

ASX Announcement

12 August 2020

ASX: MKR



Drilling to Commence at Wonawinta

Highlights:

- Manuka commenced trading on the ASX on 14 July 2020 after raising \$7 million in its IPO
- \$3.58 million of IPO proceeds to be targeted towards a three-stage exploration & resources conversion program.
- 9000m reverse circulation (RC) and diamond drilling campaign starting this month at Wonawinta silver project
- Program will target upgrading of the existing 52 million ounce (Moz) JORC-compliant silver Wonawinta Inferred Mineral Resource into measured and indicated status as part of the work program to enable mining schedules to be developed, and first ever exploratory drilling of the Project's deeper sulphide mineralisation

Exploration Timetable

As advised at the release of its Quarterly Report, Manuka Resources Limited (**Manuka**) (ASX MKR) has commenced a three-stage exploration program in conjunction with geological and mining consultancy, Mining Associates Pty Ltd. The program focuses on three separate work streams, as follows:

- a) The brownfields Wonawinta work program to include in-fill drilling program for the purpose of converting part of the existing JORC resource into reserve status, while also progressing with the construction of a 3D geological model over the mining leases (ML's) to guide mine-site drilling to extend resource base of the project.
- b) The brownfields Mt Boppy pit work program focusing on drilling for resource extensions especially in the southern section of existing pit, which is targeted for additional gold mineralisation.
- c) The greenfields exploration targets on the existing exploration leases (EL's) at both Wonawinta and Mt Boppy targeting gold, silver and copper.

Manuka has entered into a drilling contract with a local contractor for the resource in-fill program and the initial drilling of the deeper mineralised sulphides at the **Wonawinta site**. The initial phase of the program is for a two month term, drilling over 200 holes comprising about 9000

metres predominantly reverse circulation (RC), and diamond drilling (DD). The latter is for calibration and metallurgical test samples. It should be noted that the existing resource is largely weathered rock and therefore historical drilling was relatively shallow. The proposed drill holes have been mapped and drilling will commence early next week (week commencing 17 August 2020). Manuka expects to be in a position to develop its mining schedules and commence the required geo-metallurgical and resource modelling at Wonawinta during the remainder of calendar year 2020.

Manuka's Mt Boppy pit is in the midst of an extensive mining program. Current drill and blast and grade control activities prevent further in-pit exploration at this time, however the Company is planning for early resource extension drilling to commence from the surface of the SW corner of the pit to test 25m to 50m below the planned pit floor. These holes are targeted to occur during August.

In addition to on-site exploration at Wonawinta and Mt Boppy, the company has initiated planning to commence exploration on its exploration leases (EL). This includes validation of previous work on targets near and to the north of Wonawinta, and on the EL5842 which is contiguous with the Mt Boppy mining lease as shown on Figure 1 below.

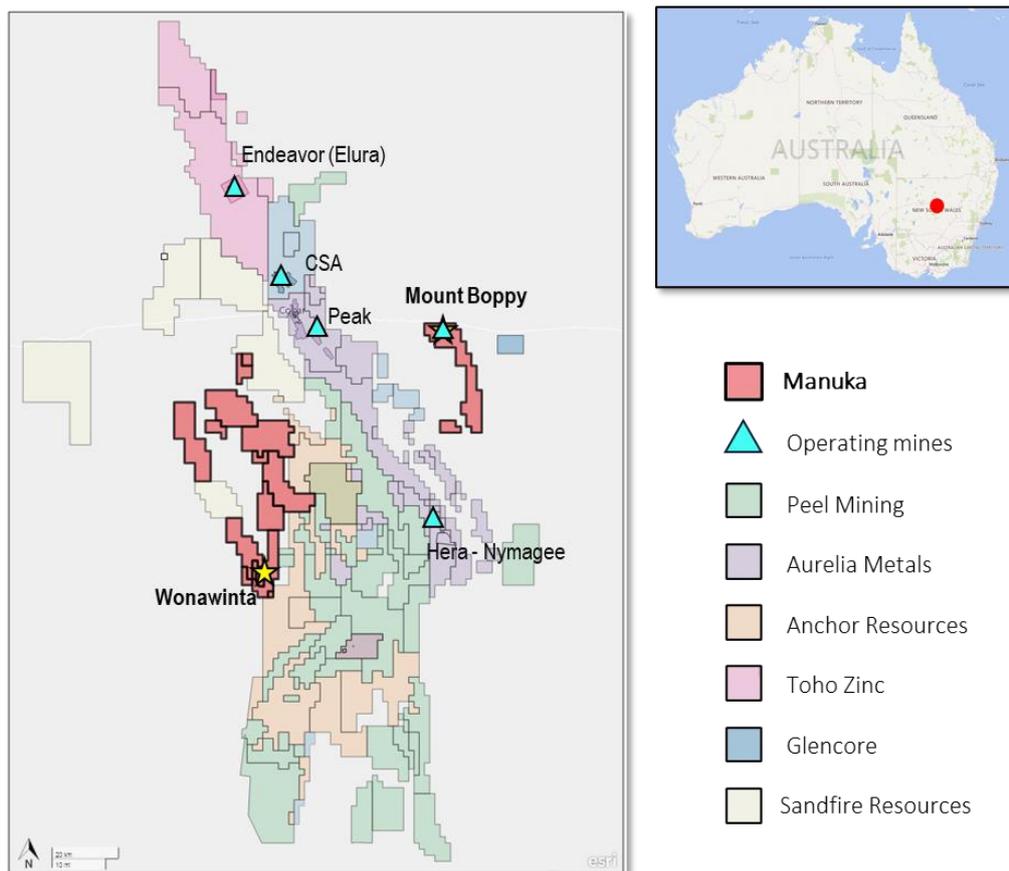


Figure 1. Location of Manuka properties

About Manuka

Manuka Resources Limited (ASX: MKR) is an Australian mining 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 hosting an existing open pit probable reserve of 260,000 tonnes grading 3.09 g/t gold, based on a cut-off grade of 1.36 g/t for oxide material and 1.47 g/t for transitional material at an assumed gold price of A\$2,200 per ounce. 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, hosting 52 million ounces of silver in an inferred JORC compliant silver resource grading 42 g/t silver at a cut-off grade of 22 g/t silver. The Wonawinta processing plant has a nameplate capacity of 850,000 tonnes per year.

The Wonawinta silver project was previously the largest producer of primary silver in Australia. Manuka intends to return it to the production of silver doré in mid-2021, following the completion of mining at Mt Boppy. The picture below shows circa 500,000 tonnes of silver grading ores stockpiled on the ROM pad awaiting first processing.



Figure 2. Wonawinta plant with silver ore stockpiles in foreground

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

For further information contact:

Dennis Karp
Executive Chairman
Manuka Resources Limited
0412 268 114

Media Contact
Ben Henri
M+C Partners
0473 246 040

Important Information

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Previously reported information

This report includes information that relates to Mineral Resources and Ore Reserves which were prepared and first disclosed under JORC Code 2012. The information was extracted from the Company's previous ASX announcement dated 10 July 2020 (Prospectus). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of reporting of Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcement.