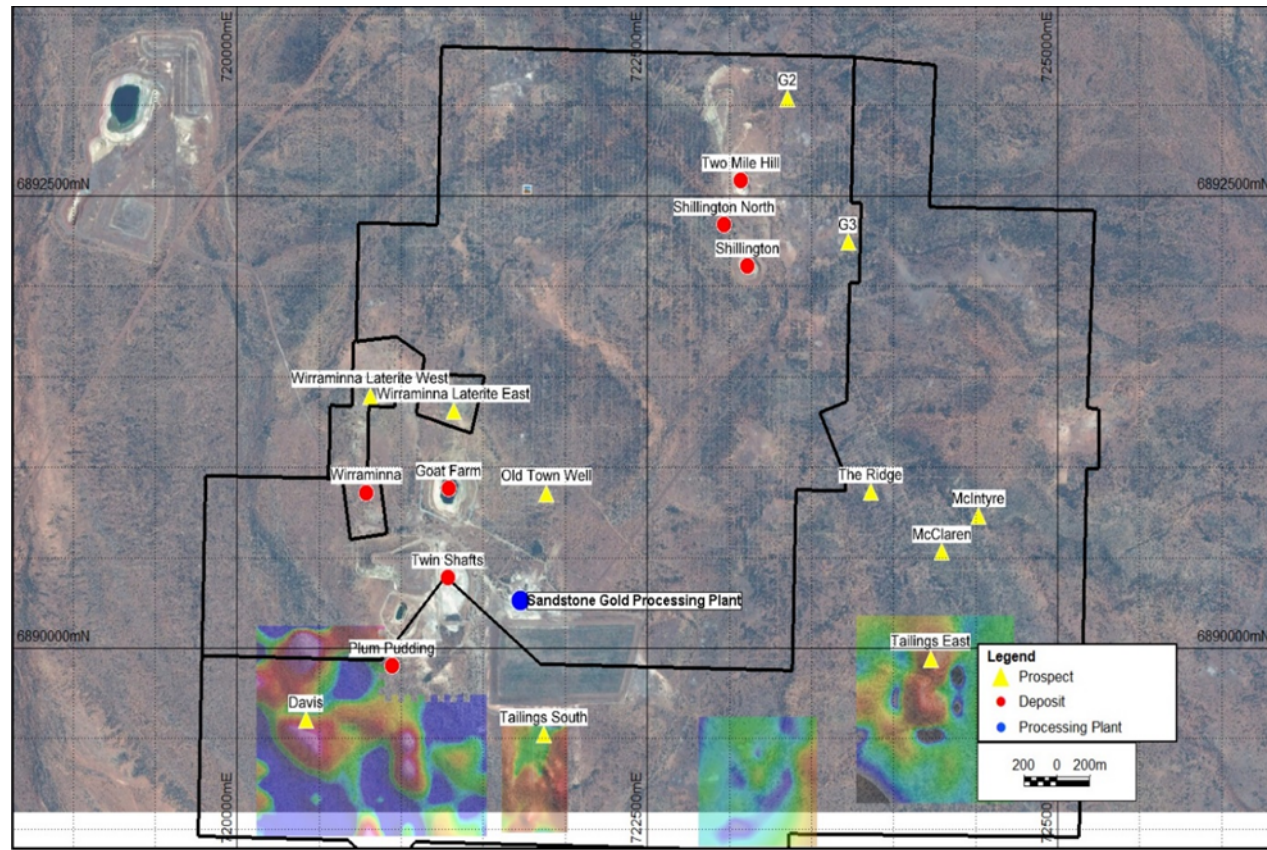
- Initial open pit inventory comprises **124,000oz gold in four deposits.**
- Two Mile Hill, Shillington, Shillington North & Wirraminna deposits.
- **Three deposits already permitted,** with Approved Mining Plan.
- 2016 PFS at A\$1,600/oz gold price; insufficient to justify recommissioning.
- Positive re-optimisation at contemporary gold prices.
- Ideally requires open pit inventory to >4 years.



Sandstone Gold Project – 2020 Exploration Program



- **17,300m drilling campaign in progress** to increase & upgrade open pit Mineral Resources.
- Assessing **six deposit extensions** and **eight new targets**.
- Aircore (1,800m) & Phase 1 RC (13,400m) completed; ~50% of assays received & reported.
- **Three new discoveries to date; McClaren, McIntyre & Old Town Well.**
- **Stand-alone PFS update to be completed in Q3 2020.**

