



3 April 2023

EXTENSIVE PEGMATITE TARGETS IDENTIFIED AT KING TAMBA

HIGHLIGHTS

- Remote sensing spectral review of the area around the King Tamba resource has defined extensive LCT type pegmatite targets in the near-mine area
- Highest ranked targets correlate with previously mapped pegmatite outcrops, which support regional targeting
- The area around the historical pit has previously been mined for Tantalum and Tin, increasing the confidence of further pegmatite swarm development within the area
- Majority of pegmatites mapped to date remain untested
- King Tamba has an inferred Mineral Resource estimate (MRE) of 5Mt @ 0.14% Rb₂O with lithium credits (ASX announcement 9 March 2023)
- Wildcat hole drilled 800m south of the MRE intersected 0.7% Rb₂O, 0.47% Li₂O and 0.16% Cs₂O (DAL029), supporting fertile pegmatites expansion upside (ASX announcement 5 July 2022)

Krakatoa Resources Limited (ASX: KTA) ("Krakatoa" or the "Company") is pleased to provide an update on the King Tamba Project ("King Tamba" or "the Project"), following completion of a remote sensing study which highlights the lithium-Caesium-tantalum (LCT) pegmatite potential of the Project.

Prior to Krakatoa's acquisition of King Tamba, historical exploration has focused on tantalum with minimal exploration completed outside the main mining area. Having undertaken the remote sensing study Krakatoa has identified areas highly prospective for near surface pegmatites providing a strong platform for future geochemical and mapping exploration.

Commenting on the exciting progress at King Tamba, Krakatoa CEO Mark Major said, *"Following the delivery of the maiden MRE at King Tamba, we are focused on continuing our exploration and development push to expand our multi-commodity project in size and scale."*

"King Tamba was a historical tin and tantalum mine and our reconnaissance work within this area has identified compelling targets for our next exploration campaign at King Tamba. Importantly, we also completed a wildcat hole 800m south of the MRE area and intersected solid grades of rubidium and lithium and we will also look to explore this area further."



ASX Code
KTA

Capital Structure

344,709,917 Fully Paid Shares
21,200,000 Options @ 7.5c exp 29/11/23
5,000,000 Options @15c exp 29/11/23
15,000,000 Performance Rights at 20c, 30c and 40c.

Directors

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Timothy Hogan

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Krakatoa commissioned DiRT Exploration Services to perform a first pass study of Sentinel-2 remote sensing data over King Tamba with respect to lithium prospectivity indicators. The study considers spectral mineralogy and addition of gas emissions of H₂, He, and CH₄ with consideration of their possible geological sources. A combined targeting index is then determined by compositing the spectral responses of known lithium occurrences in the region and comparing to the responses in the King Tamba area. The study has identified multiple targets with potential to host LCT mineralisation (Figure 1 and 2). The highest ranked of these targets are zones which correlate with known mapped pegmatite outcrops that were identified during historic tantalum prospecting. Many other target zones lie over areas which have not previously been subject to mapping, sampling, or drilling (Figure 1).

