

ASX RELEASE

28 June 2021

EXPLORATION CONTINUES TO CONFIRM PROSPECTIVITY

Zuleika Gold advances its 30,000m exploration program

Zuleika Gold Limited (**“ZAG”, “Zuleika Gold” or the “Company”**) is pleased to present to shareholders an update of its exploration activities of its highly prospective portfolio in the prolific World Class Kalgoorlie - Kundana - Menzies goldfields.

So far this year, the Company has completed >14,000m of a planned 30,000m exploration Aircore (AC) and Reverse Circulation (RC) drilling program testing the Company’s flagship Zuleika and Credo Projects.

Drilling to date has focussed on the Paradigm East and Credo Well prospects and other targets including Browns Dam, Breakaway Dam, Carnage, Little T and Castle Hill East. The Company has also designed programs for its Menzies, Goongarrie and Ruby Plains Projects (**Figure 1**).

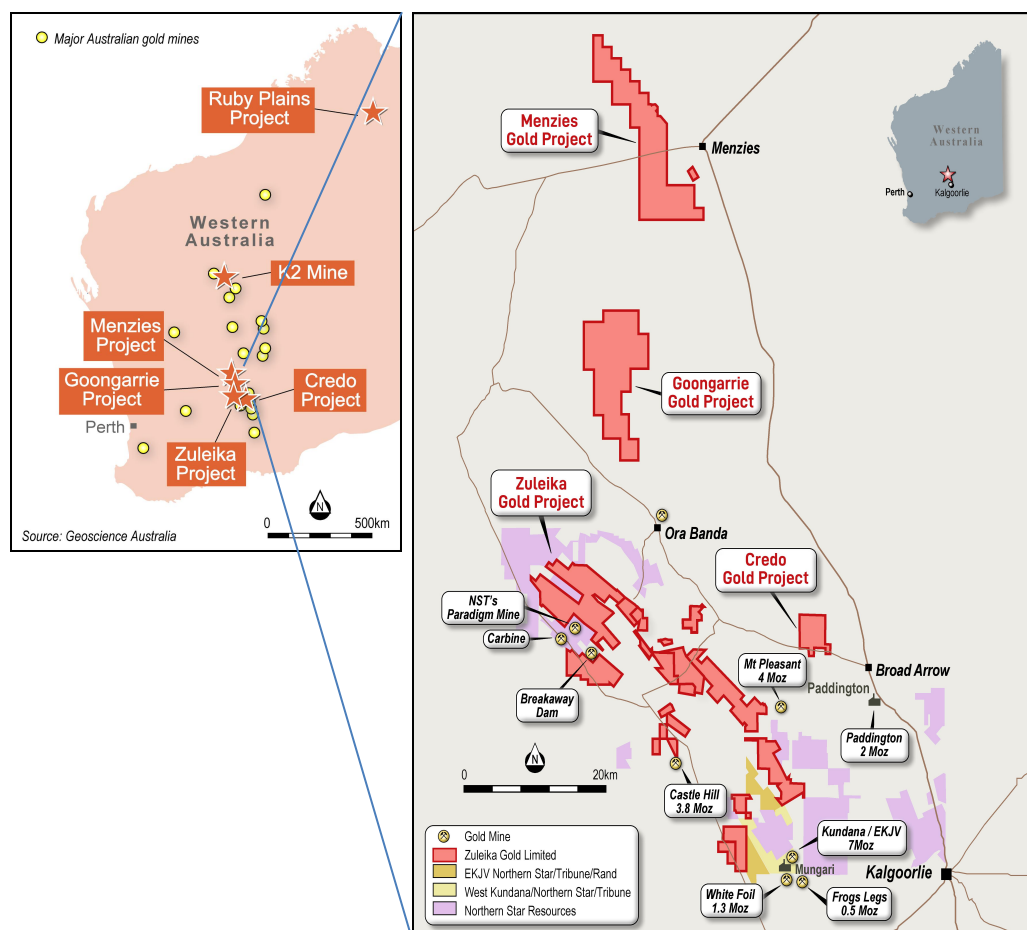


Figure 1 - Location of Zuleika Gold’s gold exploration prospects

Figure 2 below shows Zuleika Gold’s priority projects located along the Zuleika Shear and at Credo. These projects are in the world class Kalgoorlie – Kundana – Paddington gold mining districts, which have generated multi-million-ounce deposits.

