

ASX Announcement

6 October 2021

ASX: MKR

Operational Update for September

Manuka ('The Company') is pleased to announce another record month of gold production and sales from its Mt Boppy operation and to provide an update on its current exploration drilling programs.

Operations

The strong gold production seen in July and August continued in September, with the operations achieving a third consecutive monthly output record. The profitability for September awaits finalisation but current estimations see the monthly profit as a new company record.

Sales Revenues (a record)	AUD\$ 9.1 million
Gold sold	3,710 oz
Silver sold	2,757 oz

As announced previously, the Board believes the current production rate will continue until the end of mining and processing from the current open pit design at Mt Boppy. Although mining will end in late November 2021, gold processing and production from Mt Boppy ore is now expected to continue until February 2022.

Also pleasing is the increase in metallurgical recoveries since the refurbishment and implementation of the second ball mill onsite at Wonawinta and its inclusion as a regrind circuit. Actual gold recoveries using the regrind circuit have increased from a target of 72% to over 77% for the month of September yielding an additional 492 ounces of gold for the September quarter.

Exploration

Following management refining its exploration targets, an intensified program is now underway with additional drilling planned over the coming six months. Manuka commenced exploration drilling on its EL portfolio in August 2021, with the arrival of an RC drill rig on the Wirlong EL. This rig will drill targets on Manuka's western Cobar Basin ELs for the next 6 months (Figure 1).

The company has designed discovery and definition drilling programs exploring for "Wonawinta-style" silver-lead-zinc mineralisation at Wirlong, Smiths Tank and Gunderoo; and exploring for supergene gold and "Cobar style" polymetallic deposits at McKinnons and McKinnons North, Tango, 3-Mile, Guzzi, and Goldwing.

Key metrics of the western basin exploration campaign are as follows:

Proposed metres	~17,000
Expected budget	~A\$2.25m
Total holes to be drilled	~90 RC holes

