

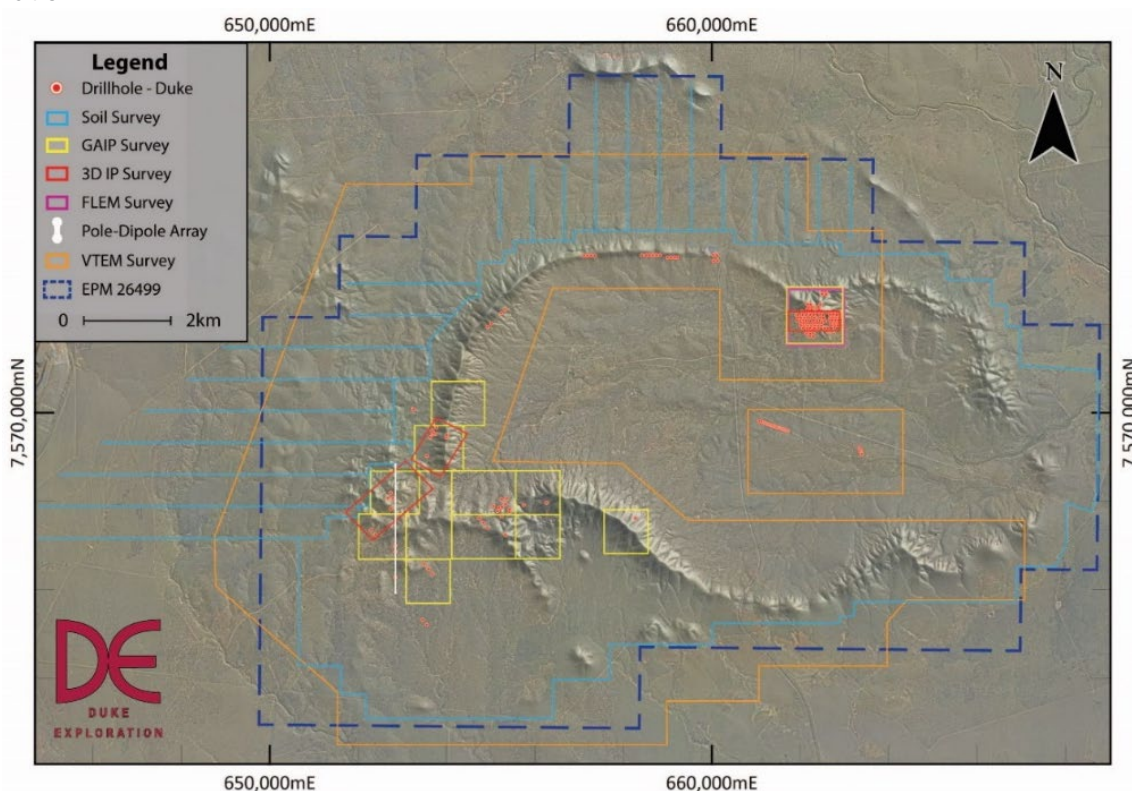


BUNDARRA PROJECT UPDATE

Duke Exploration Limited (ASX: DEX) ("Duke") is pleased to announce a summation of work completed, with the aim of identifying copper (- silver +/- gold) mineralisation of significant grade or scale within the Bundarra Intrusive Complex (BIC). In the previous two years several exploration programs have been completed, including a regional soil sampling program, five geophysical survey techniques and nine drill programs with 210 holes (RC and DD) completed for 36,547 m testing 15 prospect areas. While exploring the BIC a Maiden Inferred Mineral Resource Estimate at Mt Flora was classified and reported in June 2021. A recent review by Rankin (2022) updated the known geological and structural understanding of the BIC and provided new prospective targets which were successfully drilling tested, returning copper mineralised intersections. Identifying controlling structures provides a road map for future focused exploration seeking the copper fluid pathways, sources and areas of accumulated mineralisation.

