



10 June 2025

Preparation for Drilling Underway at the Zopkhito Sb-Au Project

- **Local contractors have commenced heavy machinery access and camp repatriation work at Zopkhito Project following positive meetings with key stakeholders**
- **Maiden drilling campaign scheduled to commence in early July for a proposed 7,000-10,000m diamond drilling program**
- **Additional in adit drilling will be carried out to intersect the high-grade antimony veins and gold rich alteration halo in the foot and hanging walls**
- **Multiple geophysical surveys will be undertaken to assist with detecting extensions of the current foreign resource estimate (225Kt @ 11.6% Sb for a contained 26,000 tonnes of Sb and 7.1Mt @ 3.7g/t for 815,119oz of Au ^[1])**
- **Krakatoa Resources remains committed to:**
 - **Converting and expanding the current foreign resource estimate into a JORC standard mineral resource estimate**
 - **Undertaking a preliminary economic assessment on Zopkhito's mining license**

Krakatoa Resources Limited (**ASX: KTA**) (“**Krakatoa**” or “the **Company**”) is pleased to provide an update on the planned work programs and drilling activities at the Zopkhito Sb-Au Project (“**Zopkhito**” or “the **Project**”) located in Georgia, Eastern Europe. The Company has an exclusive option to acquire up to an 80% legal and beneficial interest in the granted mining license covering the Project (refer to ASX announcement dated 9th December 2024).

Krakatoa's CEO, Mark Major commented, *“This is an exciting time for Krakatoa as we embark on the first ever drill program at Zopkhito. We have planned for a comprehensive drilling program, with the aim to verify and expand the existing foreign resource estimate, calculated from 27km of underground exploration drives and over 15,000 channel samples. This work, along with detailed geophysical surveys, will enable Krakatoa to complete a JORC standard Mineral Resource Estimate for Zopkhito and undertaking a preliminary economic assessment.”*

[1] Cautionary statement: The foreign estimate and foreign exploration results in this announcement were first released by the Company in an announcement titled “Option to Acquire Major Antimony and Gold Project” on 9 December 2024 (“Announcement”) and are not reported in accordance with the JORC Code 2012. A competent person has not done sufficient work to classify the foreign estimate as a Mineral Resource, or disclose the foreign exploration results, in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work the foreign estimate will be able to be reported in accordance with the JORC Code 2012, and it is possible that following further evaluation and/or exploration work that the confidence in the reported foreign exploration results may be reduced when reported under the JORC Code 2012. The Company confirms that the supporting information provided in the Announcement continues to apply and has not materially changed.



ASX Code
KTA

Capital Structure
620,134,025 Fully Paid Shares
80,000,000 Performance Rights
20,000,000 Options

Directors
Colin Locke
David Palumbo
Timothy Hogan

Enquiries regarding this announcement can be directed to
Colin Locke
T. +61 457 289 582

The Company has completed a review of the key objectives for the upcoming field season at Zopkhito. This includes testing the known high-grade antimony and gold veins, converting the foreign resource into a JORC classification and to test the extension of the mineralised system beyond the current limits.

The work programs will consist of a 7,000-10,000m diamond drilling (from surface) program which will be the keystone for the start of the mineral resource conversion to JORC classification. The diamond drilling will be supported with an extensive in-adit core drilling program (using JORC compliant handheld core equipment) and magnetic geophysical surveys.

The Company is currently reestablishing the access tracks and camp facilities for the commencement of the exploration field season (Photograph 1 and 2).



Photograph 1 and 2: (Left) Access track showing rockslide over track. (Right) excavator walking along access track towards camp.

DIAMOND DRILLING

Krakatoa has completed drill planning over the key vein systems within the Zopkhito Project, focused on targeting the areas where suitable drill access can be obtained, while allowing various veins to be investigated.

The Company will use two diamond drill rigs to complete the drilling program. The first, a man portable rig suitable for work on small platforms and a second drill rig designed for underground work that can drill at various azimuths and lower dips. This drilling will be conducted from surface.