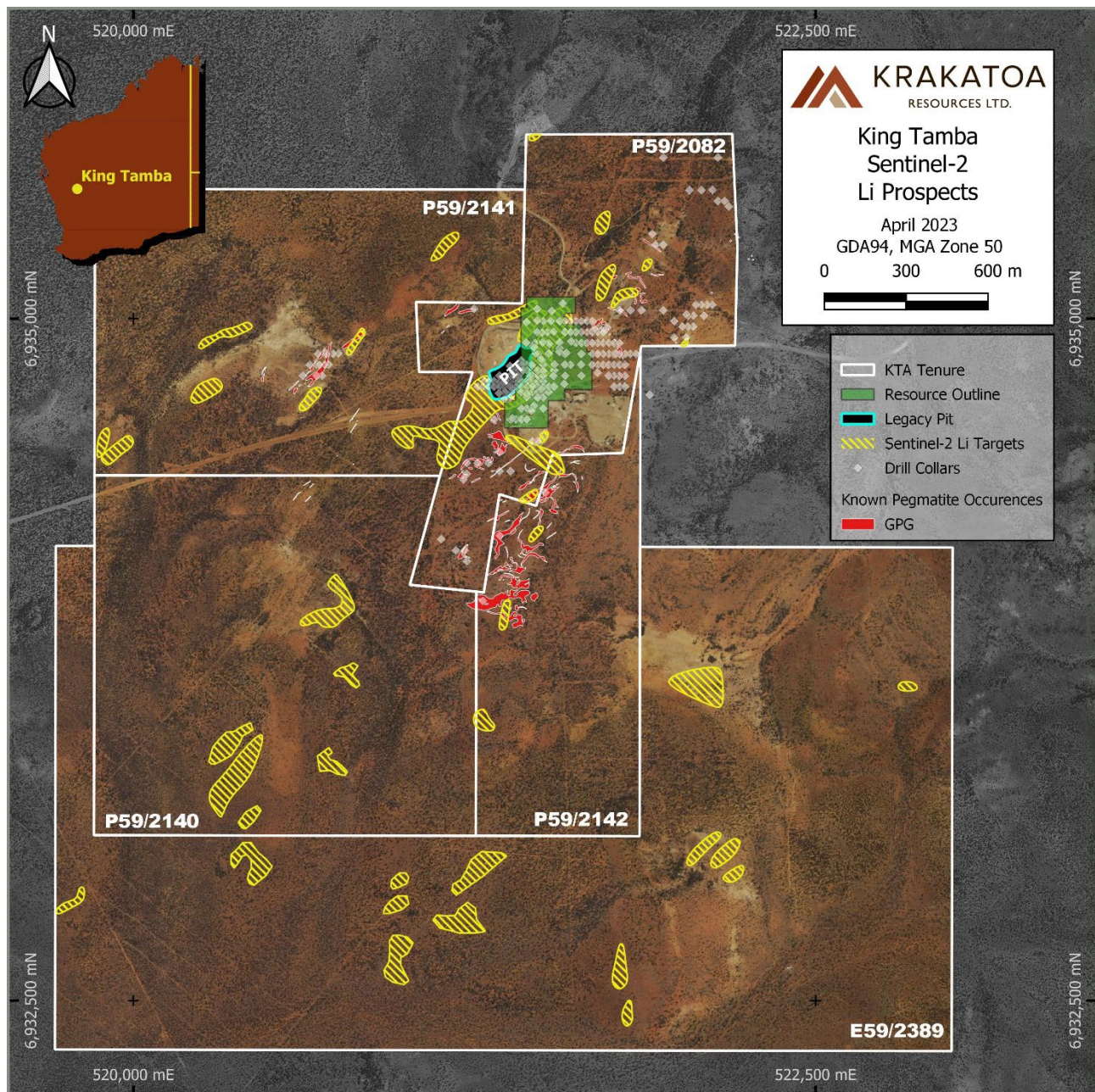


Figure 1 Sentinel-2 Lithium pegmatite targets showing current Mineral Resource area and historical pit

Sentinel-2 and other comparable remote sensing systems have been used to great effect for target generation in mineral exploration, with many discoveries at least partly credited to their input. Recent examples include Palabora mine (South Africa) and Quellaveco mine (Peru) where Sentinel-2 data helped identify a new copper deposits.

The Sentinel 2 spectral targets were developed at a desktop level and as such will be further refined with field reconnaissance mapping where outcrop is present. Krakatoa has already confirmed a pegmatite hosted rubidium MRE and combined with the historical mining of pegmatite for tantalum and tin provides a strong platform for future exploration success. Field testing of these targets will be carried out as a priority in the upcoming field season which is expected to commence this month.