KEY POINTS

- ◆ Regional soil sampling program completed for 22,554 samples on an 80 x 80 m grid;
- ◆ Five geophysical survey methods completed including 3DIP, FLEM, GAIP, VTEM and 2D pole-dipole;
- ◆ Nine drill programs with 210 holes (RC and DD) completed for 36,547 m testing 15 prospect areas;
- ◆ Maiden Inferred Mineral Resource Estimate at Mt Flora reported June 2021;
- ◆ Updated geological and structural understanding in 2022 which was drill tested and successfully intercepted copper mineralisation in 1st and 2nd order structures, providing a road map for future focused exploration.



***Commenting on the completed geophysical and structural target drilling program –
Philip Condon, MD:***

"The Company directors and employees are all very proud of the work completed over the years working on the Bundarra project. A considerable amount of work has been completed utilising numerous different exploration techniques to identify copper mineralisation of significant grade or scale. The size of the Bundarra Intrusive Complex (BIC) has always been a big challenge for exploration, but the systematic exploration approach implemented in 2021 has allowed the team to progressively explore and target the most prospective zones. In effect this has minimised the time testing the BIC and maximised the exploration budget without the need for additional funding. The actualisation of work completed has delivered an updated understanding of the BIC and the controls on mineralisation which has provided a road map for future focused exploration seeking the copper fluid pathways, sources and areas of accumulated mineralisation."

This announcement has been authorised for release by the Board.



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Bundarra Shallow RC at Valkyrie has Concluded

Duke Exploration Ltd. ("Duke") has held EPM 26499 for four years and has undertaken a substantial amount of work over the holding of the tenement including a regional soil sampling program, five geophysical survey techniques and nine drill programs with 210 holes (RC and DD) completed for 36,547 m testing 15 prospect areas (Figure 1). The work has focused on the Bundarra Intrusive Complex (BIC), a large and prospective multi-phase intrusion with significant copper (- silver +/- gold) mineralisation.