The current drill plan comprises an initial 100 drill holes, located on 13 platforms for a total of 14,000 metres (Figure 1). This design, once complete, would encapsulate around 50% of the foreign mineral resource area. However, it is envisaged that only 7,000m will be achieved during the current drilling season, which is closer to 30-40% of the foreign mineral resource area (Figure 1 and 2).

The average drillhole length is around 140 meters, ranging from 35 to 390 meters. The anticipated drill spacing over the veins is designed for 55-60 meters (Figure 2), which should be suitable for a classification as a JORC Inferred resource category. This will be supported with additional core drilling within the adits at much closer spacing.

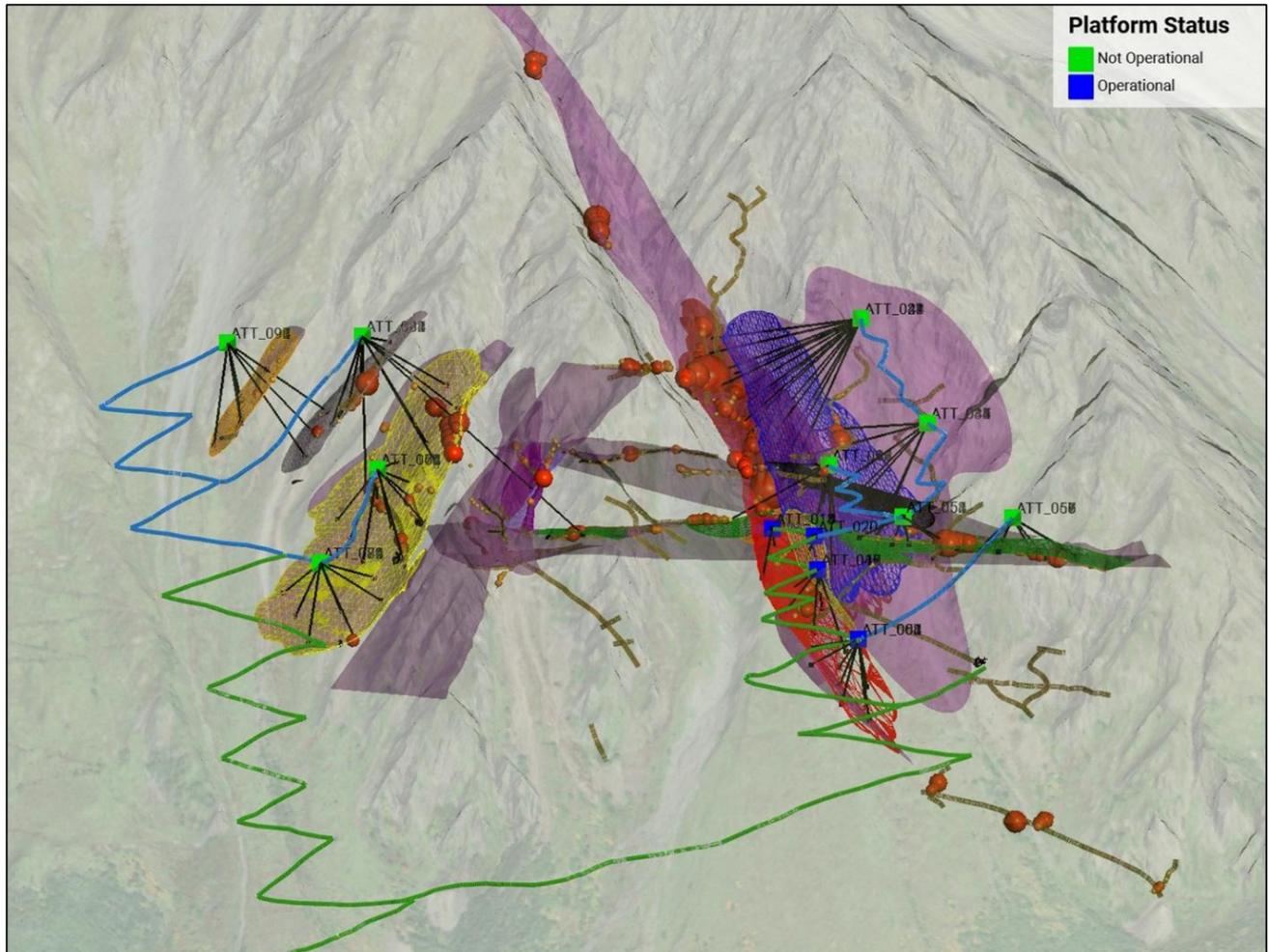


Figure 1 Location of the proposed drilling platforms and drill hole traces for the initial drill program showing access track network (green – exist, blue – construction required); and vein coverage for the designed 14,000m program (100 holes). Red and Orange bubbles represent high-grade (>5% Sb) adit samples.

IN ADIT DRILLING

Krakatoa also intends to test various equipment to obtain core samples from within the historical exploration adits. The drilling will be undertaken by handheld and small portable coring systems which may be able to sample 5 metres into the rock.

This work aims to intersect both the main quartz - antimony vein and the gold rich alteration halo of the footwall and hanging wall (Figure 3). If successful, this sampling will be done at regular intervals in all adits that can be accessed safely. Adit inspections and surveys will commence soon to determine the extent of this program.

