

CANNINDAH RESOURCES MAKES APPLICATION FOR HIGHLY PROSPECTIVE GROUND ATTACHED TO PICCADILLY

Cannindah Resources Limited via its subsidiary Piccadilly Gold Mine Holdings Limited makes application for more highly prospective ground attached to the Piccadilly tenement area.

Key Features of the application area:

- **Previous drilling at the Marlow prospect, which intersected of 2m @ 85g/t Au, including 1m containing visible gold which assayed 250g/t Au (8 ounces to the tonne).**
- **Significant data set already in possession at Terra Search over the application area.**
- **Exploration techniques from Piccadilly will be applied to new ground to expedite outcomes.**
- **Joins the Piccadilly tenements EPM 16198,18322 and ML 1442 making a coherent tenement area of 135 sub-blocks or approximately 440 square kilometers (44,000 hectares).**

Cannindah Resources Limited has made application to the Queensland Department of Natural Resources, Mines and Energy (DNRME) for a further significant EPM holding that is interpreted to contain intrusive related gold system targets similar to the Piccadilly area. Previous drilling on the EPMA area (named "Percy Marlow") has intersected significant high grade gold mineralization. Back in 1987, the Marlow magnetic feature was outlined by a detailed magnetic survey completed by City Resources Limited. In the early 1990's, MIM Exploration undertook ground exploration over the area which included drill testing of the Marlow Target. Geological mapping showed that the magnetic anomaly occurred over a poorly outcropping lateritised diorite intrusive covered by sand and gravel. The intrusive was surrounded by sandstones and siltstones of the Julia Formation which outcropped around the southern margin of the intrusive.

A magnetic low at the centre of the high was targeted with a reverse circulation percussion drillhole with a depth of 76m. After 11m of cover which included gravel and laterite, the drillhole intersected a diorite intrusive which was responsible for the magnetic feature. The intrusive was strongly altered in parts and an intersection of **2m @ 85g/t gold** occurred between 62 and 64m, visible gold was noted. Subsequent assaying of the 1m intervals from the drillhole indicated that the interval from **62m to 63m assayed 250g/t gold**. Further drilling was undertaken by MIM. Normandy Exploration in joint venture with MIM 1997-2001, drilled 5 reverse circulation percussion holes, 1-2km or so south west of the Marlow mag high, in veined sediments of the contact aureole around the diorite. The best intersection was 4m @ 2.68 g/t Au, 2.2 % Zn, 12.8 g/t Ag. Lione Resources/Ramelius Resources Limited identified the potential of the area, holding the ground 2010-2012, targeting the Marlow prospect with further 2 reverse circulation percussion holes. Although holes showed strongly altered sulphide bearing intrusives, and elevated copper in the 500ppm to 2350ppm range no other very high grade gold intersections resulted and they ceased exploration. Cannindah Resources Limited intends to apply some different exploration methodology to the area initially working on the location of shoot controls with a view to locating further high grade zones in the target areas.

Cannindah Resources Limited is excited about turning the Marlow Target into a significant gold project, building on the encouraging exploration results now available and adding to our Piccadilly project block. A very high grade gold zone was located at Marlow in the first drillhole into the target, over 3 decades ago. Although subsequent reverse circulation percussion drilling has failed to locate further high grade gold, the elevated gold and base metal numbers and alteration style confirm the prospectivity of the area. Experience shows that in similar circumstances, well oriented diamond core can lead to a revolution in the understanding of the

geometry and distribution of potential gold ore. Cannindah Resources Limited hopes to achieve this outcome with strategically targeted diamond core holes and broader exploration involving further sampling and drilling.

