



Toondoon Kaolin Project

Upgraded Mineral Resource Estimate

Kalotech Pty Ltd January 2022

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Table of Contents

Document Control						
Executive Summary	i					
1 Introduction 1.1 Overview	2 2					
 2 Site Investigations & Key Data 2.1 Exploration 2.2 Geology 2.2.1 Regional Geology 2.2.2 Local Geology 2.3 Assays 2.4 Density Values 	5 5 7 7 8 9 9					
3 QAQC3.1 Duplicates3.2 Standards	11 11 12					
 4 Mineral Resource Estimate 4.1 Overview 4.2 Database Integrity – Database Validation 4.3 Statistics 4.3.1 Overview 4.3.2 Basic Statistics 4.3.3 Baw Data Distribution (Histograms) 	13 13 13 14 14 14 14 14					
 4.4 Block Modelling 4.4.1 Block Size 4.4.2 Resource Parameters and Assumptions 4.4.3 Resource Shape and Volume 	21 21 21 21 21 21					
 4.4.4 Cut-Off Grade 4.4.5 Estimation Method - Kriging 4.4.6 Semivariogram Map 4.4.7 Validation 4.4.8 Figures 	21 22 22 22 23					
 4.5 Resource Reporting in Accordance with JORC Code 2012 4.5.1 JORC Code 2012 4.5.2 Measured Mineral Resource Estimate 4.5.3 Indicated Mineral Resource 4.5.4 Inferred Mineral Resource 	29 29 31 32 33					
5 Conclusions	35					
6 Recommendations	i					
7 References	2					

<u>Tables</u>

Table I – Toondoon Kaolin Project – Upgraded Mineral Resource Estimate	i
Table 2.1 – SG Determinations with Geochemistry	10
Table 4.1 – Basic Statistics (Minimums and Maximums)	14
Table 4.2 – Measured Mineral Resource Estimate	31
Table 4.3 – Indicated Mineral Resource Estimate	32
Table 4.4 – Inferred Mineral Resource Estimate	33
Table 5.1 – Toondoon Kaolin Project – Upgraded Mineral Resource Estimate	36

Figures

Figure I. Section A-A to A'-A' (Cross section from West LHS of section to East RHS of section)	iii
Figure II. Section B-B to B'-B' (Cross Section from West LHS of section to East RHS of section)	iv
Figure III. Section C-C to C'-C' (Long Section from North LHS of section to South RHS of section)	v
Figure IV. Section D-D to D'-D' (Long Section from North LHS of section to South RHS of section)	vi
Figure 1.1 – Site Location Map	2
Figure 1.2 – Toondoon ML 80126	3
Figure 1.3 – Toondoon ML 80126 and Local EPM's	4
Figure 2.1 – Map of Drillholes	6
Figure 2.2 – Regional Geology	7
Figure 2.3 – Local Geology	8
Figure 3.1 – QAQC of ALS Duplicates – Al ₂ O ₃	11
Figure 3.2 – QAQC of Phase II Standards – Al ₂ O ₃	12
Figure 4.1 - Al ₂ O ₃ Histogram	16
Figure 4.2 – Fe ₂ O ₃ Histogram	17
Figure 4.3 – SiO ₂ Histogram	18
Figure 4.4 – TiO ₂ Histogram	19
Figure 4.5 – LOI Histogram	20
Figure 4.6 – Aerial View of Block Model	23
Figure 4.7 – 3D View of Block Model	24
Figure 4.8 – Section A-A to A'-A' (Cross Section from West LHS of section to East RHS of section)	25
Figure 4.9 – Section B-B to B'-B' (Cross Section from West LHS of section to East RHS of section)	26
Figure 4.10 – Section C-C to C'-C' (Long Section from North LHS of section to South RHS of section)	27
Figure 4.11 – Section D-D to D'-D' (Long Section from North LHS of section to South RHS of section)	28
Figure 4.12 - General Relationship between Exploration Results, Mineral Resources and Ore Reserves.	29
Figure 4.13 – Resource Classification	30

List of Appendices

Appendix A Sections	3
Appendix B Statistics	50
Appendix C JORC Table 1	128
Appendix D Summary of Results – All Elements	131

