

11 October 2019

## KTA Exercises Option to Acquire Belgravia Project

- ***Krakatoa satisfactorily completes legal and technical due diligence on the Belgravia Project***
- ***Site due diligence confirmed geological, structural and geophysical prospectivity of the Project***
- ***Krakatoa working with its experienced NSW technical operations team comprising Stephen Woodham, Ian Cooper and Rangott Mineral Exploration to commence detailed target generation***

Krakatoa Resources Limited (“Krakatoa” or the “Company”) (ASX: KTA) is pleased to announce it has satisfactorily completed legal and technical due diligence on Exploration Licence 8153, comprising the Belgravia Project (“the Project”). The Company has provided written notice to Vendor, Locksley Holdings Pty Ltd (“Locksley”), that it has elected to exercise the option to purchase the Project.

### **Executive Chairman Colin Locke commented:**

*“With the due diligence now complete, we look forward to leveraging off KTA’s highly experienced porphyry team and undertaking aggressive exploration to bring serious value to shareholders.*”

*Our tight capital structure, demonstrated by only 15% of our register being turned over since announcement of this transformational acquisition, is a testament to our loyal shareholders.”*

### **Locksley Vendor Stephen Woodham commented:**

*“It’s a great pleasure to work with and be part of the Krakatoa team. I have held the Belgravia Project for many years with absolute confidence that its prospectivity would be uncovered.*”

*The recent success by Alkane Resources at its Boda Prospect to the north of Belgravia reinforces my belief that the Molong Volcanic Belt is a world class location for the discovery of large porphyry gold-copper mineralisation.”*

### **Registered office:**

Level 11, London House, 216 St Georges Terrace, Perth, W.A. 6000

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### **Board:**

Colin Locke (Exec. Chairman)

David Palumbo (Non-Exec. Director)

Timothy Hogan (Non-Exec. Director)