It should be noted that the Marlow Prospect is only one of several intrusive related gold targets present within the Percy Marlow EPM Application. Previous explorers have generated a wealth of drilling and surface geochemical data, particularly in the southern section where back in the 1990's and early 2000's, gold mineralized systems just north of the historical multi-million ounce Charters Towers Gold Field, were discovered, partly concealed or buried under shallow cover. The lapse in exploration since that time, is a real advantage to CAE as it presents a great opportunity to follow up these under-explored targets with modern exploration technology and insights which, in the intervening years, have been successfully developed and applied across the district.

Outlined in blue in Figure 1 below is the new application area which as discussed has already had some historical drilling in areas of interest by previous public companies at a time when the gold price was significantly less than it is today. Our consulting geologists at Terra Search have reviewed all the data available from previous explorers, this along with the significant gold grades in the drilling intercepts is the basis upon which we decided to make the application for the new ground. We will be conducting a further review of the data until the grant is finalised so we can immediately commence more focused drilling exploration over areas of interest. We will be applying the exploration knowledge and methodology obtained from Piccadilly along with the extensive data base from Terra Search to this new area of interest to (1) target potential gold and copper systems which are coincident with prospective geological units and (2) to use surface geochemical sampling and geological prospecting to screen the area for multi-element signatures of large scale intrusive related mineral systems.

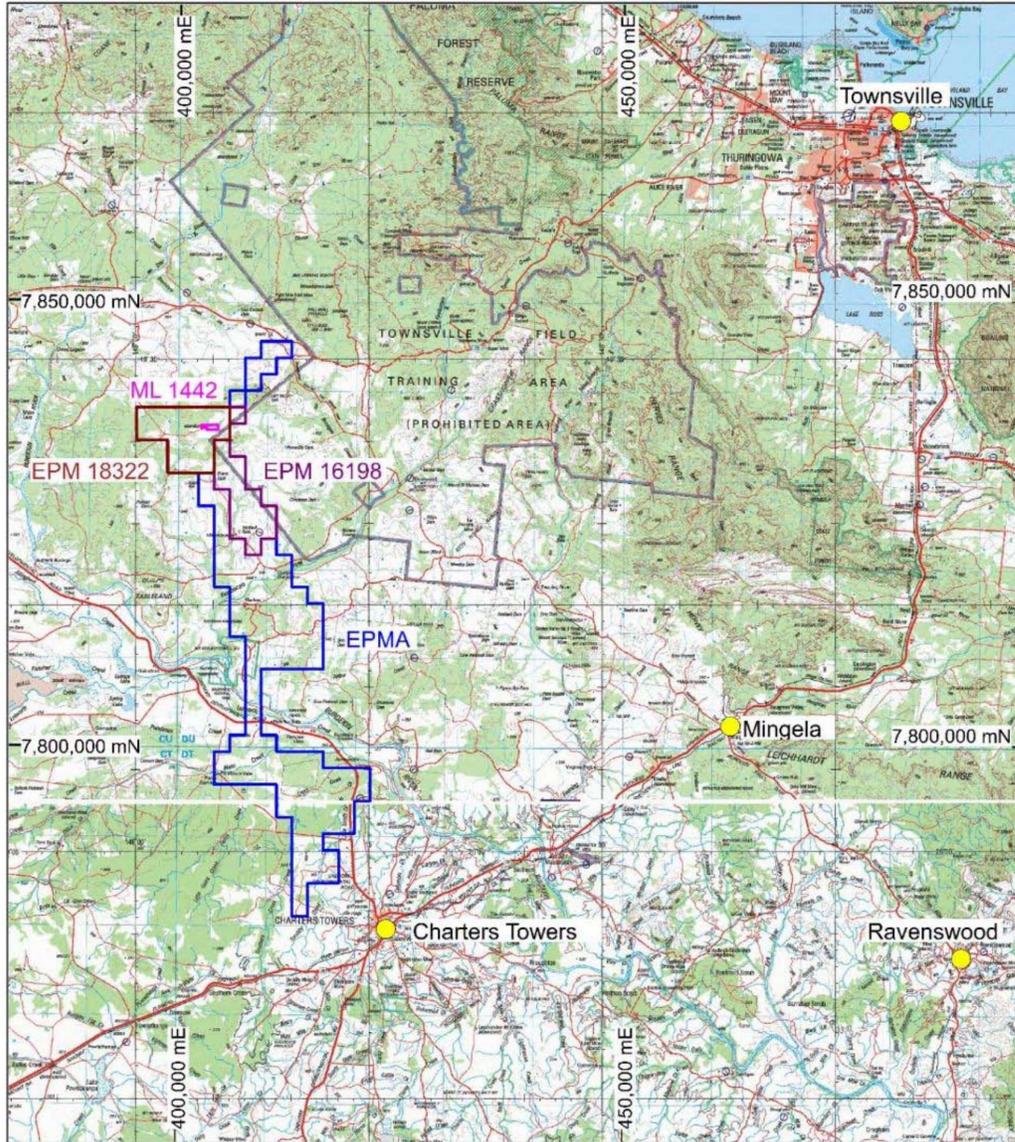
The time for approval from the department is uncertain however it is likely to be at least 6 months until this area is granted. The department has now approved the work program Cannindah Resources Limited submitted to them in the application, which is very positive. Figure 2 below summarises the significant amount of exploration data Cannindah Resources Limited has access to in order to progress this project area very quickly, once it comes to grant.