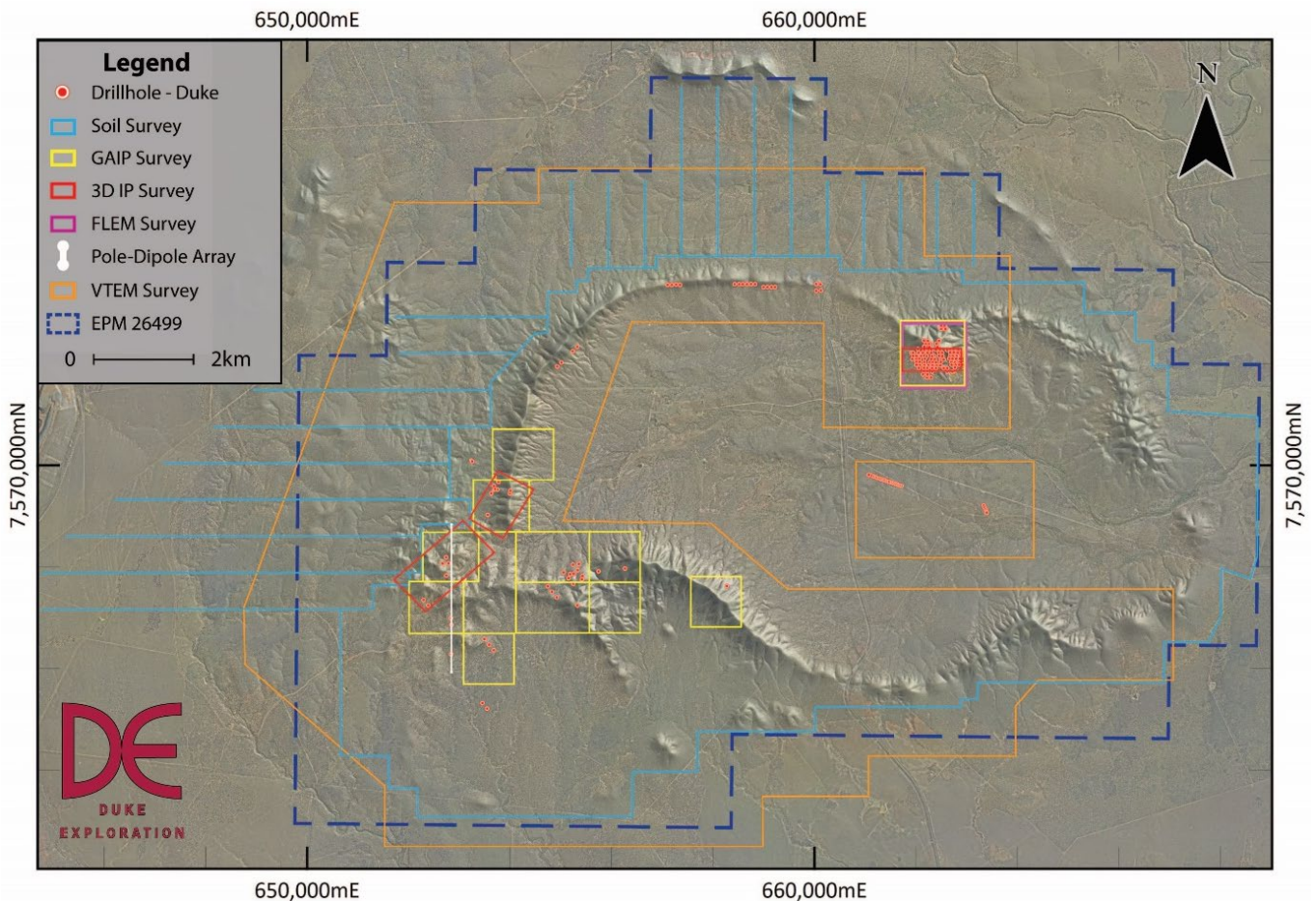


Figure 1: All work undertaken by Duke separated by soil sampling, geophysical surveys and drilling.

Bundarra is located approximately 30 km south – southwest of Nebo, Queensland, approximately 100 km southwest of Mackay and 80 km east of Moranbah. The multiphase BIC intrusion has a 50km² strike surrounded by resistant topographic ridges comprising contact metamorphosed sediments. Historically the contact between the pluton and sediments was the most prospective area with a total of 47 known historic workings found in the hills. The first phases of modern exploration in the region began in the early 1960s. Various companies completed geological mapping, surface geochemical sampling, and geophysical surveys (magnetics, VTEM, IP).

Exploration techniques used over the BIC have evolved over the last three years. The basis of exploration has relied heavily on surface geochemistry surveys, geophysical survey methods and drilling. A pluton scale pXRF surface geochemistry sampling program totalling 22,554 samples focused on the BIC and the surrounding regional area on an 80 m by 80 m grid (Figure 2). A total of 11 new copper anomalies with a footprint larger than 0.25 km² were mapped as a product of the regional survey. In late 2021 a selection of 757 samples were sent to the ALS laboratory to validate the pXRF data. The comparison of pXRF vs laboratory copper successfully confirmed the precision of these results, giving confidence to the exploration technique.