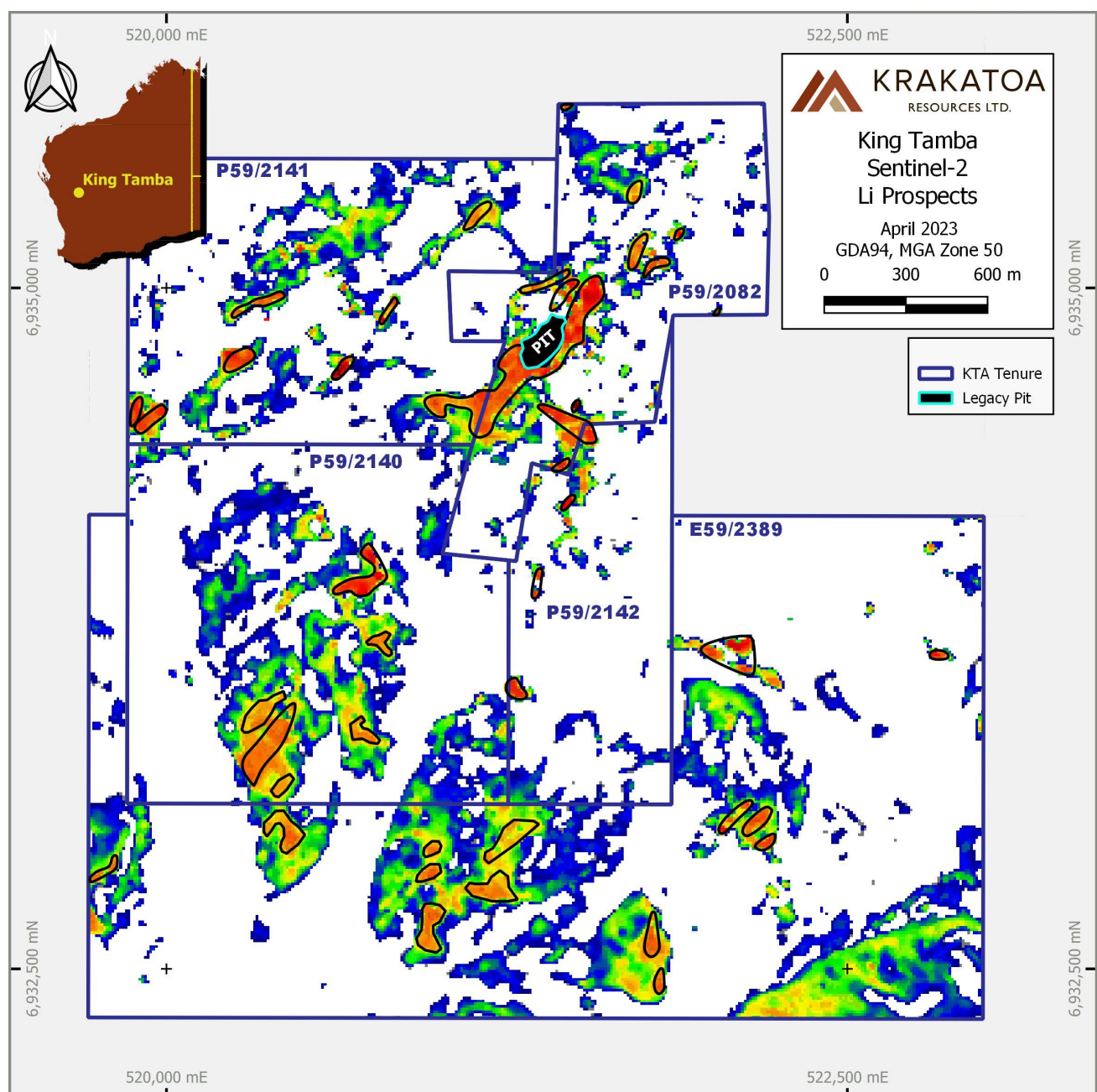


Figure 2 Isometric Sentinel-2 response map over King Tamba area

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Authorised for release by the Board.