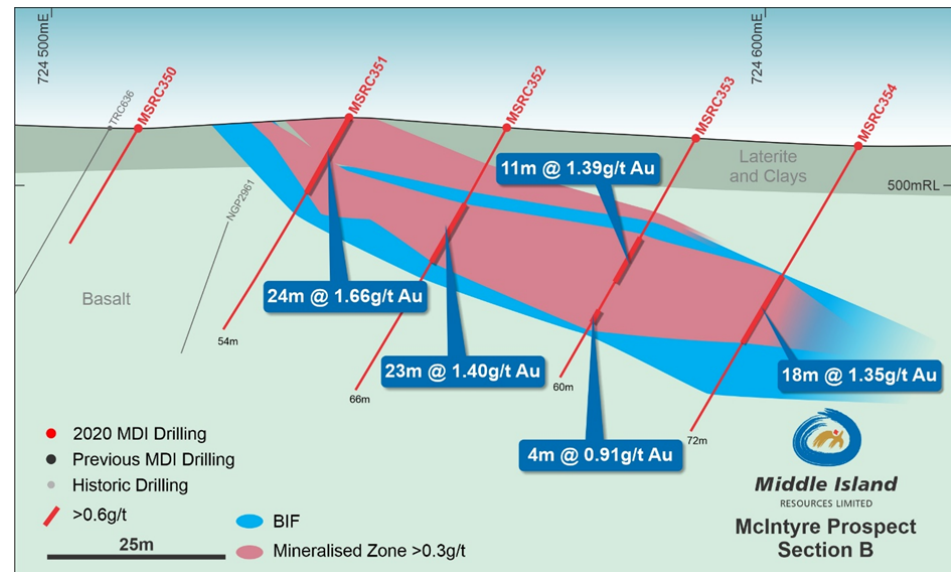
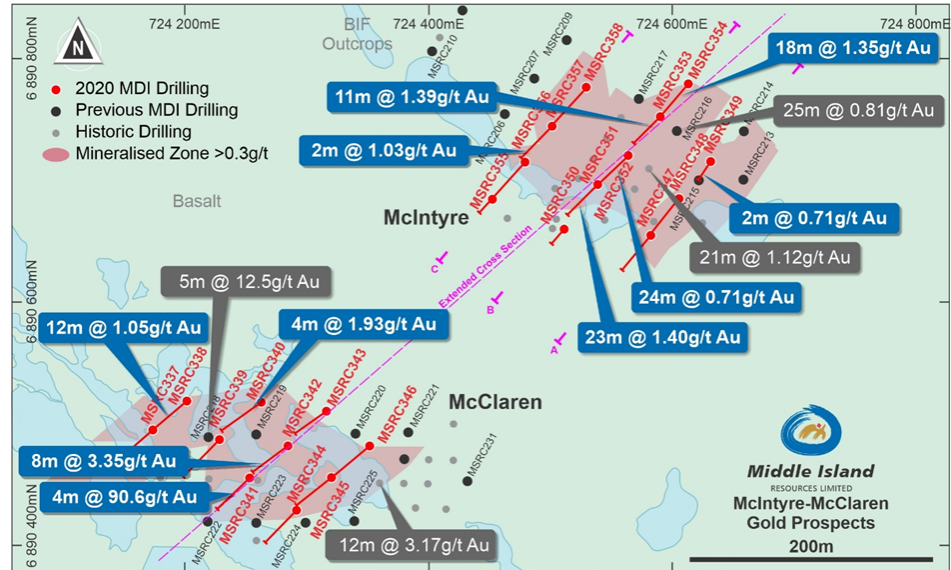