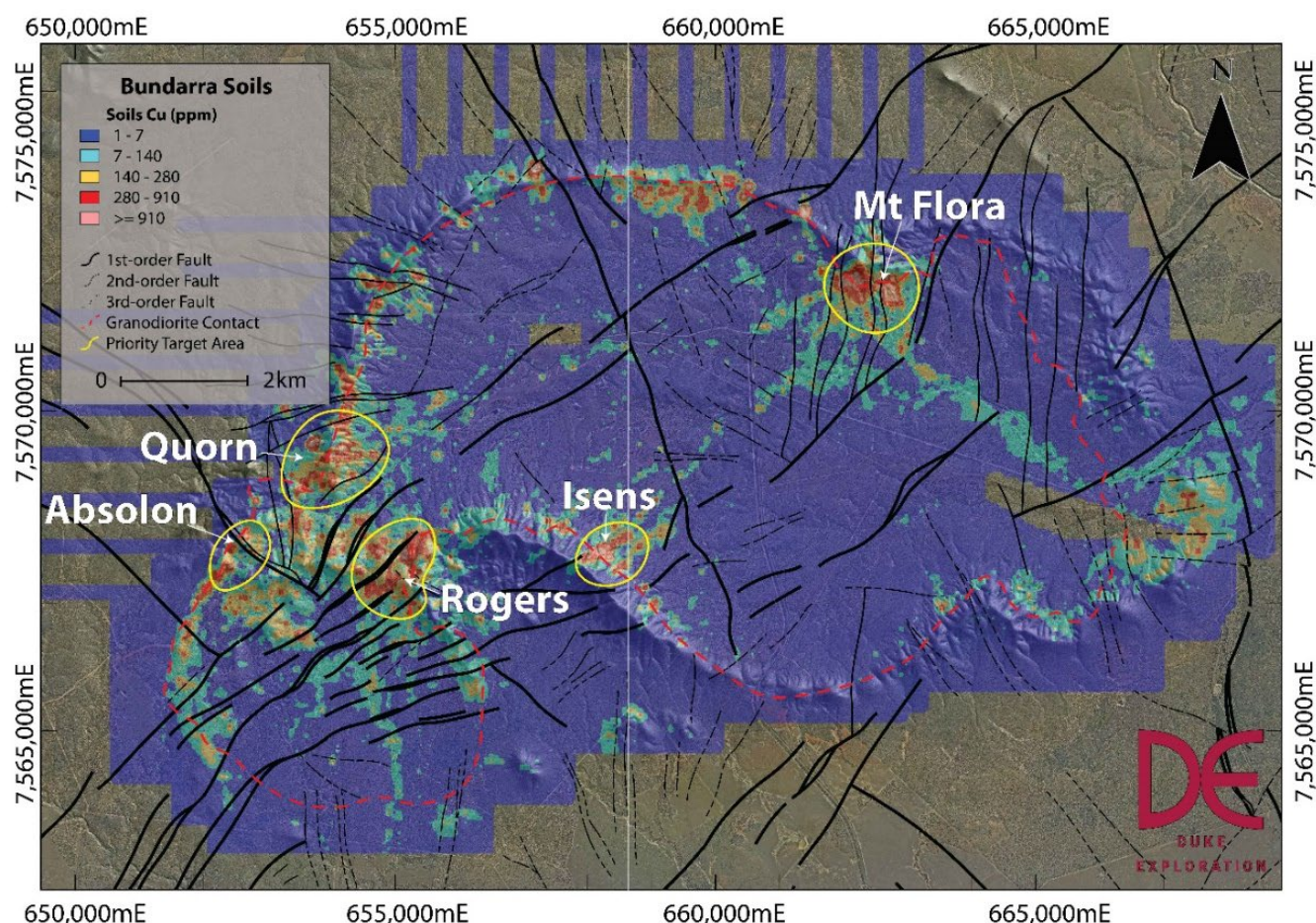


Figure 2. pXRF surface geochemistry data collected over the BIC mapping anomalous copper.

A total of five different geophysical survey methods have been completed over the BIC to identify copper mineralisation, including 3DIP, FLEM, GAIP and 2D pole-dipole. The geophysical surveys tested the hornfels argillite adjacent to the pluton contact for resistivity low anomalism. It was believed the hornfels zone was consistently displayed low conductivity adjacent to the pluton and resistivity low anomalies identified in the hornfels zone and cross cutting into the granodiorite were thus interpreted to be mineralised lodes. This was successful in identifying new prospective areas but it also generated 'false positives' due to the conductive sediments. The available survey methods were considered effective but slow to map the entire BIC.

Late 2021 contact was made with TechnoImaging LLC of Utah, USA, who are experts in providing 3D imaging solutions of a variety of geophysical data, including airborne electromagnetics. TechnoImaging utilised their proprietary EMVision® software and GlassEarth® technology to reprocess the 2011 Regency Resources VTEM data and produce a 3D model of conductivity and chargeability to a depth of 300 m below surface covering most of the Bundarra project area. The pluton scale geophysical conductivity data and pXRF copper soil data collected were used to develop a profile targeting system that maps the potential surface location and deeper geometry of the copper (- silver +/- gold) massive sulphide veins. The exploration technique was successful in identifying prospective zones and the strike of mineralised sulphide veins, leading to multiple copper mineralised intersections at Rogers and Browns South which had never been tested by a previous exploration company before.

