

8 December 2020

## **EL Granted at Highly Prospective Mt Clere REE Project, WA.**

- **Exploration licence E09/2357 granted.**
- **Seven applications still outstanding, of which two more grants are expected shortly.**
- **The Company holds 1,780km<sup>2</sup> of prospective tenure at the Mt Clere Project.**
- **Mt Clere is prospective for:**
  - **Rare Earth Elements;**
  - **Heavy Mineral Sands; and**
  - **Intrusion hosted Ni-Cu-PGEs**

Krakatoa Resources Limited ("Krakatoa" or the "Company") (ASX: KTA) is pleased to announce it has received granted tenure over the first of several previous exploration licence applications at the highly anticipated Mt Clere Project, located in the Gascoyne Region of Western Australia. The newly awarded exploration licence E09/2357 covers an area of 303 km<sup>2</sup>.

Collectively, Krakatoa commands approximately 1,780 km<sup>2</sup> of prospective geology at the Mt Clere Project (Figure 1 and Table 1). The project covers regions of structural complexity within dense rocks of the Narryer Terrane thought to represent reworked remnants of greenstone sequences that are prospective for intrusion-hosted Ni-Cu-(Co)-(PGE's). Krakatoa initially applied for Mt Clere based on the tenure containing significant Rare Earth Element (REE) geochemical anomalies originally delineated by BHP Minerals and subsequently confirmed by Astro Mining in the 1990s. Refer to ASX announcement 9 October 2020.

Krakatoa's Chief Executive Officer, Mark Major commented;

*"The awarding of this licence is a significant milestone for Krakatoa shareholders. We thank Colin and the team for their exhaustive efforts in pursuing heritage agreement negotiations with the various native title parties throughout the year.*

*Seven applications remain, two from 2019 and five recently applied for in late 2020. We expect the 2019 applications to be awarded shortly, while the new application grants are anticipated for early 2021.*

*There is a statutory requirement for the state to advertise all exploration licence applications for a period of four months, allowing for all registered native title claimant or determined native title holders in the licence area, time to lodge an objection if so desired.*

*We expect the all the applications to go through without issue as there are no new native title parties and the current agreement negotiations are close to completion."*



**ASX Code**  
KTA, KTAOC

### **Capital Structure**

278,950,000 Fully Paid Shares  
82,800,000 Options @ 5c exp 31/07/21  
5,000,000 Options @ 7.5c exp 31/07/21  
15,000,000 Options @ 7.5c exp 29/11/23  
15,000,000 Share Appreciation Rights