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- Figure 10: McClaren Gold Prospect**
- Top Map: Plan View**
- Legend:**
 - 2020 Drilling (Red dots)
 - MDI Drilling (Black dots)
 - Historical Drill Holes (Grey dots)
 - Assay Results (Blue callouts):**
 - 1m @ 36.6g/t Au
 - 12m @ 1.05g/t Au
 - 4m @ 1.93g/t Au
 - 12m @ 1.05g/t Au
 - 8m @ 3.35g/t Au
 - 4m @ 90.6g/t Au
 - 7m @ 1.30g/t Au
 - 1m @ 3.14g/t Au
 - Other Labels:**
 - OPEN (Red text)
 - Longsection (Pink dashed line)
 - MSRC337, MSRC338, MSRC339, MSRC340, MSRC341, MSRC342, MSRC343, MSRC344, MSRC345, MSRC346, MSRC347, MSRC348, MSRC349, MSRC350, MSRC351, MSRC352, MSRC353, MSRC354, MSRC355, MSRC356, MSRC357, MSRC358, MSRC359, MSRC360, MSRC361, MSRC362, MSRC363, MSRC364, MSRC365, MSRC366, MSRC367, MSRC368, MSRC369, MSRC370, MSRC371, MSRC372, MSRC373, MSRC374, MSRC375, MSRC376, MSRC377, MSRC378, MSRC379, MSRC380, MSRC381, MSRC382, MSRC383, MSRC384, MSRC385, MSRC386, MSRC387, MSRC388, MSRC389, MSRC390, MSRC391, MSRC392, MSRC393, MSRC394, MSRC395, MSRC396, MSRC397, MSRC398, MSRC399, MSRC400, MSRC401, MSRC402, MSRC403, MSRC404, MSRC405, MSRC406, MSRC407, MSRC408, MSRC409, MSRC410, MSRC411, MSRC412, MSRC413, MSRC414, MSRC415, MSRC416, MSRC417, MSRC418, MSRC419, MSRC420, MSRC421, MSRC422, MSRC423, MSRC424, MSRC425, MSRC426, MSRC427, MSRC428, MSRC429, MSRC430, MSRC431, MSRC432, MSRC433, MSRC434, MSRC435, MSRC436, MSRC437, MSRC438, MSRC439, MSRC440, MSRC441, MSRC442, MSRC443, MSRC444, MSRC445, MSRC446, MSRC447, MSRC448, MSRC449, MSRC450, MSRC451, MSRC452, MSRC453, MSRC454, MSRC455, MSRC456, MSRC457, MSRC458, MSRC459, MSRC460, MSRC461, MSRC462, MSRC463, MSRC464, MSRC465, MSRC466, MSRC467, MSRC468, MSRC469, MSRC470, MSRC471, MSRC472, MSRC473, MSRC474, MSRC475, MSRC476, MSRC477, MSRC478, MSRC479, MSRC480, MSRC481, MSRC482, MSRC483, MSRC484, MSRC485, MSRC486, MSRC487, MSRC488, MSRC489, MSRC490, MSRC491, MSRC492, MSRC493, MSRC494, MSRC495, MSRC496, MSRC497, MSRC498, MSRC499, MSRC500
 - Scale:** 200m
 - Coordinates:** 724 125mE, 724 375mE, 6 890 500mN, 6 890 375mN
 - Logo:** Middle Island Resources Limited
 - Text:** McClaren Gold Prospect
- Bottom Map: Cross-section View**
- Legend:**
 - MDI 2020 Drilling (Blue callouts)
 - >0.6g/t (Red shaded area)
 - Assay Results (Blue callouts):**
 - 8m @ 3.34g/t Au
 - 4m @ 90.64g/t Au
 - 5m @ 3.57g/t Au
 - 12m @ 3.17g/t Au
 - 2m @ 4.05g/t Au
 - Other Labels:**
 - MSRC341, MSRC342, MSRC343, MSRC344, MSRC345, MSRC346, MSRC347, MSRC348, MSRC349, MSRC350, MSRC351, MSRC352, MSRC353, MSRC354, MSRC355, MSRC356, MSRC357, MSRC358, MSRC359, MSRC360, MSRC361, MSRC362, MSRC363, MSRC364, MSRC365, MSRC366, MSRC367, MSRC368, MSRC369, MSRC370, MSRC371, MSRC372, MSRC373, MSRC374, MSRC375, MSRC376, MSRC377, MSRC378, MSRC379, MSRC380, MSRC381, MSRC382, MSRC383, MSRC384, MSRC385, MSRC386, MSRC387, MSRC388, MSRC389, MSRC390, MSRC391, MSRC392, MSRC393, MSRC394, MSRC395, MSRC396, MSRC397, MSRC398, MSRC399, MSRC400, MSRC401, MSRC402, MSRC403, MSRC404, MSRC405, MSRC406, MSRC407, MSRC408, MSRC409, MSRC410, MSRC411, MSRC412, MSRC413, MSRC414, MSRC415, MSRC416, MSRC417, MSRC418, MSRC419, MSRC420, MSRC421, MSRC422, MSRC423, MSRC424, MSRC425, MSRC426, MSRC427, MSRC428, MSRC429, MSRC430, MSRC431, MSRC432, MSRC433, MSRC434, MSRC435, MSRC436, MSRC437, MSRC438, MSRC439, MSRC440, MSRC441, MSRC442, MSRC443, MSRC444, MSRC445, MSRC446, MSRC447, MSRC448, MSRC449, MSRC450, MSRC451, MSRC452, MSRC453, MSRC454, MSRC455, MSRC456, MSRC457, MSRC458, MSRC459, MSRC460, MSRC461, MSRC462, MSRC463, MSRC464, MSRC465, MSRC466, MSRC467, MSRC468, MSRC469, MSRC470, MSRC471, MSRC472, MSRC473, MSRC474, MSRC475, MSRC476, MSRC477, MSRC478, MSRC479, MSRC480, MSRC481, MSRC482, MSRC483, MSRC484, MSRC485, MSRC486, MSRC487, MSRC488, MSRC489, MSRC490, MSRC491, MSRC492, MSRC493, MSRC494, MSRC495, MSRC496, MSRC497, MSRC498, MSRC499, MSRC500
 - Scale:** 50m
 - Coordinates:** 724 200mE, 724 300mE, 724 400mE, 500mRL, 450mRL
 - Logo:** Middle Island Resources Limited
 - Text:** McClaren Gold Prospect