Further work understanding the BIC and the controls on copper mineralisation was undertaken by Rankin (2022) where all available geophysical and surface geochemistry datasets were integrated. The study produced a geophysical data synthesis and re-interpretation of the geological framework and structure of the BIC and suggested targets ranked in order of prospectivity. The resulting interpretation led to two independent drill programs testing two distinctly different targets at Rogers – Sunny Corner and Valkyrie. The Bundarra shallow heel-toe shallow RC scout drilling program focused on Valkyrie testing a combination of magnetic and structural targets, both notably in the middle of the BIC and constituting blind targets. The program was considered a huge success due to intersected copper mineralisation spatially associated with an 1st order structure interpreted by Rankin (2022). The confirmation and accuracy of the geophysical structural interpretation is the first-time copper mineralisation has been intersected within the central BIC and is very promising for the future exploration potential of the BIC. Identifying controlling structures provides a road map for future focused exploration seeking the copper fluid pathways, sources and areas of accumulated mineralisation.

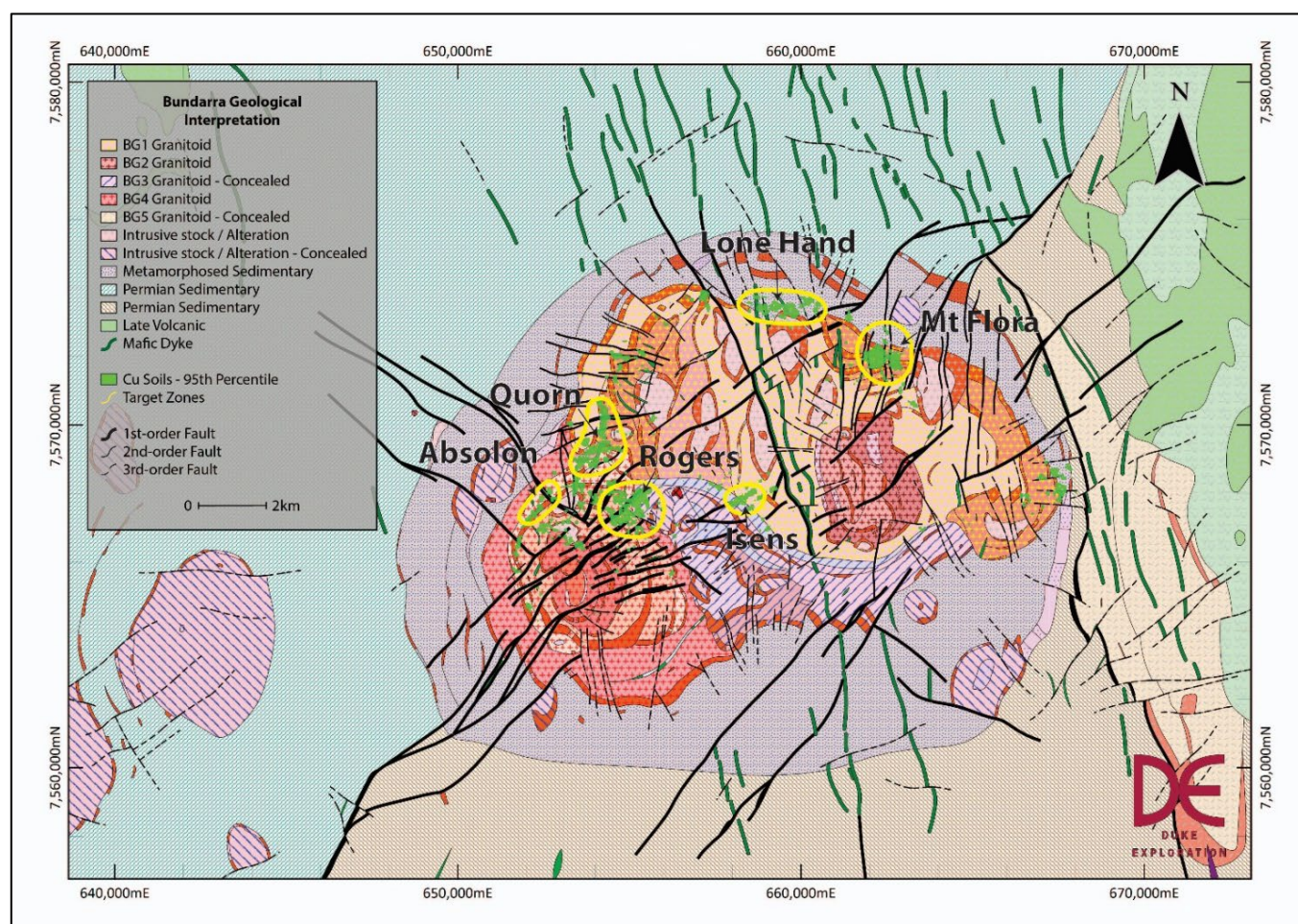


Figure 3. Duke targets with newly interpreted geology and structural framework of the BIC (after Rankin, 2022).

The work undertaken across the BIC has led to the achievement of defining a Maiden Inferred Mineral Resource Estimate at Mt Flora which was classified and reported at 16 Mt at an average grade of 0.5% Cu and 6.9 ppm, Ag, reported at a 0.2% Cu cut-off grade¹. The resource area was calculated on 87 of the drilled 103 holes due to a timing constraint and excludes 26 holes in the northern section of the resource area. Four new exploration RC holes drilled 300 m to the north of the resource area at Mt Flora intersected massive sulphide mineralisation up

¹ 20210629 MT FLORA MAIDEN INFERRED MINERAL RESOURCE AND DRILLING UPDATE

to 11 m wide with visible chalcopyrite from a vertical depth of 20m to 200m. This important discovery extends the potential strike of mineralisation at Mt Flora by 300m to be explored in the future.