### **Capital Structure:**

**150,000,000** Fully Paid Shares

**75,000,000** Options @ 5c exp 31/07/21

**12,000,000** Options @ 10c exp 24/10/20

**10,893,878** Options @ 40c exp 12/12/19

### **ASX Codes:**

**KTA, KTAOC**

### **Projects**

**Belgravia (Au-Cu)**

**Mt Clere (REE)**

**Dalgaranga (Ta-Li-Rb)**

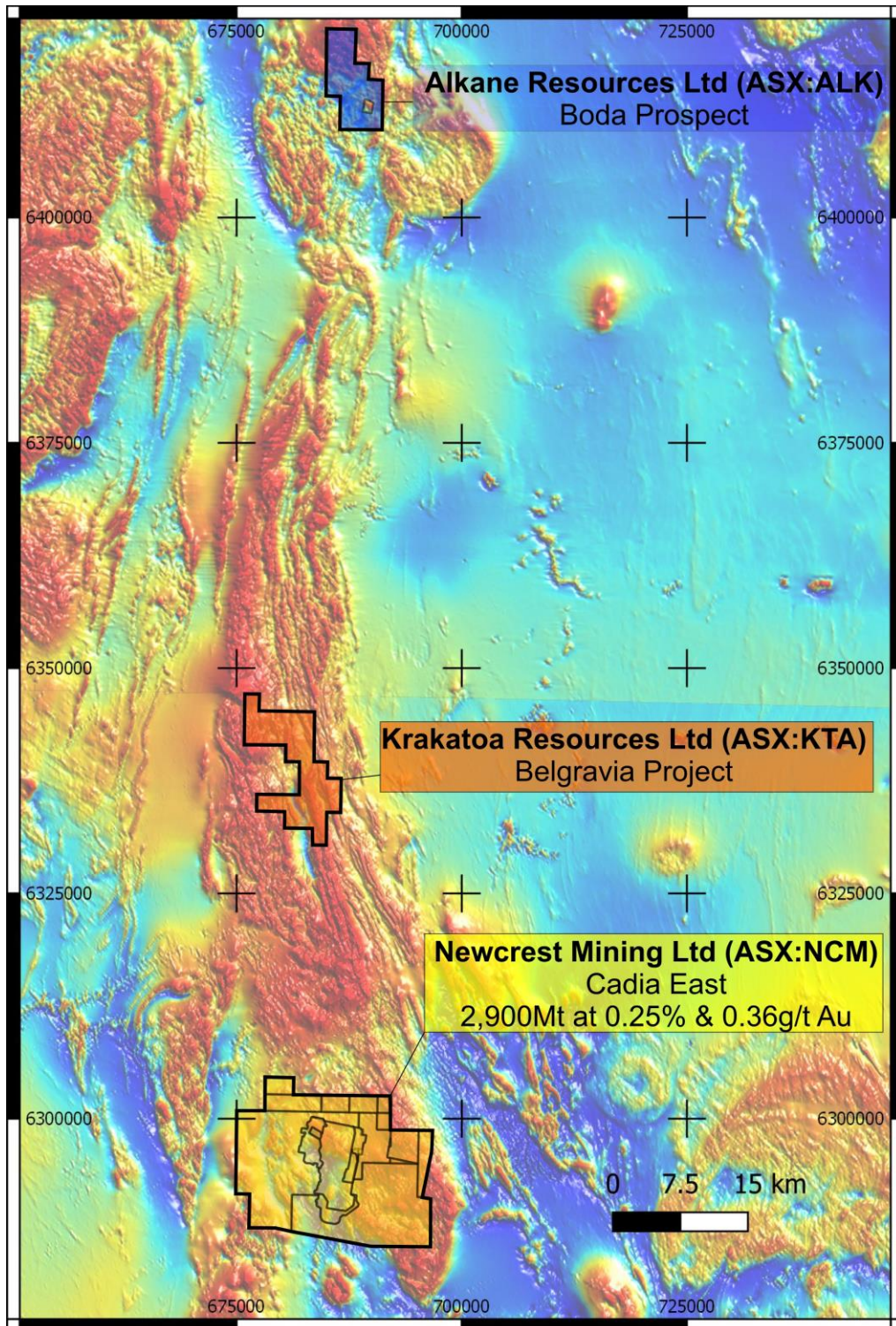
**Mac Well (Be, Au)**

**Corkill-Lawson (Co-Ag)**



**krakatoa**  
resources limited

ABN 39 155 231 575



**Figure 1: Regional TMI RTP Map of Molong Volcanic Belt**

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As announced on 9 October 2019, the Company is extremely pleased with the field findings as part of technical due diligence, including:

- Belgravia lies in a very fertile metallogenic province, where copper-gold porphyry deposits typically occur in clusters, providing considerable potential for more discoveries;
- Intense proximal albitisation and silica-saturation observed, similar to zonation seen at Newcrest's Cadia East Mine by experienced porphyry geologist and mining engineer Mr Ian Cooper;
- Large-scale and pervasive alteration identified, particularly at the Bell Valley Target, which lies over the eastern parts of the Copper Hill Igneous Complex;
- Bella Prospect, a doughnut-shaped magnetic pattern considered characteristic of a porphyry intrusion, lies within 1km of noted alteration;
- Exceptionally located with the recently upgraded Mitchell Highway providing direct access to the Belgravia Project from the regional centre of Orange and township of Molong.

The Company has commenced planning for the next stage of ground based exploration. Krakatoa is working with its experienced NSW technical operations team comprising Stephen Woodham, Ian Cooper and Rangott Mineral Exploration on detailed target generation.

The Company expects that the acquisition will be completed following its Annual General Meeting, to be held in late November.

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## **ABOUT BELGRAVIA PROJECT:**

The Belgravia Project covers an area of 80km<sup>2</sup> and is located in the central part of the Molong Volcanic Belt (MVB), which forms as part of the East Lachlan province within the Lachlan Fold Belt, NSW. The East Lachlan region **constitutes the largest porphyry province in Australia.**

The Project lies approximately 7km east of the township of Molong and 20km northwest of the regional centre of Orange, providing excellent road, rail, power, gas and water infrastructure.

The Belgravia Project has 6 initial targets considered highly prospective for porphyry Cu-Au and associated skarn Cu-Au. Historical exploration appears to have failed to adequately consider the regolith and tertiary basalt (up to 40m thick) that obscures much of the prospective geology.

## **FOR FURTHER INFORMATION:**

Colin Locke

Executive Chairman

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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.*

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