Sandstone Gold Project – McIntyre Prospect



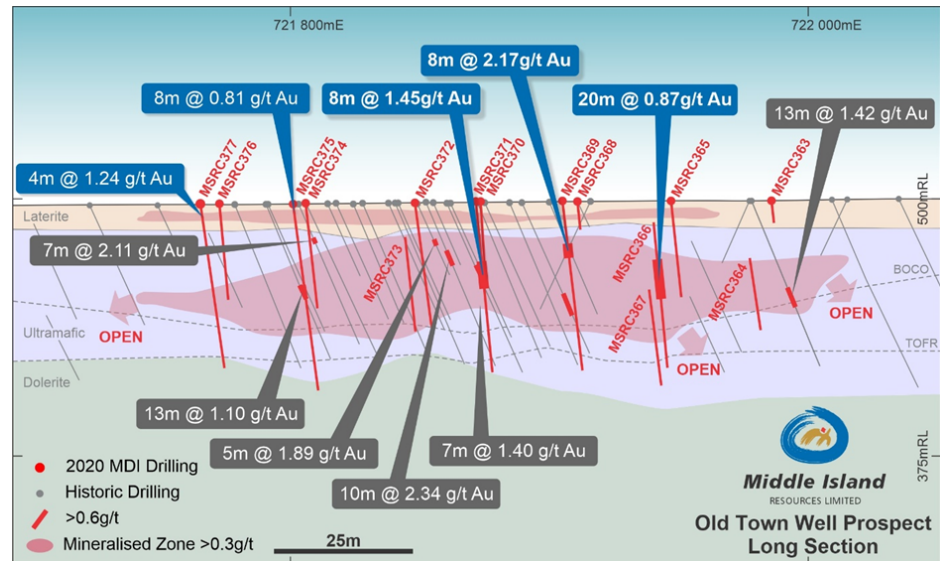
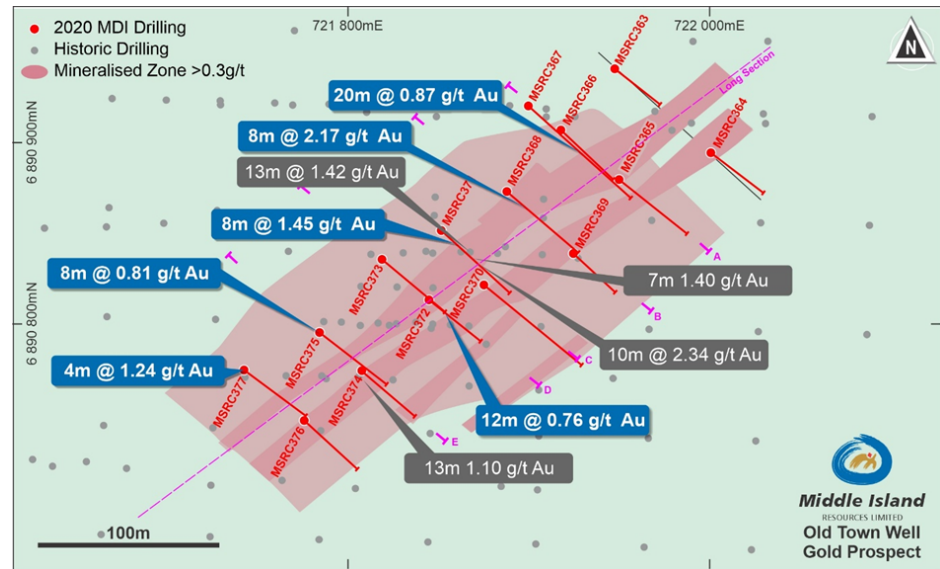
- McIntyre defined by new, shallow intercepts of **24m at 1.66g/t**, **23m at 1.40g/t**, **11m at 1.39g/t** & **18m at 1.35g/t Au**.
- Mineralised from surface with **very low strip ratios**.
- McIntyre also hosted within SE extension of Shillington BIF.
- Located on **permitted Mining Lease**, 2.5km from gold processing plant.
- Mapping suggests **McIntyre & McClaren maybe linked** via NE trending deformation zone.
- **Significant potential for resource extensions.**