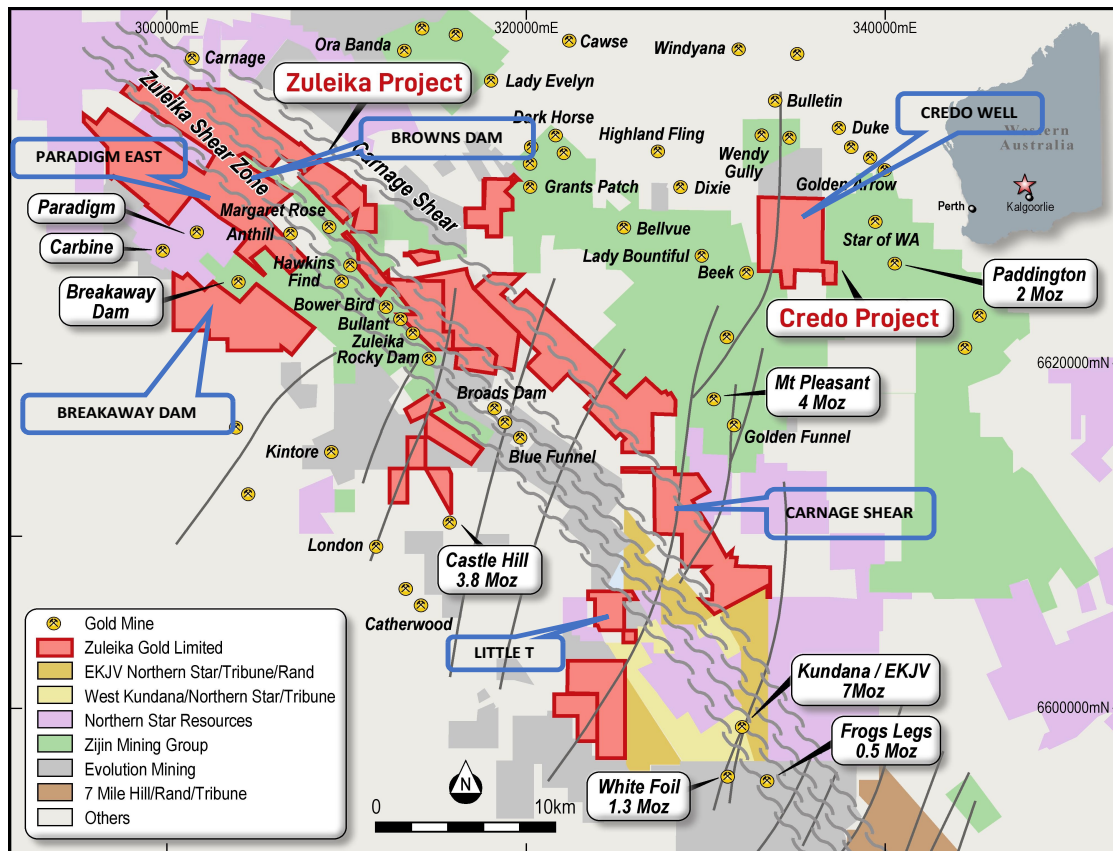


Figure 2 - Location of Zuleika and Credo priority prospects

At the Company's flagship Paradigm East Project, located 60km north-west of Kalgoorlie and 1.5km east from Northern Star's Paradigm Mine (**Figure 2**), we have completed 6,968m of drilling comprising 97 AC holes for 5,578m to an average depth of 57m and recently completed a further 11 RC holes for 1,390m to an average depth of 126m. These holes were designed to follow up the high gold results reported to the ASX on 24 March 2021 and 18 May 2021.

At the Credo Project, located 35km north of Kalgoorlie and 5km west of the Paddington Gold Mine (**Figure 2**), we have completed 16 RC holes for 1,605m testing strong gold in soil anomalies generated earlier this year (ASX: Ann. 21 January 2021).

Drilling has also commenced at the Breakaway Dam Prospect, located south of Paradigm East and adjacent to the historic Breakaway Dam Mine (**Figure 2**), with 18 AC holes for 696m completed of a planned 4,400m program.

During this drilling the Company has designed the following:

- AC program at the Menzies Project, located immediately west of the township of Menzies, ~130km north of Kalgoorlie, to test the significant gold anomalism identified from the 2020 Auger sampling (ASX: Ann. 12 November 2020);
- Follow up Auger program at the Goongarrie Project, located ~100km north-west of Kalgoorlie, to refine gold anomalism identified from auger sampling completed in 2020, and
- Regional scale surface geochemistry program at the Ruby Plains Project, located 70km south-south-east of Halls Creek in the Kimberly region of Western Australia, testing the Project for paleo-placer gold targets.