### **Directors**

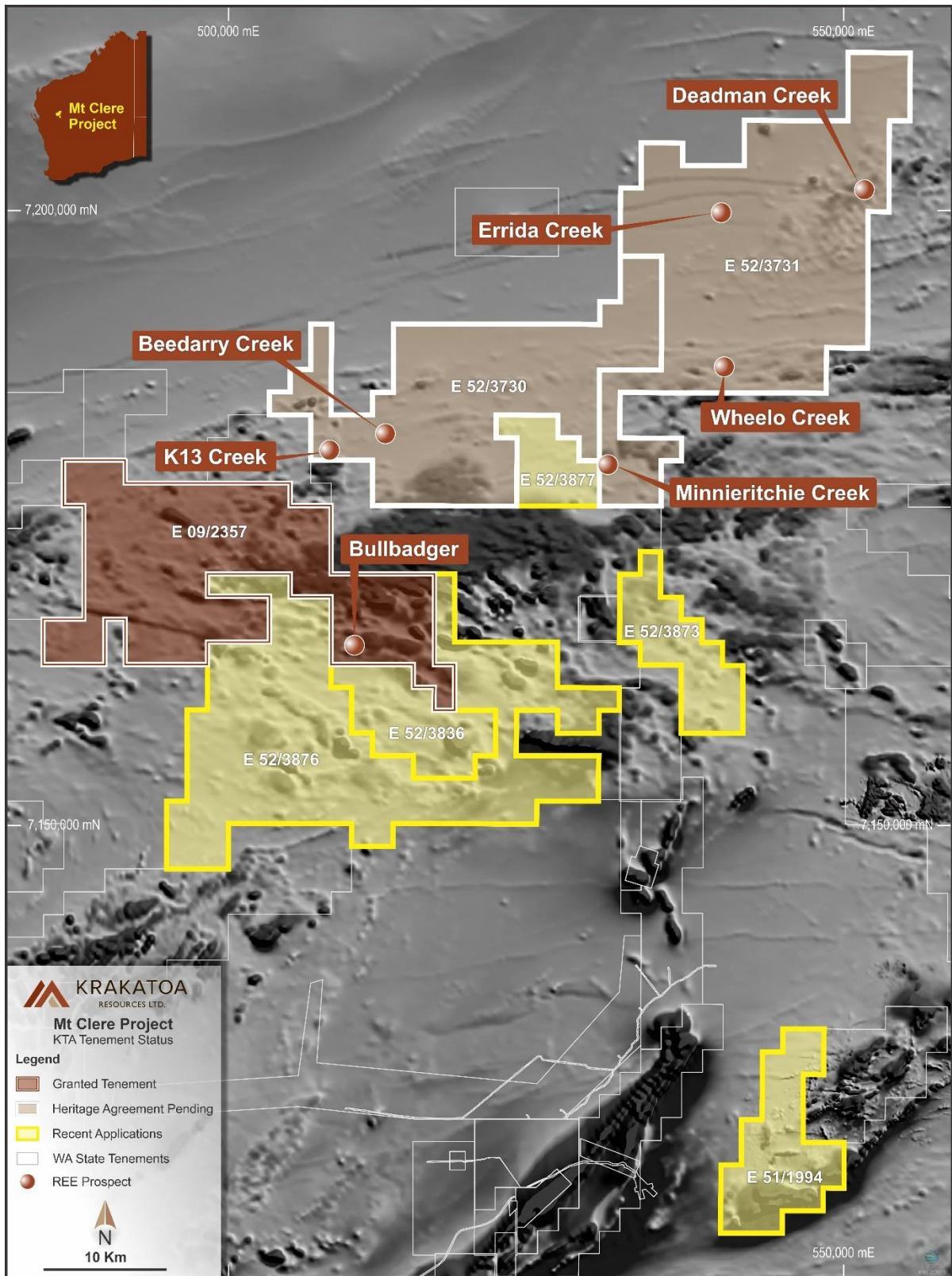
Colin Locke  
David Palumbo  
Timothy Hogan

### **Enquiries regarding this**

**announcement can be directed to**

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**Figure 1 – Krakatoa exploration licence and applications within the Narryer Terrane, Mt Clere Project Gascoyne Region, Western Australia.**

**Table 1 Krakatoa Resources Mt Clere Project (100% subject to grant)**

TENID	STATUS	HOLDER	AREA	UNIT	Area (km <sup>2</sup> )
E 09/2357	LIVE	KRAKATOA RESOURCES LIMITED	107	BL.	330.53
E 52/3730	PENDING	KRAKATOA RESOURCES LIMITED	97	BL.	299.97
E 52/3731	PENDING	KRAKATOA RESOURCES LIMITED	145	BL.	448.78
E 52/3836	PENDING	KRAKATOA RESOURCES LIMITED	24	BL.	74.07
E 51/1994	PENDING	KRAKATOA RESOURCES LIMITED	31	BL.	95.43
E 52/3873	PENDING	KRAKATOA RESOURCES LIMITED	23	BL.	71.03
E 52/3876	PENDING	KRAKATOA RESOURCES LIMITED	135	BL.	416.64
E 52/3877	PENDING	KRAKATOA RESOURCES LIMITED	14	BL.	43.27

### UPDATE

The Company has been negotiating heritage agreements with respective native title parties since lodging the initial applications in 2019. Agreement negotiations now appear close to finalisation.

The Company anticipates commencement of field activities once the 2019 exploration licence applications are awarded, statutory programs of works are approved by the regulators and the climate is more conducive to remote geochemical exploration programs.

Authorised for release by the Board.