FOR FURTHER INFORMATION:

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Related released ASX Material References

31 October 2017 – Rubidium mineralised pegmatites confirmed at Dalgaranga
7 October 2021 – Major developments at Dalgaranga Critical Metals project, WA
8 November 2021 – Critical Metals Exploration Target defined at Dalgaranga Project, WA
16 May 2022 – Resource Drilling Commences at Critical Metals Project
5 July 2022 – Extension of Pegmatite Complex identified at Dalgaranga
9 March 2023 – Impressive Maiden Mineral Resource Delivered at King Tamba

Competent Person's Statement

The information in this report that relates to Mineral Exploration is based on information compiled by Mr David Nelson, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr Nelson is a full-time employee of Krakatoa Resources Ltd where he holds the position of Exploration Manager - WA. Mr Nelson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Nelson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resources for the King Tamba deposit is based on information compiled by Mr Daniel Saunders, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Saunders is a full-time employee of Cube Consulting Pty Ltd, acting as independent consultants to Krakatoa Resources Limited. Mr Saunders has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement (ASX announcement dated 9 March 2023) and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement (ASX announcement dated 9 March 2023) continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement (ASX announcement dated 9 March 2023).

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.

Appendix 1 -JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. - In cases where 'industry standard' work has been done this would be relatively simple (eg' reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types may warrant disclosure of detailed information.	No physical sampling was carried out because the report refers to remote sensing work only. Spectral 'sampling' by the Sentinel-2 satellite was carried out by two sensors, with the VNIR (visible and near-infrared) detector sampling at a 10m resolution and the SWIR (Short-wave infrared) detector sampling at a 20m resolution.
Drilling techniques	Drill type (e.g., core, RC, open-hole hammer, RAB, auger etc.) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	Not Applicable - no drilling reported
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximize sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not Applicable - no drilling reported
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel) photography. - The total length and percentage of the relevant intersections logged.	Not Applicable - no drilling reported
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn, whether 1/4, 1/2 or whole core taken. - If non-core, whether riffled, rotary split, etc. and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples. - Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	Not Applicable - no drilling reported
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Not Applicable - no assay data reported
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	Not Applicable - no assay data reported

Criteria	JORC Code explanation	Commentary
Location of data points	- Accuracy and quality of surveys used to locate drill holes (collar & downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. - Specification of the grid system used. - Quality and adequacy of topographic control.	Sentinel-2 filtered imagery was supplied as Geotiff format images located in WGS84 UTM Zone 50 South. Location of near-mine anomalism corresponded well with known geological features suggesting that the image location accuracy is of acceptable quality.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	Spectral 'sampling' by the Sentinel-2 satellite was carried out by two sensors, with the VNIR (visible and near-infrared) detector sampling at a 10m resolution and the SWIR (Short-wave infrared) detector sampling at a 20m resolution.
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. - If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Remote sensing sampling occurs in a top-down fashion and is only suitable for testing the surface and near-surface. Therefore orientation relative to geological structure is not taken into consideration.
Sample security	The measures taken to ensure sample security.	Not Applicable - no physical sampling took place
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits have been conducted to date

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria		JORC Code explanation	Commentary																																				
Mineral tenement and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Dalgaranga Project includes one granted exploration tenement (E59/2389) and four granted prospecting licences (P59/2082, 2140-2142) registered to Krakatoa Resource Limited. The combined area of the licences is ~900 Ha.	<table><tr><th>Tenement ID</th><th>Status</th><th>Grant</th><th>Expiry</th><th>Area</th><th>Units</th></tr><tr><td>E59/2389</td><td>LIVE</td><td>29/08/2019</td><td>30/06/2026</td><td>2</td><td>BL.</td></tr><tr><td>P59/2141</td><td>LIVE</td><td>27/08/2017</td><td>2/05/2026</td><td>145.6</td><td>HA.</td></tr><tr><td>P59/2082</td><td>LIVE</td><td>5/12/2015</td><td>28/07/2024</td><td>107.71</td><td>HA.</td></tr><tr><td>P59/2140</td><td>LIVE</td><td>27/08/2017</td><td>2/05/2026</td><td>176.82</td><td>HA.</td></tr><tr><td>P59/2142</td><td>LIVE</td><td>26/08/2017</td><td>2/05/2026</td><td>79.11</td><td>HA.</td></tr></table>	Tenement ID	Status	Grant	Expiry	Area	Units	E59/2389	LIVE	29/08/2019	30/06/2026	2	BL.	P59/2141	LIVE	27/08/2017	2/05/2026	145.6	HA.	P59/2082	LIVE	5/12/2015	28/07/2024	107.71	HA.	P59/2140	LIVE	27/08/2017	2/05/2026	176.82	HA.	P59/2142	LIVE	26/08/2017	2/05/2026	79.11	HA.
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Exploration by other parties	Acknowledgment and appraisal of exploration by other parties.	- The Dalgaranga Project has been mined for tantalum previously with an historic open pit and associated waste dumps and tailings dams. - There have been numerous exploration/resource development campaigns undertaken at Dalgaranga, with historic records compiled into the drill hole database where available. - Historical drilling is as per the following:																																					