Exploring the BIC over the course of three years has led to a better understanding of the area and 100+ significant mineralisation intersections over 10+ prospect areas. The ongoing challenge is finding mineralisation of significant grade and scale. The BIC is highly prospective, but requires additional work to define areas of significant mineralisation scale. The work discussed above has identified one resource area and a further two areas of interest which could become additional resources with further work (Quorn and Rogers). Rankin (2022) provided a new interpretation of the pluton which was proven to hold merit when testing the Valkyrie prospect. The success of drill testing the 1st and 2nd order structures has increased the prospectivity of the interpreted structures across the pluton to host mineralisation and provided additional high priority areas for future testing.

Reference: Rankin, L. 2022: Geological interpretation of the Bundarra Intrusive Complex from detailed airborne geophysics and geological data. *GeoInterp Confidential Report 2022-06 for Duke Exploration Ltd, Queensland April 2022.*

Annual Report Extract – Managing Directors Review (please see Annual Report 2022 for full report)

Dear Fellow Shareholder

It gives me great pleasure to present the Duke Exploration Limited 2022 Annual Report, its second as a listed Company.

It is a little over 12 months since the last report and it has been quite an extraordinary year for the world as well as the Company.

In my last Annual Report letter, I described the general business and market circumstances the Company was experiencing as being generally very buoyant. At the time we had equity markets with:

- Record funds available for exploration investment;
- Record numbers of exploration IPO's; and
- Copper price at record highs of around US\$4.70/lb.

As a result, the Company was able to raise sufficient funds to carry out a full Bundarra Intrusive Complex (BIC) wide exploration program. A BIC-wide program would ensure a large scale comprehensive and structured approach to understand what mineralisation potential the full BIC has to offer and therefore the potential location of economic concentrations of mineralisation. In addition, the Company also undertook some successful and important initial confirmation drilling on the Company's Prairie Creek gold prospect confirming follow up work is justified and how to effectively go about that work.