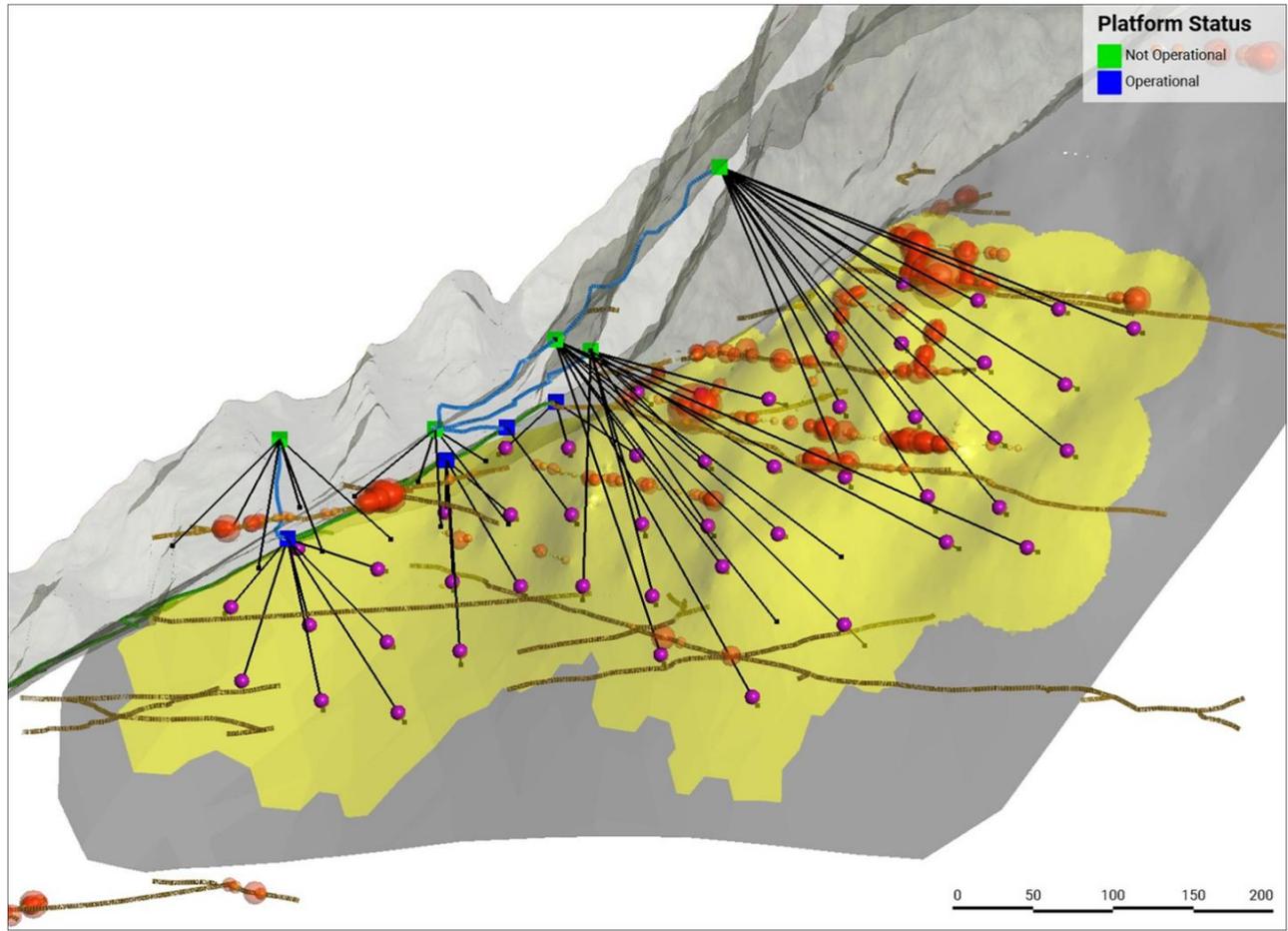


Figure 2 Vein 2 Longitudinal section looking to the South South-East, showing planned drill traces and proposed area of coverage. Red and Orange bubbles represent high-grade (>5% Sb) adit samples. The larger the bubble the higher the grade.