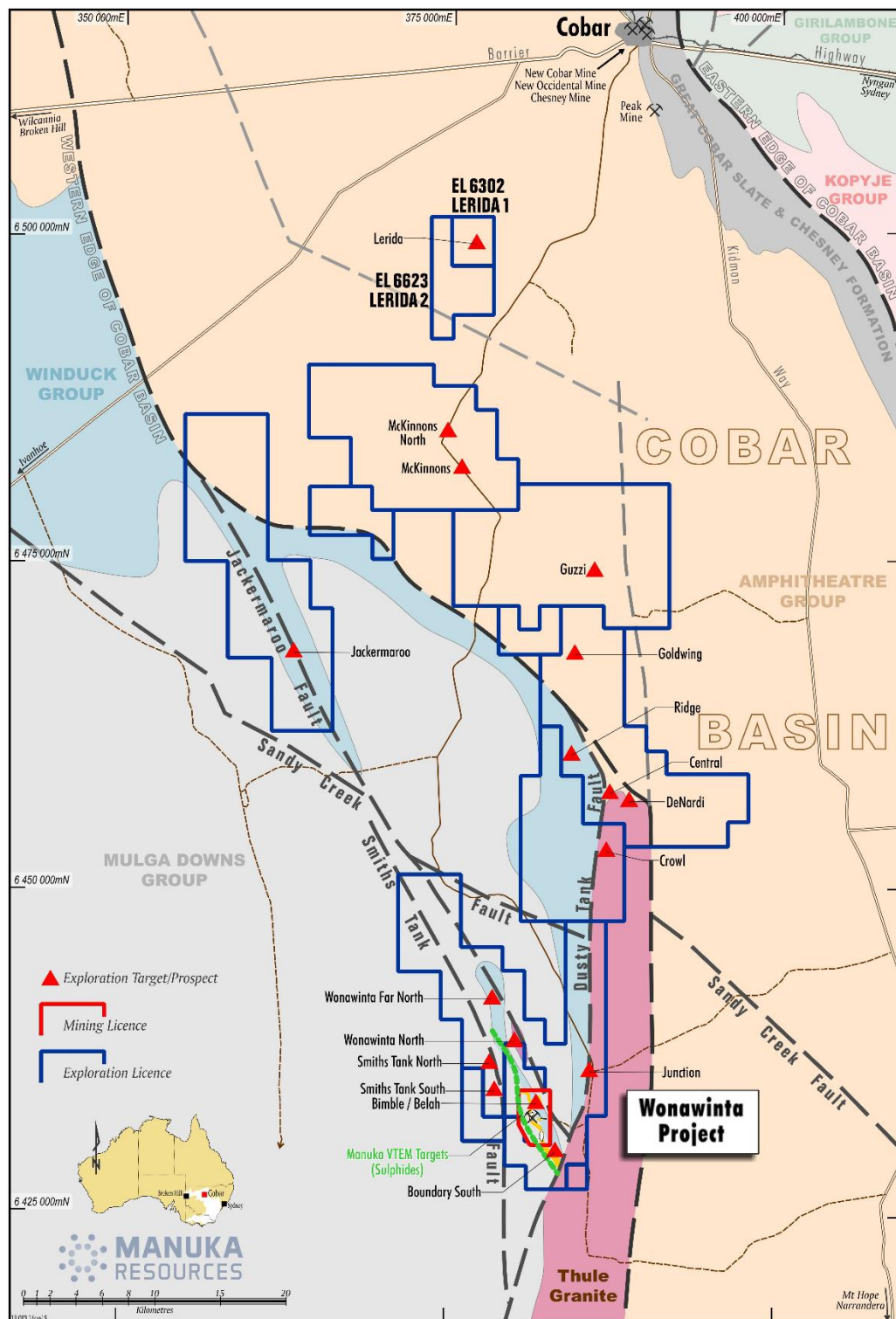


Figure 1: Manuka Resources Exploration Licences in the western Cobar Basin

A second RC rig will commence drilling in mid-October on Manuka's eastern Cobar Basin tenements (EL5842 Canbelego and the Mount Boppy Mining Licenses – Figure 2). Exploration will commence on the Mt Boppy MLs where both deep and lateral postulated extensions to the highly mineralised Mount Boppy gold lode will be drill-tested.

Exploration drilling on EL 5842 will commence at Hardwicks Prospect, an area of historic underground workings approx. 2km north-west of the Mt Boppy ML, and along the regional structural grain.

Prospects adjacent to the Mt Boppy MLs and interpreted as having the same mineralising mechanism will be drill-tested. The Reid-Rankins, Birthday and Boppy South prospects are all located along the geological boundary of the Baledmund and older Girilambone formations and all had historic underground workings.

Mt Boppy South is located approximately 500m SE and along trend from the Mt Boppy mine and has a small existing JORC resource estimated by previous titleholders. The Company is currently assessing the economics of Boppy South as it stands and planning to undertake drilling at depth and along strike of the existing resource. Contingent on those activities, the Company may lodge a mining application over this area.

While still finalising full details of the Canbelego campaign, key metrics internally approved are as follows:

Proposed metres	~12,800
Expected budget	~A\$1.6m
Total holes to be drilled	~60

Manuka expects to release an exploration update report in early November, which should include assays from the programs at Wirlong and Smiths Tank.

Manuka's Executive Chairman, Dennis Karp, commented: *The September Quarter has been excellent in terms of gold production, sales and profit. I look forward to advising the September profit (and that for the Quarter). It is stating the obvious, but the contribution to free cashflow from three good months is material. The intensified exploration program over ~29,000m of drilling is also very exciting, as success could be transformational for the Company.*