The known high grade gold zones at Piccadilly remain the immediate focus for the company and costeaning and drilling at Piccadilly will occur in the next few weeks, weather permitting. This timing works well for access to the Piccadilly site. Cannindah Resources Limited's Executive Chairman Mr Tom Pickett has spoken with the landowner at Piccadilly who advised that whilst they did get some heavy rain at the property the access tracks seem to still be in good order but remain quite soft. These should be much firmer in a couple of weeks allowing better access for machinery.

Executive Chairman Mr Tom Pickett said "The gold system at Piccadilly is significant in scale and certainly warrants the extra attention we have been giving it prior to completing further drilling. I am very excited to see that the company is moving forward with drilling in the coming weeks and am also very excited to see that we have applied to extend our footprint in the region. Cannindah Resources Limited is now 100% in control of the significant Mt Cannindah Copper/Gold project with a JORC resource of 5.5MT of Copper @ .93%Cu with significant exploration upside potential, along with 100% of the Piccadilly Gold project which is a fantastic gold exploration project. Importantly late last year we reached agreement with Aquis Finance to remove debt, with them converting debt to equity. This potential new ground further bolsters the high-quality Gold and Copper assets we currently hold, putting us in a great position for shareholders to benefit from the Gold and Copper markets."



Figure 1: Location of Percy Marlow Area

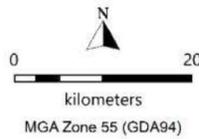


Legend

EPM Application Percy Marlow

Piccadilly Gold Mine Holdings Tenure

- ML 1442
- EPM 16198
- EPM 18322



Piccadilly Gold Mine Holdings wholly owned subsidiary of



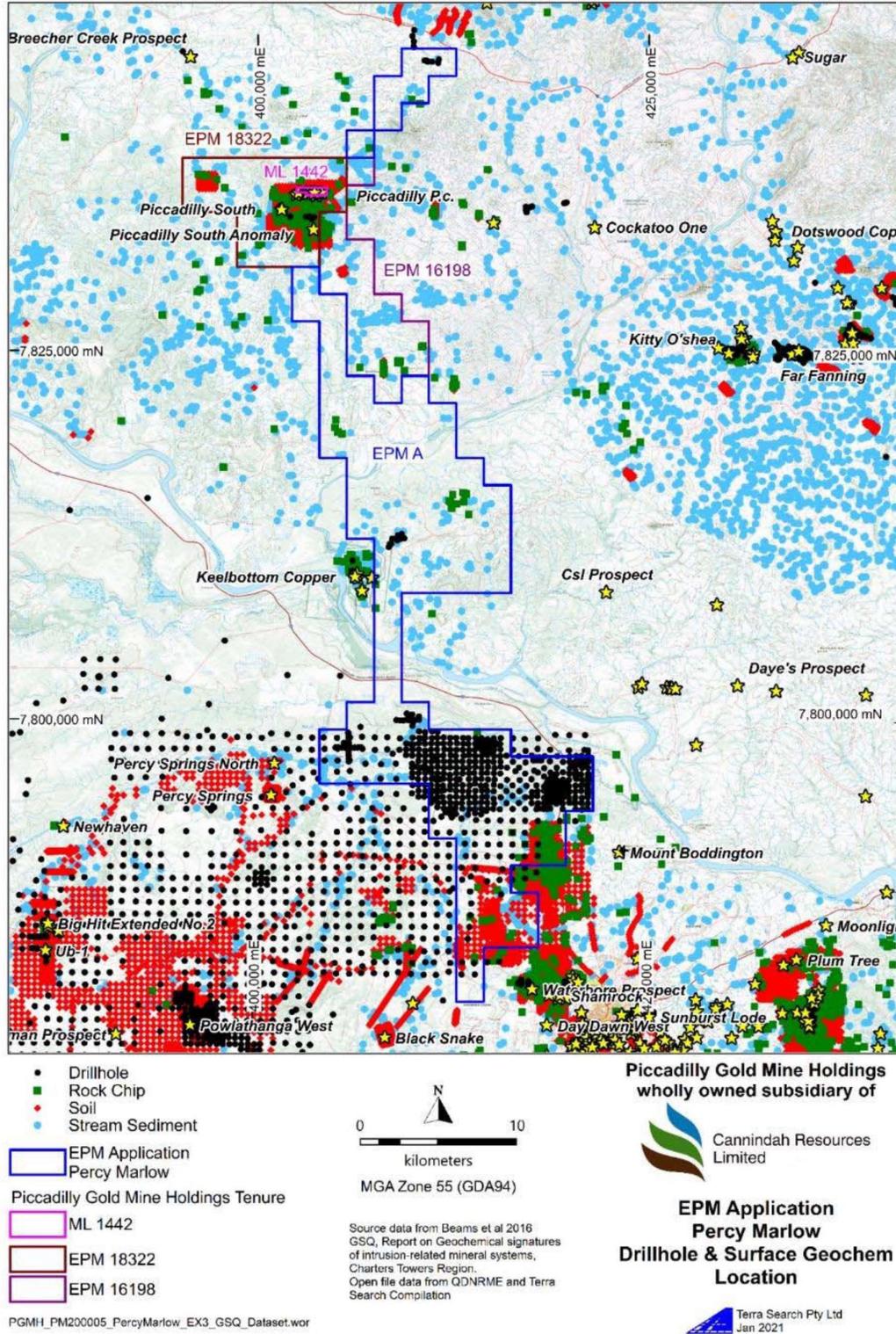
Cannindah Resources Limited

EPM Application Percy Marlow Location

Terra Search Pty Ltd Jan 2021



Figure 2: Historical Exploration Works within Percy Marlow Area





COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results is based on information compiled by Dr. Simon D. Beams, a full-time employee of Terra Search Pty Ltd, geological consultants employed by Cannindah Resources Limited to carry out geological evaluation of the mineralisation potential of their Piccadilly Project, Queensland, Australia.

Dr. Beams has BSc Honours and PhD degrees in geology; he is a Member of the Australasian Institute of Mining and Metallurgy (Member #107121) and a Member of the Australian Institute of Geoscientists (Member # 2689). Dr. Beams has sufficient relevant experience in respect to the style of mineralization, the type of deposit under consideration and the activity being undertaken to qualify as a Competent Person within the definition of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code).

Dr. Beams consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

For further information, please contact:

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Cannindah Resources
Limited

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