



17 January 2022

## UPDATE FOR 2022 KICKOFF

Duke Exploration Limited (ASX: DEX) ("Duke" or "the Company") is pleased to provide an update for our 2022 exploration activity kick-off. The teams are back on site and work has resumed at a rapid pace. Despite some inclement weather setbacks in the final weeks of 2021, the exploration team has resumed the exploration program on site assessing the prospective area, driving us towards a much anticipated Q1 and Q2 2022 for Duke.

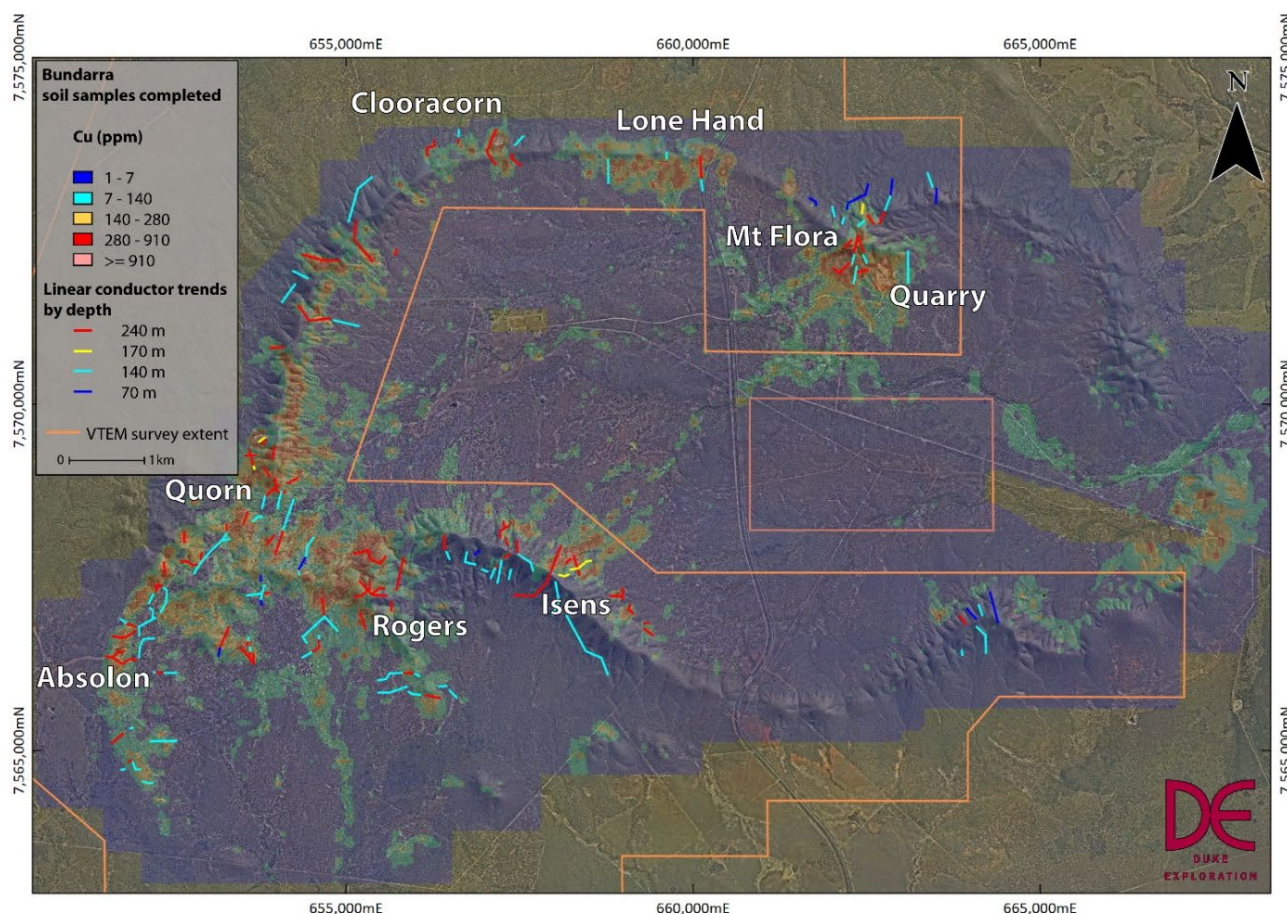


Figure 1. Interpreted linear trends from pXRF copper soil and conductivity profile targets from survey areas. Relative locations of priority prospect areas are labelled accordingly.



### Soil Sampling

The geochemical soil sampling program has resumed sampling the area around the Bundarra Pluton and then on to the closely related Duania and Waitara tenements. This is a very important exploration activity. The purpose of the sampling is to identify areas of the presence of copper in soil and therefore indicate the possible presence of copper mineralisation in the rock structures below. It is a cheap, rapid and reliable method of indicating areas of interest for further investigation. At Bundarra, mapping anomalous copper in the soils provides a vector for copper mineralisation in outcrop which aids in understanding the larger controlling structures. Thus, it is an important lead activity to generate prospective locations.