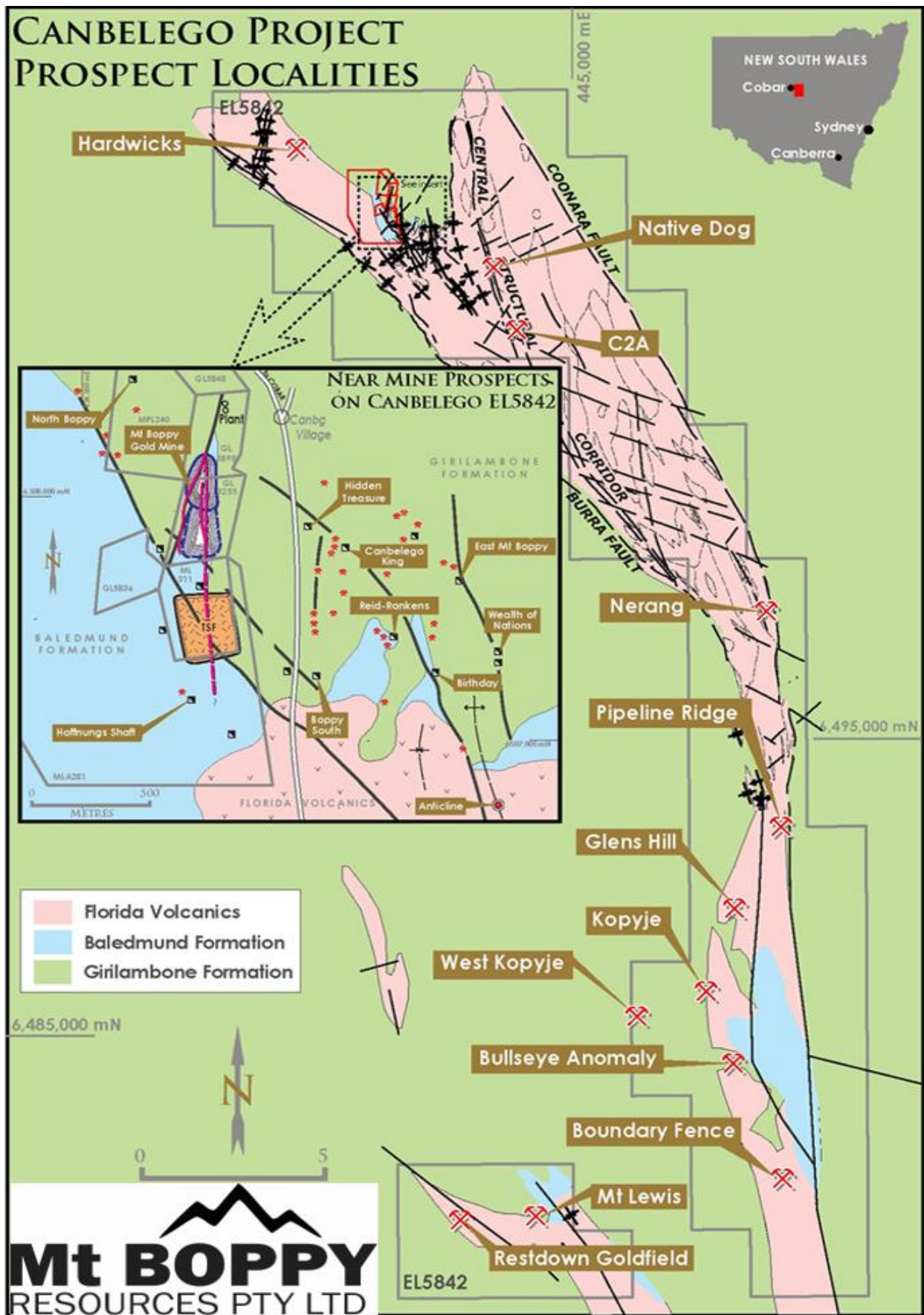


Figure 2: The Company's Canbelego Exploration Licence in the eastern Cobar Basin

About Manuka

Manuka Resources Limited (ASX: MKR) is an Australian mining and exploration company located in the Cobar Basin, central west New South Wales. It is the 100% owner of two fully permitted gold and silver projects which include the following:

- Mt Boppy Gold mine and neighbouring tenements. The Mt Boppy project is currently in production and processing its gold ore through the Company's processing plant at Wonawinta.
- Wonawinta silver project, with mine, processing plant and neighbouring tenements. The Wonawinta processing plant has a nameplate capacity of 850,000 tonnes per year.
- Highly prospective exploration targets on its ~1250km² tenement portfolio in the Cobar Basin



This announcement has been approved for release by the Board of Directors of Manuka Resources Limited.

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