After a period of extensive consultation with leading and/or significant industry and market participants and consultants, the Company settled on a strategy that it felt gave the best chance of a successful outcome which was a path to production. After examining Mt Flora closely, it was clear that the Company had to prioritise the identification of further resource development locations over Mt Flora development. The Mt Flora tonnage/grade and strip ratio at a copper price assumption consistent with that acceptable to project development debt lenders such as banks for example, made it clear significant additional copper resource was required to be added. Debt finance is critical in successful project funding and as such this effectively determines the copper price and other assumptions for construction finance. In addition, it is reasonably estimated that further resource drilling at Mt Flora will have limited upside and is therefore best carried out in the context of the full knowledge of what additional the BIC has to offer.

The Company was also very aware that in the medium to longer term the market ebbs and flows in cycles and if a severe market downturn were to occur the Company needed to make sure it was in a strong cash position to endure such. Market crashes come sooner and faster than expected (by definition), and typically exploration companies with no cash generation will be negatively impacted the most and quickest, in such downturns when compared to producers. Indeed, we have seen that this year, particularly the last 6 months. However often such market downturns can provide market opportunities that the Company can naturally take advantage of provided the Company is in a strong cash position to take advantage of any opportunities that such a market might turn up in such circumstances.

The Company decided on a carefully structured and phased BIC wide exploration program that provided the best opportunity for success but also ensured that a conservative approach to cash preservation and Company longevity was taken. The Company could undertake a program that conserved cash but at the same time fully explored the BIC, a very large copper system.

The previous exploration work the Company had undertaken was successful through taking an initial geochemical soils sampling approach. This was a reliable way to cover the vast 150km pluton rapidly and cost effectively but at the same time provide our best and most consistent indication of the presence of copper mineralisation. This method was most effective with areas that have a relatively thin soil thickness that is reflective of the underlying rock, which was primarily around the rim of the BIC. The centre of the BIC is covered in transported material of varying thickness up to +30m in some areas that has been eroded, mixed, transported and deposited to varying degrees from another location. The rim of the pluton was also where the previous old-timer mining had been conducted and outcropping could be observed. The Company immediately undertook a BIC wide soils survey in October 2021 and this was completed in February 2022.

In parallel the Company undertook a geophysical VTEM inversion study utilizing data from a previous airborne geophysical study conducted in 2011 but with updated 2022 data complex data analytics techniques applied. This was to assist with the soils results in further understanding underlying structures and relationships and ultimately areas of enhanced interest. The VTEM inversion study was completed in December 2021.

The completion of the geochemical and geophysical surveys as described above, combined with other available data and field observation allowed the identification and/or confirmation of a number of areas for follow up drill testing. A drill program with a number of phases and locations was undertaken in parallel with the above to test those areas identified the results of which have all been reported progressively throughout the year. These areas included Lone Hand, Cloorocorn, Seafood, Cattle Creek, Browns South, Absolon, Isens, Sunny Corner, Poison Gully, Quorn and Rogers.

As the program progressed in the SW area, the results became more interesting. Soils and geophysics had clearly identified the area for follow up drill testing and that resulted in brecciated areas around the Quorn prospect showing up with excellent copper grades but lacking consistency/continuity. Further deep drilling at Quorn showed indications of potential proximity to an Iron Oxide Copper Gold (IOCG) system which in itself is for specific follow up.

The Rogers location has similarly emerged as an area of particular interest. It was investigated because it was determined that in addition to the geochemical and geophysics indications there were other instances of previous mining and outcropping mineralisation justifying drill testing. Drilling in and around Rogers showed:

1. The copper lodes and structures present seemed to intensify at the intersection of the EW and NE/SW structures coincident in the area; and
2. Gold mineralisation had begun to present in potentially economic grades along with the presence of copper mineralisation.

In parallel with the above somewhat "bottom-up" exploration approach, a "top-down" was also undertaken. A BIC wide geological structural reinterpretation was carried out (the 'Rankin Report') which could provide the first possible overall BIC structural understanding and perspective but also the beginnings of an understanding of the potential pathways of copper mineralisation from source/s to areas such as Mt Flora for example. A 'road map' if you will.