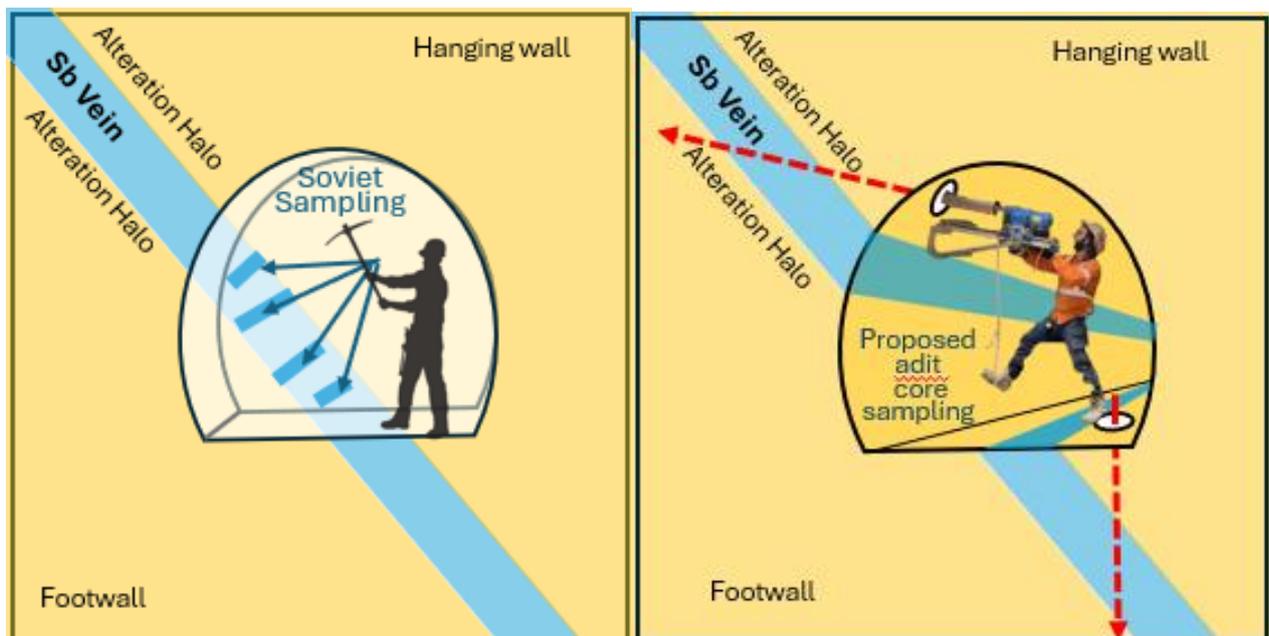


Figure 3 Schematic sketches of the adits, showing the original face sampling protocols undertaken during the Soviet sampling (Left) (3-4 samples per 1m advancement) and the proposed core sampling options the Company will be considering (Right).