### FOR FURTHER INFORMATION:

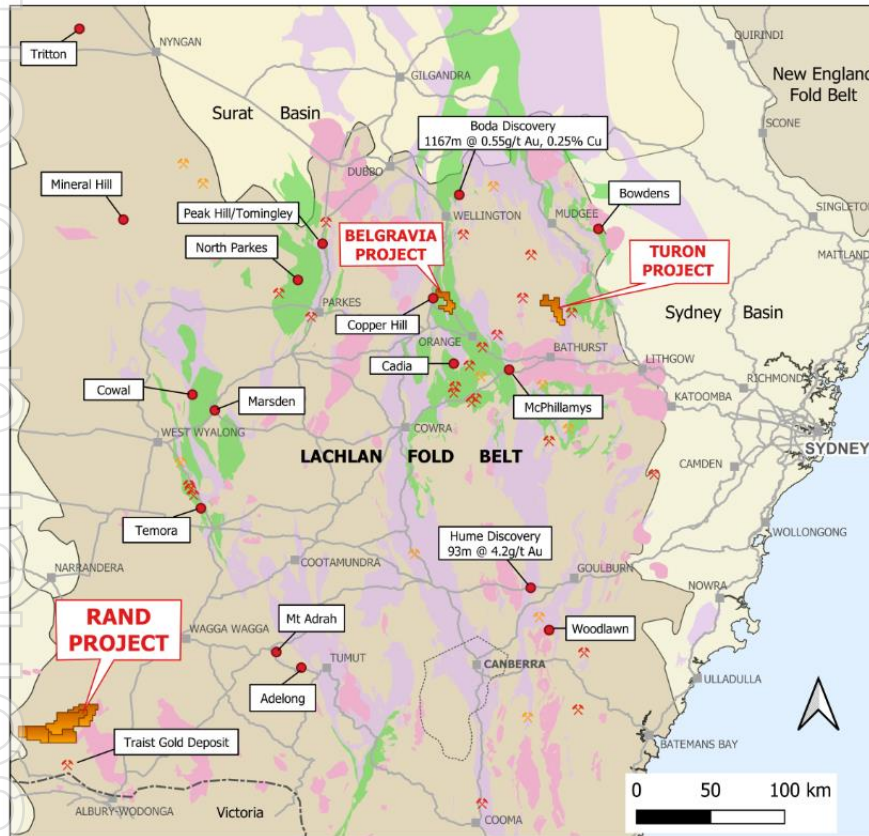
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### Disclaimer

*Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake 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.*

## ABOUT KRAKATOA:

Krakatoa is an ASX listed public Company predominately focused on gold exploration in the world class Lachlan Fold Belt, NSW across three projects: Belgravia, Turon and Rand.



### Legend

- KRAKATOA PROJECTS
  - Major mines/recent discoveries
  - ✦ Major Cu deposits
  - ✦ Major Au deposits
- Lachlan Orogen**
- I-type Granites
  - Silurian Belts
  - Ordovician Macquarie Arc
- Regional Elements**
- Younger Basins
  - Palaeozoic Fold Belts



### Belgravia Project (Krakatoa 100%):

The Belgravia Project covers an area of 80km<sup>2</sup> and is located in the central part of the Molong Volcanic Belt (MVB), East Lachlan province, between Newcrest Mining's Cadia Operations and Alkane Resources Boda Discovery. The Project has six initial target areas considered highly prospective for porphyry Cu-Au and associated skarn Cu-Au, with Bell Valley and Sugarloaf representing the two most advanced target areas. Bell Valley contains a considerable portion of the Copper Hill Intrusive Complex, the interpreted porphyry complex which hosts the Copper Hill deposit (890koz Au & 310kt Cu) and has highly prospective magnetic low features spanning 6km. Sugarloaf contains a 900m Deep Ground Penetrating Radar anomaly located within a distinctive magnetic low feature considered characteristic of a porphyry-style deposit and co-incident with anomalous rock chips including 5.19g/t Au and 1.73% Cu.

### Turon Project (Krakatoa 100%):

The Turon Project covers 120km<sup>2</sup> and is located within the Lachlan Fold Belt's Hill End Trough, a north-trending elongated pull-apart basin containing sedimentary and volcanic rocks of Silurian and Devonian age. The Project contains two separate north-trending reef systems, the Quartz Ridge and Box Ridge, comprising shafts, adits and drifts that strike over 1.6km and 2.4km respectively. Both reef systems have demonstrated high grade gold anomalism (up to 1,535g/t Au in rock chips) and shallow gold targets (up to 10m @ 1.64g/t Au from surface to end of hole) that warrant detailed investigation.

### Rand Project (Krakatoa 100%)

The Rand Project covers an area of 580km<sup>2</sup>, located approximately 60km NNW of Albury in southern NSW. The Project has a SW-trending shear zone that transects the entire tenement package forming a distinct structural corridor some 40 km in length. The historical Bulgandra Goldfield, which is captured by the Project, demonstrates the project area is prospective for shear-hosted and intrusion-hosted gold. Historical production records show substantial gold grades, including up to 265g/t Au from the exposed quartz veins in the Show Day Reef.