Sandstone Gold Project – Old Town Well Prospect



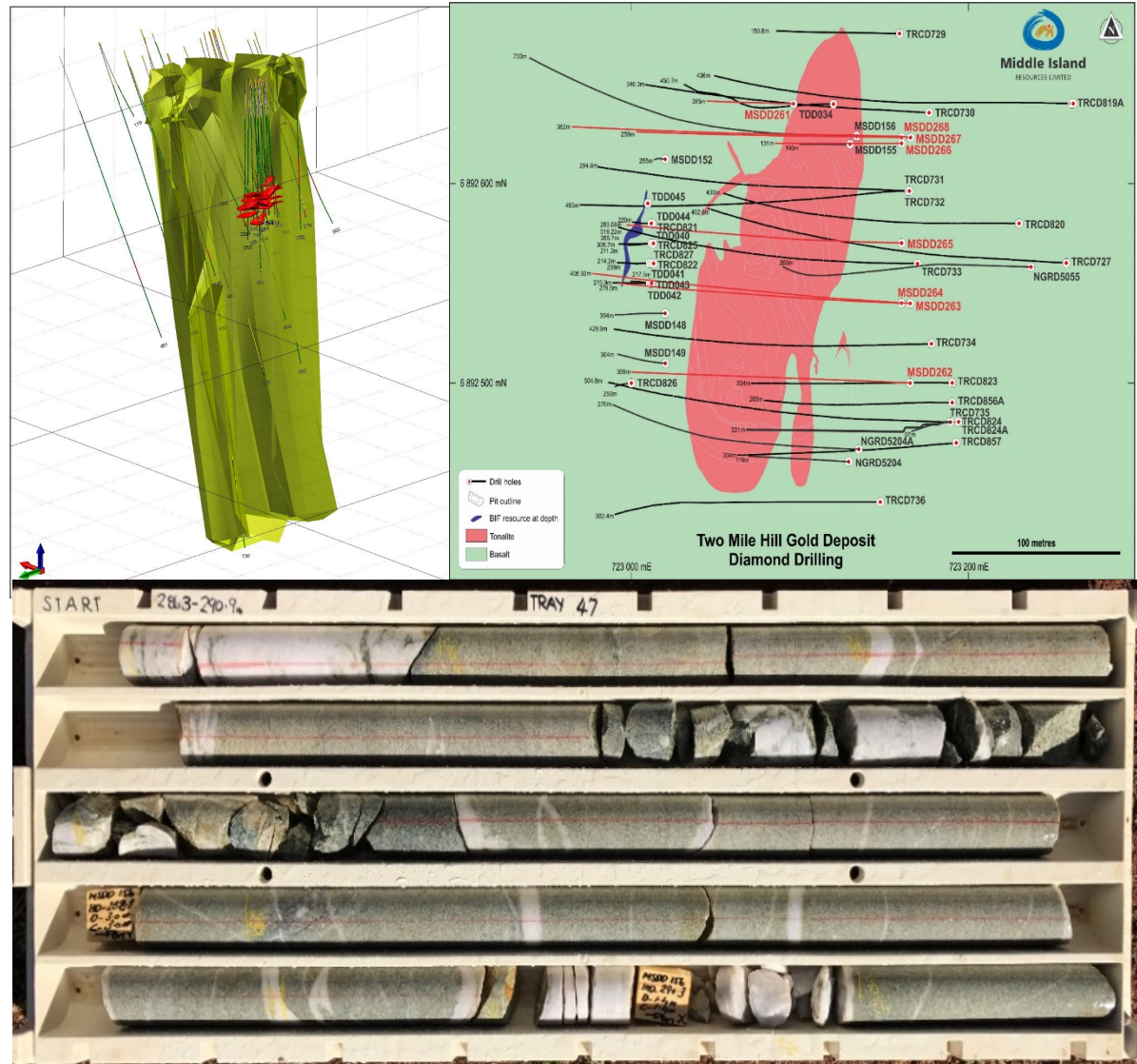
- Old Town Well comprises broad, shallow mineralised zones over a 60m aggregate width & 340m strike length.
- New results include **20m at 0.87g/t**, **8m at 2.17g/t** & **8m at 1.45g/t Au**, together with similar historic results.
- **Substantial, shallow oxide gold deposit**, including a blanket of mineralised laterite from surface.
- Only **600m north of the processing plant** within permitted Mining Lease.
- Broad zones of intense alteration **suggest significant proximal deposit**.