Zuleika Gold's geologists panned off the Paradigm East high gold grade intersection being 76m to 77m in hole DPEAC087 of 66.1 g/t (ASX: Ann. 18 May 2021) with the result shown in the following image.



EXPLORATION STRATEGY

As per our March quarterly activities report, we have completed ~47% of the planned Stage 1 program of 30,000m. The program commenced on 1 February and covered 4 main prospect areas, 2 existing 2 new. The program has been interrupted by heavy rains on a few occasions, followed by road closures.

The project area is extensive and has several major structural zones, or secondary structures off these zones that are considered to have good potential for hosting economic mineralisation. ZAG is working systematically to evaluate the entire project area in the most systematic and cost-effective manner.

There are currently prospects with known high grade mineralisation through to geophysical target areas with no effective past exploration. The programs currently underway include:

- the collection of Ultrafine™ soils across areas of cover to identify the best bedrock targets;
- bedrock AC drilling of identified structural or geochemical targets;
- RC target drilling following up bedrock anomalism and high-grade AC results; and
- RC drilling to test zones within the Credo area between known resources.

This methodology is producing consistent gold results, allowing the ranking of the prospects in terms of which has the best chance of producing economic resources. The results have confirmed our working geological models, which are providing increasing confidence that our exploration goals will be achieved.

Along the Zuleika shear the AC holes penetrating fresh rock are typically in the range of 60 to 70m.

When encouraging results from the initial 4m AC composites are received, we re-submit for assay the 1m splits, which when received will enable the completion of the final interpretation work for the Zuleika AC drilling.

Due to boom time conditions, assay laboratories are inundated with samples so receiving results can take up to 6 weeks.

ZAG has committed to the next phase of drilling, which will be a combination of some AC and mostly RC. The RC rigs can drill to 300m and the drilling \$rate/m is x2 the AC \$rate/m.

ZAG therefore uses the AC holes, results and interpretation to better target deeper drilling. Typically, in this area deeper holes in fresh rock generate better results when compared to the shallower weathered rock, as evidenced by public results from Northern Star's Paradigm Mine.

This method of AC followed by RC is a cost-effective exploration method.

ZAG is working towards compiling a definitive release of the work completed, the related results; together with a discussion on planned follow up drilling on the Zuleika, Credo, Menzies and Goongarrie projects and planned drilling on new prospects. ZAG is constantly looking for and evaluating new project opportunities.

Managing Director of Zuleika Gold Ms Annie Guo said:

"Following completion of ~14,000m of this season's 30,000m program over a broad spread of targets along the Zuleika Shear and at Credo we continue to get exploration success due to consistently intersecting hydrothermal systems with strong anomalous gold results along the Zuleika Shear and elsewhere along parallel and intersecting structures.

The relatively shallow initial Aircore program is now complete at our flagship project at Paradigm East and Browns Dam, and this is being followed up with deep Reverse Circulation drilling designed to test the persistence of gold mineralisation identified in the Aircore holes.

We continue to remain optimistic of a significant discovery due to the continuity of gold mineralisation along substantial structures which supports the potential of Zuleika Gold's 230km² tenement package. We are testing new targets in our second and third priority programs.

Recently we returned to Credo Well with a Reverse Circulation drill rig and have drilled a series of holes to test the north-east / south-west striking anomaly which lies between the JORC Resources at Credo Well and Credo Well North.

We have also commenced an Aircore program on a new and exciting prospect at Breakaway Dam, adjacent to Norton Gold's Breakaway Dam Mine.

We are planning to implement an Aircore program at Menzies and a follow-up Auger program at Goongarrie, together with a comprehensive soil program at Ruby Plains.

Zuleika Gold directors remain committed to the aggressive exploration of its highly prospective tenement portfolio in the World Class Kalgoorlie – Kundana - Menzies region and in identifying new opportunities for the Company."

Authorised for release by

Malcolm Carson
EXECUTIVE CHAIRMAN

Competent Person's Statement

Mr Malcolm Carson has compiled information in this report from information and exploration results supplied to Zuleika Gold Limited. Malcolm Carson has sufficient experience that is relevant to the style of mineralisation, the types of deposits under consideration and to the activity that he is undertaking and qualifies as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results ("JORC Code"). Mr Carson is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG) and is a Director of Zuleika Gold Limited and Allegiance Coal Limited. Mr Carson consents to the inclusion in the report the matters based on the information in which it appears