GEOPHYSICS

The Company intends to complete a high-resolution drone magnetic survey over the Project area which will assist with more effective subsurface drill targeting. The Company will also consider testing sub-audio magnetics (SAM) survey, which could be highly beneficial in delineating structures and other geology that is detected by resistive anomalies in conductive terrains.

This work will commence once the camp is reestablished and road access is completed.

ABOUT ZOPKHITO

The Zopkhito Project covers an area of ~1,779 hectares in the northern part of Racha region in Georgia, a country which borders Eastern Europe and Asia and has Azerbaijan, Russia, Turkey and Armenia as neighbours.

The region is characterised by high mountains, 2000m+ MSL, and steep side valleys cut by fast flowing rivers. Vegetation is dominated by alpine and sub-alpine species with the lower parts of the mountains covered by forested tracts before transitioning to alpine meadows at higher elevations

The Project is situated ~170km from Kutaisi (second biggest town in Georgia), where rail infrastructure links to the western ports (Poti and Batumi) on the Black Sea. The closest town is a village called Gebi, some 20km from site.

ANTIMONY

Antimony is a high value, highly strategic critical metal that is used in wide ranging industrial and military applications including solar panel production, lead alloying for car batteries, bearings, cable sheathing and tin alloys for solder used in electronics and plumbing. Antimony is used in semiconductors, electronics, glass, ceramics, pigments, plastic production, rubber vulcanisation, pharmaceuticals, brake pads, clutches, coatings, paints and universal flame retardants.

GEORGIA

Georgia is an investor-friendly nation strategically positioned as a trade gateway between Europe and Asia. With a population of 3.7 million, the country has achieved remarkable economic milestones.

In 2023, Georgia's GDP stood at USD 30.5 billion, with a GDP per capita of USD 8,210. The country demonstrated an average annual real GDP growth of 5.2% from 2012 to 2023, with a robust 7.5% growth rate in 2023 despite global economic challenges.

Georgia's commitment to economic openness is reflected in its position as:

- #7** globally for ease of doing business and protecting minority investors.
- #2** globally in starting a business.
- #12** globally in enforcing contracts.
- #1** globally in budget transparency¹.

Georgia provides duty-free access to a market of approximately 2.8 billion people through its network of free trade agreements (FTAs) and preferential trade regimes. Key agreements include:

- The Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU.
- FTAs with China, Turkey, CIS countries, EFTA nations, and Hong Kong.

¹ <https://archive.doingbusiness.org/en/data/exploreeconomies/georgia>

- GSP agreements with the USA, Canada, and Japan.
- Negotiations for FTAs with India and Israel are also underway.

With a simple and service-oriented customs policy, about 80% of goods imported into Georgia are exempt from tariffs, supporting its role as a regional trade hub.

END-

Authorised for release by the Board.

FOR FURTHER INFORMATION:

Colin Locke
Executive Chairman
+61 457 289 582
locke@ktaresources.com

Competent Person's Statements

The information in this announcement is based on and fairly represents information reviewed and compiled by Mark Major, Krakatoa Resources CEO, who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Krakatoa Resources. Mr Major has sufficient experience relevant to the styles of mineralisation and types 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 Major consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Previously announced ASX material references and information relating to exploration results and Foreign Mineral Resource estimations are publicly available on the Company website and the ASX. The information in this presentation that relates to exploration results previously announced by the Company have been extracted from the Company's announcements to the ASX from 9 December 2024 to the 6 June 2025. The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements.

Forward Looking Statements

This document may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. No representation is made that, in relation to the tenements the subject of this announcement, the Company has now or will at any time in the future develop resources or reserves within the meaning of the JORC Code 2012.

Any forward-looking statements in this document speak only at the date of issue of this document. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and, unless required by applicable law, the Company is not under 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.