Sandstone Gold Project - Two Mile Hill Tonalite



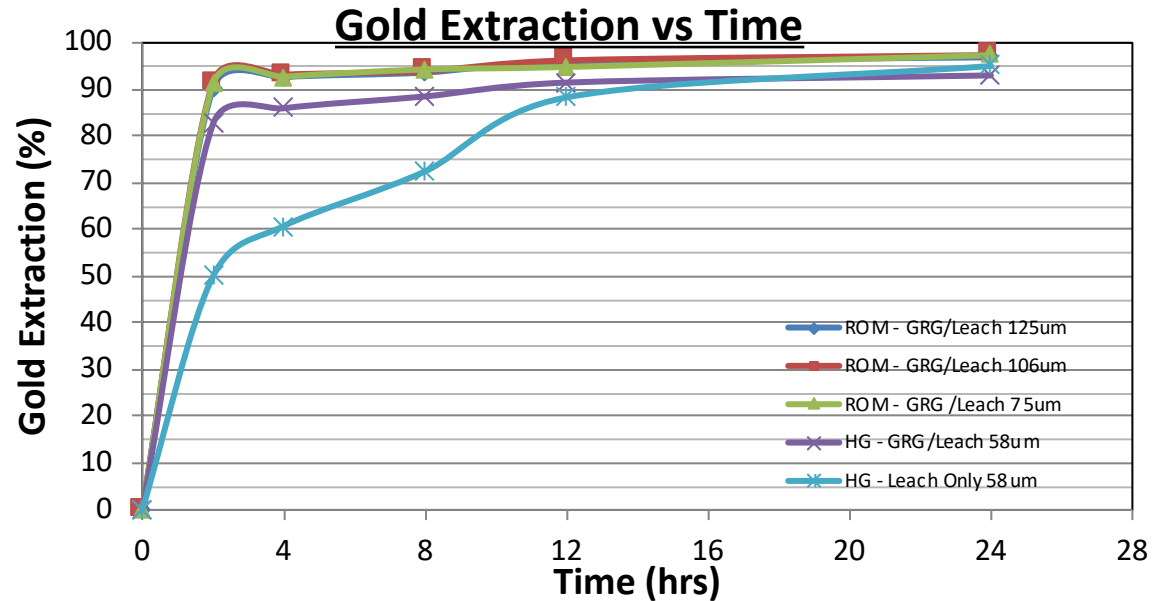
- Tonalite plug, 250m x 90m & **extends to at least 700m depth.**
- JORC 2012 Mineral Resource of 14Mt at 1.1g/t Au for **480,000oz** to 500m depth.
- Consistent diamond core intersections:-
 - **508.3m at 1.38g/t**
 - **372.7m at 1.52g/t**
 - **230.4m at 1.62g/t.**
- Remains open below 500m, underpinned by **508.3m at 1.38g/t Au**, including **160m at 2.13g/t Au** from 432m depth.



Two Mile Hill Tonalite - Metallurgy



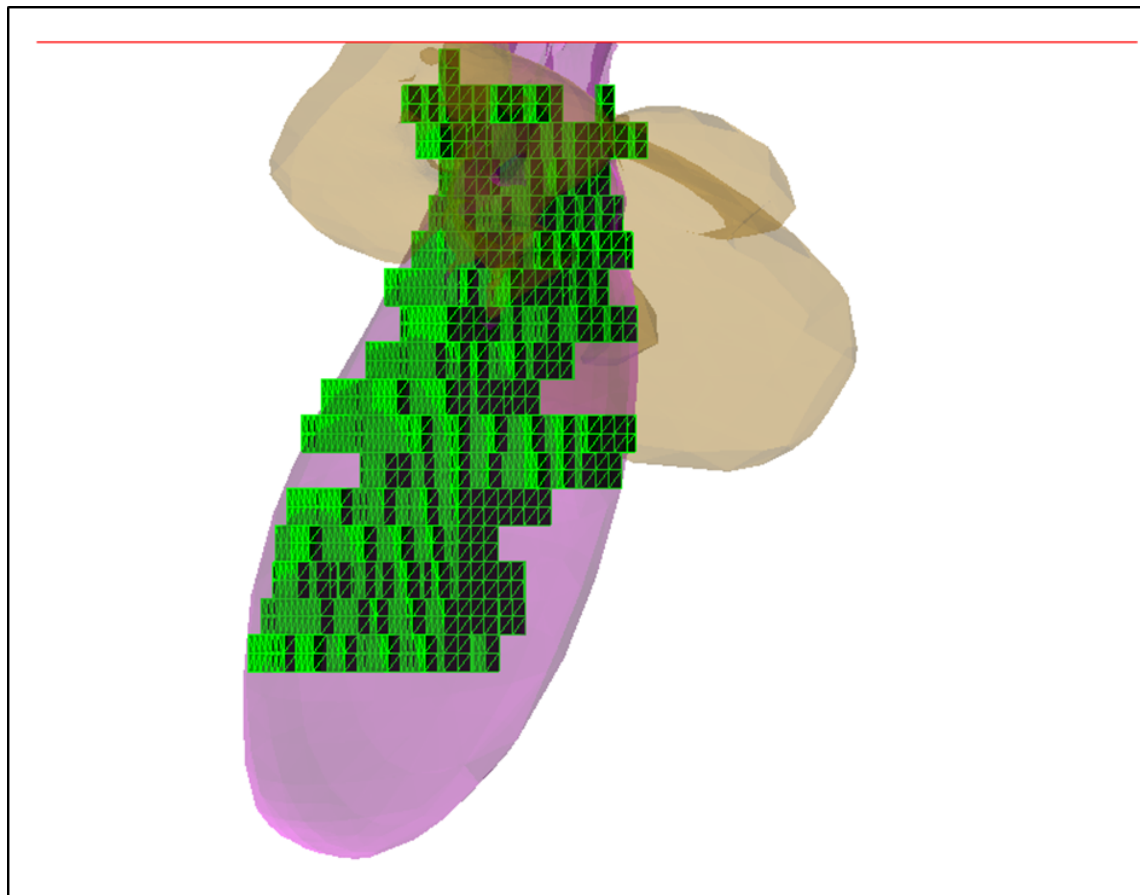
- Moderate Bond ball mill work index of 16.4kWh.
- ~60% recoverable via gravity concentration.
- Gold leach recoveries of ~96% after gravity concentration at 125um grind size.
- >90% leach recoveries in first two hours; low reagent consumptions.
- 99.6% of gold hosted by quartz veins.
- Ore sorting; up to 93% of gold reporting to 36% of mass; represents mill feed upgrade of 2-3x.
- More compatible with existing milling capacity.