Criteria		JORC Code explanation	Commentary																													
				<table><tr><th>Year</th><th>No. Holes</th><th>Metres</th></tr><tr><td>2017</td><td>11</td><td>1,066</td></tr><tr><td>2002</td><td>22</td><td>649</td></tr><tr><td>2001</td><td>12</td><td>345</td></tr><tr><td>2000</td><td>121</td><td>4,258.1</td></tr><tr><td>1999</td><td>15</td><td>424</td></tr><tr><td>1994</td><td>11</td><td>339</td></tr><tr><td>Unknown</td><td>149</td><td>3,858</td></tr><tr><td>Grand Total</td><td>341</td><td>10,939.1</td></tr></table>	Year	No. Holes	Metres	2017	11	1,066	2002	22	649	2001	12	345	2000	121	4,258.1	1999	15	424	1994	11	339	Unknown	149	3,858	Grand Total	341	10,939.1	
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Geology	Deposit type, geological setting and style of mineralisation.	- The geology of the Dalgaranga Project consists of a suite of fine-grained, variably deformed clastic sediments (that grade from relatively massive siltstone and arkose to knotted schists closer to the hinge) with tuffaceous units occurring on the eastern margin. Metadolerite crops out extensively south of the main open pit. - Pegmatite has preferentially intruded the metadolerite unit. Its distribution parallels the NE-trending fold axis of the antiform and a series of substantial NE to NNE-trending faults, suggesting they are all related. - The main tantalum minerals at Dalgaranga Mine were tapiolite and tantalite, with lesser microlite. Tantalite ranged from very fine-grained to very coarse, up to several centimetres. Occurrences of Zinnwaldite (lithium mineral, KFe22Al(Al2Si 2O10)(OH)2 to KLi2Al(Si4O10)(F, OH)2) and lepidolite in pegmatite were noted during the reporting period confirming the potential for lithium mineralisation within the Project. - All pegmatites appear to display similar fundamental mineralogy of quartz, microcline, albite and muscovite, with accessory beryl and tourmaline - The rubidium mineralisation is typically associated with mica and K-feldspar minerals.																														
Drill hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) ofthe drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Relevant information has been previously released (see ASX releases dated 31 August 2022 and 12 October 2022)																														
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. - Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	Relevant information has been previously released (see ASX releases dated 31 August 2022 and 12 October 2022)																														

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	- No mineralisation is reported in this announcement. - In reference to previous drilling, only downhole lengths are reported. Given the relationship between drilling angle and pegmatite geometry, true width is estimated to approximate the downhole widths in the majority of cases.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and sectional views.	Relevant information has been previously released (see ASX releases dated 31 August 2022 and 12 October 2022)
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Relevant information has been previously released (see ASX releases dated 31 August 2022 and 12 October 2022)
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other significant unreported exploration data for Dalgara are available at this time.
Further work	- The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). - Diagrams clearly highlighting the areas of possible extensions, including the - main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The company intends to carry out a program of geological mapping and geochemical sampling across the broader tenement package in order to investigate the remote sensing lithium targets.