### Diamond Drilling

Diamond drilling resumed this week at the Rogers prospect area (Figure 2). This is the third hole of a campaign of 5 holes – one at Quorn, one at Isens and three within the Rogers area. Quorn and Isens holes are completed with mineralisation intersected as has been reported previously. Assays from these holes are due mid-February assuming no delays. The first hole of the 3 planned at Rogers is almost complete and the rig will then move on to the 4<sup>th</sup> and 5<sup>th</sup> holes (2nd and 3rd at Rogers). The first hole into Rogers is a success, intersecting several chalcopyrite dominated sulphide veins downhole, including two metres of chalcopyrite – pyrite – magnetite veining from 102 m (Figure 3). The campaign is planned to be completed by early/mid-February and the assay results will follow, after about 6 weeks, assuming no delays. The diamond drilling rig will continue on to at least two other primary targets of interest in March/April.



*Figure 2. Diamond rig drilling BNDD003 at Rogers testing a coincidental geophysical and soil anomaly.*



Figure 3. Two metre chalcopyrite – pyrite – magnetite zone intersected at 102m depth in BNDD003.

### Pattern Drilling

The locations that are of further interest, as determined from the diamond drilling, will be pattern drilled by a reverse circulation rig (RC) on an adequately spaced grid to understand the scale or extent of the mineralisation. RC drilling will be started as soon as we have sufficient information from the assays from the diamond drilling noting that assays from Quorn and Isens are due in mid-February, and the remainder from Rogers by end of March.

### Resource Drilling

Resource drilling with the RC rig will start immediately after we have sufficient information to decide the most prospective areas.

### Metallurgical Testing

Metallurgical testing continues with a series of rougher flotation tests underway. The second of a planned series of three recovery tests is underway. These tests are working towards determining optimal processing parameters and design and specification indications. Factors such as various reagents, residence times, grind size, etc. The results of the test work will be announced when completed which is due before end of Q1, 2022.

## Recapping our Strategy

- We have a resource at Mt Flora/Quarry of 16Mt @ 0.5% Cu and 6.9g/t (Dr Greg Partington, 25 June 2021, JORC 2012\*). The Mineral Resource Estimate report finally released on 25 July 2021 that Dr Partington used to generate this resource is [here](#). It contains many important details on the assumptions made in generating the resource estimate produced by Dr Partington in June 2021 for the Company.
- Additional drilling already completed at Mt Flora/Quarry and not included in the initial Resource is likely to increase the total Resource at Mt Flora/Quarry. The drilling did not close off the mineralisation and therefore there is further potential for more Resources at Mt Flora/Quarry.



## Recapping our Strategy

- The grade of the Mt Flora Resource determines that any mine treating such ore will need to be large scale and long mine life to be economically viable, assuming there are no other significant issues associated with mining or processing the Mt Flora/Quarry ore. There are numerous examples of this globally. Typically, they have throughputs in the range of 3mtpa to 5mtpa and mine life in the range of 10 years to 15 years, or more. For an ore grade similar to the current Resource the total tonnes required to support the capital for a possible mine is in the range of 30mt to 75mt. The current Resource at Mt Flora/Quarry along with the potential for more Resources indicated above is likely to form the basis of a mining project at Bundarra. However, more Resources are required, and the current strategy is designed to identify those prospects, from the many available on the Bundarra tenement, with the most potential to quickly add to the current Resource base. The work is being carried out in a structured prioritised fashion ensuring optimal expenditure of shareholder funds to determine and deliver the most optimal path for resource development and thus enterprise value.

### *Commenting on work resumption for 2022 – Philip Condon, MD:*

*We are very excited to resume exploration activity for 2022 and continue with our resource development plan. The team is on the ground and has been able to resume momentum quickly in the new year. We have a very important Q1 and Q2 coming up, where it is anticipated the revised Resource development strategy will begin to deliver results. I look forward to that journey with our loyal shareholder and the potential success it can bring.*

#### \* Notes on Mt Flora/Quarry Resource Estimate:

- Reported at a 0.2% Cu-equivalent cut-off grade (Cu & Ag)
- The Mineral Resource is classified in accordance with JORC, 2012 edition.
- The effective date of the Mineral Resource estimate is 25 June 2021.
- The Mineral Resource is contained within EMP 26499.
- Estimates are rounded to reflect the level of confidence in these resources at the present time. All resources have been rounded to the nearest million tonnes.

The Mineral Resource is reported as a global resource

This announcement has been authorised for release by the Board.



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