Two Mile Hill Tonalite – Mining



- Sub-level caving preferred option.
- Underground decline access via Shillington pit.
- Ideal platform for further BIF & tonalite deeps drilling.
- Includes higher grade zones, vis:-
 - 22m at 5.95g/t
 - 37m at 4.46g/t
 - 50m at 2.71g/t
 - 13m at 6.39g/t
 - 11m at 6.89g/t
- Potential for underground crushing & ore sorting.



Sandstone Gold Project - Two Mile Hill BIF



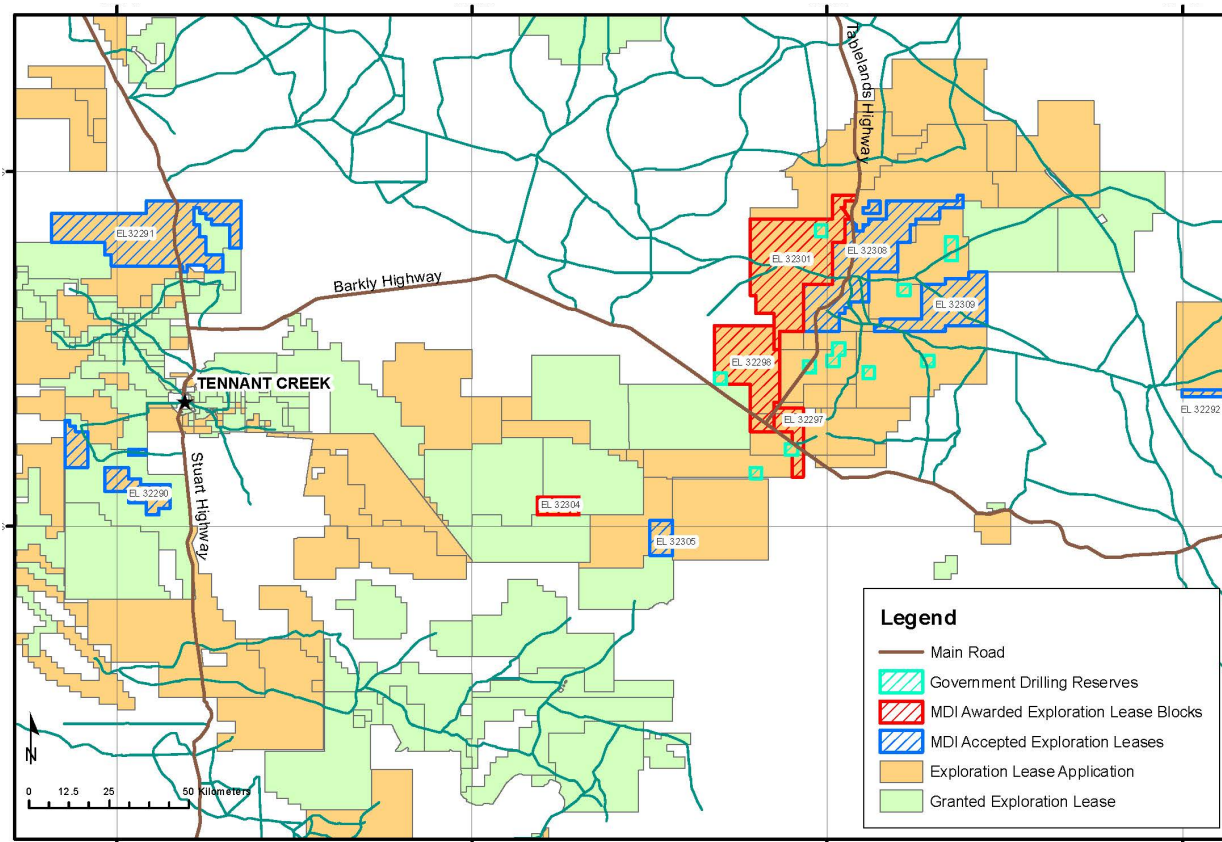
- **High grade gold hosted in BIF units** immediately adjacent to tonalite.
- JORC 2102 Mineral Resource of 200kt at 3.1g/t Au **(20,000oz)**.
- Gold associated with **pyrite replacement of magnetite** horizons in BIF adjacent to tonalite.
- True width intercepts include:
 - 22m at 23.8g/t Au**
 - 8m at 56.0g/t Au**
 - 5m at 26.5g/t Au**
- **Multiple additional ore positions** intersected marginal to tonalite.
- **Two further BIF units** identified at depth.