The Rankin structural interpretation was put to the test in up to +30m of transported soil cover with a small/shallow and intense 'fence line' RC drill campaign in the centre of the BIC approx. 3 km to the south of Mt Flora, known as Valkyrie. The result was low-level copper mineralisation intercepted in the locations the Rankin report had predicted. This was a very significant development given that:

1. For the first time we can reliably estimate locations of these pathways below up to 30m soil cover;
2. For the first time we can now begin to reliably understand the potential source vectors and pathways the mineralised fluids have taken; and
3. For the first time, the location of the pathways are located in the inner/middle area of the BIC, away from the contact rim where historical exploration has focused.

In other words we have a roadmap of potential mineral pathways to provide very specific locations for efficient follow up tracking the pathways for concentrations and sources of mineralisation. This is a very significant outcome.

Metallurgical studies were undertaken on Mt Flora diamond core samples earlier in this calendar year with the outcomes being as anticipated with excellent recoveries and concentrate grade, and silver content at payable levels in the concentrate. In addition, it was confirmed there are no processing deleterious elements present or known contaminants in the concentrate. A relatively coarse grind is also a positive, slightly offset by a higher grinding index. A good outcome and bodes well from an operations perspective.

Throughout the last 12 months the Company has also carried out some follow up drilling at Prairie Creek confirming the presence of gold mineralisation as reported from historic drilling and also providing a clearer path forward to project development and justification for such.

The Company also took the decision to relinquish the Red Hill tenement permits given the lack of interest by any potential farm-in partners and no foreseeable realistic ability to carry out exploration on the tenement.

The Company has completed a very significant amount of work in the last year. This includes an extensive exploration program that has been undertaken and completed during the year:

- 5991 soil samples over 150 sq km of the BIC for a total of 22,700 samples taken to date);
- 78 RC drill holes for 11,910m for a total of 198 RC holes to date of which 109 holes at Mt Flora);
- 9 diamond drill bore holes for 1,612 m for a total of 12 DD holes to date);
- VTEM Inversion study;
- Ranking structural reinterpretation report; and
- Soil sample at Waitara and Duania.

The above is quite an extraordinary amount of work conducted and completed safely and efficiently by our exploration team, including our support team of consultants and contractors. Their efforts have been very much appreciated and they have a lot to be proud of.

The above work has resulted in two areas of the BIC program emerging as being of the greatest interest thus far for the next phase of BIC development.

1. The SW Rogers/Quorn/Sunny Corner/Isens area is extremely complex but prospective, particularly with the emergence of gold mineralisation along with copper and other strong indications of a large copper and gold system; and

2. The Rankin structures now provide a clear and increasingly reliable and specific road map of possible mineralisation pathways for tracking of both copper fluids source/s and also the downstream potential areas of accumulated mineralisation. This is a very powerful and focused tool, especially now after uncovering mineralisation pathways under significant thickness of transported soil cover.

The Company has now reached a natural pause with the above work being completed, and a clear value add path forward for further Bundarra development into the future has emerged for implementation at the right time.

The current circumstances are significantly different to those of just twelve months ago where now we have:

- A severe global economic market downturn and outlook;
- Depressed and/or volatile commodity prices;
- Significant capital markets correction and negative outlook;
- Increasing interest and inflation rates; and
- Little or no funds available in the market nor interest in early-stage exploration.

The Company has approximately \$4 million in cash and is in a strong position to take advantage of well-priced nearer-term production opportunities that may come up in the market. Any such opportunity would be consistent with the Company direction of copper and gold production in eastern Australia, with a focus in Queensland. It is envisioned that such opportunities would not only provide a real pathway to nearer term cash generation but would also be consistent with leveraging the extensive work completed by the Company at Bundarra in particular for future resource growth along with cash generating production to sustain and generate future business growth and expansion. This will be the immediate focus of the Company and into the year ahead, whilst the Bundarra development program is paused.

The Company directors and employees are all very proud of the work we have done on behalf of all of our shareholders. To those shareholders who have stayed with us throughout the last 12 months we thank you all sincerely, very much for your loyalty and support. It is difficult to provide any certainty in such times other than to assure all shareholders we will be working towards ensuring the best possible outcome for all shareholders, despite the turbulent times we now face.

I look forward to bigger and better results and future for Duke Exploration over the year ahead.

Yours faithfully

Philip Condon
Managing Director

(24th October 2022)