Barkly Copper-Gold Super-Project - NT



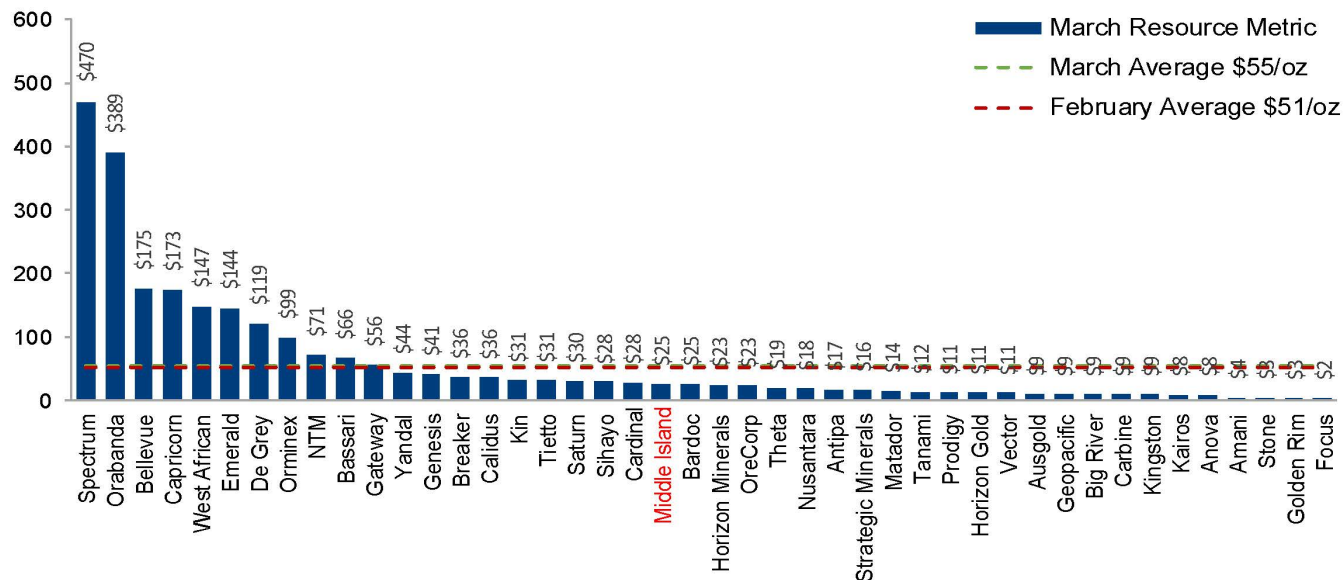
- New applications aggregating **3,253km²** between **Tennant Creek & Mount Isa**.
- First-mover in recently identified **East Tennant, Tier 1 iron oxide-copper-gold (IOCG) province**.
- Competing applications with **Rio Tinto & Newcrest** endorse merit & strategy.
- Potential **high value targets** beneath shallow Georgina Basin cover.
- **Exploration** anticipated to commence in **Q3/4 2020**.



Corporate - Investment Rationale



ASX Explorers & Developers - EV / Resources (A\$/oz AuEq)



- Market Capitalisation of A\$21.2 million (as at 29/4/2020).
- Enterprise Value (EV) of *A\$25 per resource ounce gold.
- Peer average EV (explorers & developers) of *A\$55 per resource ounce gold.
- Pro-forma MDI EV of ~A\$34.3 million.
- Excludes value of processing plant & associated infrastructure.
- Excludes value of Barkly super-project.
- Still under-valued relative to peers.
- **Compelling investment opportunity.**

* PCF Capital - Resources Thermometer April 2020

Capital Structure

ASX Code: MDI



Shares on Issue	1,765M
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Unlisted Options	994M
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Number of Shareholders	1,230
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Top 20 Shareholders	57%
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Institutions	20%
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Directors	9%
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Cash & Liquid Investments	A\$2.3M
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Market Cap at 1.2cps	A\$21.2M
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Thank you

Unit 1, 2 Richardson Street West Perth
Western Australia, 6005
Tel +61 (08) 9322 1430
Fax +61 (08) 9322 1474
www.middleisland.com.au