AHD	Australian Height Datum
AIG	Australian Institute of Geoscientists
ALS	Australian Laboratory Services Ltd
ASX	Australian Stock Exchange
Ausrocks	Ausrocks Pty Ltd, Consulting Mining Engineers
The AusIMM	The Australasian Institute of Mining and Metallurgy
BCM	Bank Cubic Metre
DES	Department of Environment and Science
DGPS	Differential Global Positioning System
DOR	Department of Resources
DTM	Digital Terrain Model
EPM	Exploration Permit Minerals
GPS	Global Positioning System
JORC 2012 Edition	Joint Ore Reserves Committee of The Australasian Institute of Mining & Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia
М	Million
MRE	Mineral Resource Estimate
PSD	Particle Size Distribution
RL	Surface elevation relative to Australian Height Datum (m AHD)
ML	Mining Lease



Executive Summary

Introduction

Ausrocks Pty Ltd (Ausrocks) was commissioned by Kalotech Pty Ltd (Kalotech) to complete an upgraded Mineral Resource Estimate (MRE) of their Toondoon Kaolin Project. The Toondoon Kaolinite Project is located in the North Burnett District of South-Central Queensland, some 20 kilometres south of Mundubbera. The project is within the granted ML 80126 held by Ms G Brown. The Brown family owns the underlying Freeholding Lease tenure of Toondoon Station. This lease consists of 131.221 hectares and is current to 30th November 2030. The lease was subject to an Option Agreement with Kalotech, which has recently been exercised. The transfer to Kalotech documents are currently being processed by the Department of Resources. The Mining Lease is surrounded by EPM 27395, which is also held by Kalotech. Immediately overlying the lease are 3 sub-blocks within EPM Application 27866, applied for by Kalotech.

Exploration

The basis for this upgraded MRE is 110 drillholes completed over two drill programs (Phase I and Phase II). The drillholes were vertical and spaced 100m by 100m and 50m by 50m. Drillholes were extended at depth until they were terminated at a determined basement (Sandy Clay).

Phase I: In February 2021, Kalotech drilled 42 blade air-core holes (TDAC 15-56) with an AusRoc Rig operated by Associated Exploration Drilling (AED) for 1042.5 metres on four north-south GDA 96 grid lines. The drillholes are 100m apart on lines 100m apart.

Phase II: In November 2021, Kalotech drilled 50 blade air core holes (TDAC 58-107) and 2 twin air core holes TDAC 15B and 16B adjacent hole 15 and 16 previously drilled in February. The same drill company and rig were used. The drilling extended the drill coverage west and south of the Phase I drilling to the southern and western edge of the lease. The most eastern incomplete line of the Phase I program was completed in the Phase I program.

Phase II drilling included 18 reverse circulation drilling (TDRC 108-123) using a 115mm (4.5") hammer at 50m hole spacing on lines 315800mE and 315850mE. Drill holes TDRC 110-121 were also twinned. This closer spaced drilling was completed to test what spacing would be needed to delineate a measured resource and to obtain enough composite samples suitable for bulk testing and marketing samples.

Geology

The regional geology of the Toondoon area consists of the Jurassic Evergreen Formation (Je) overlying Devonian-Carboniferous volcaniclastic sediments. These sediments are intruded by two northeast tending belts of Permian-Triassic granitoids north and south of Toondoon. The clayey sediments at Toondoon have been mapped by the GSQ as Tertiary sediments overlying the Evergreen Formation. The drilling has indicated that the clay stratigraphy grading down from flat lying red bauxitic clay, which overlies gently folded units of grey plastic clay, white kaolinite clay and a sandy clay. This folded stratigraphy indicates a Jurassic age with Tertiary weathering-alteration forming the flat lying red bauxitic clay

Toondoon Kaolin Project comprises 5 (five) lithologies / domains: Bauxitic, Plastic, Kaolin (High Iron), Kaolin (Low Iron) and Sandy clays. The mineralogy of the sedimentary units consists of: red brown bauxitic clay - pisolites with hematite, kaolinite, gibbsite, and anatase; grey plastic clay - kaolinite, gibbsite, minor hematite and anatase; white kaolinite clay - kaolinite minor gibbsite and anatase; and cream sandy clay - kaolinite and fine - to medium - grained quartz sand

Assays

All assaying has been carried out by ALS Laboratories, Brisbane. ALS is a global leader with over 71 laboratories worldwide and are ISO/IEC 17025:2017 accredited. ALS is also NATA Accredited, Corporate Accreditation No. 825, Corporate Site No. 818.

Assaying was carried out on all (1) metre samples from the drillholes. Assay procedure was primarily by XRF method ME-XRF13 and loss of ignition determined by ME-GRA05 (H₂O/LOI) method. Duplicate samples of each of the 4 main clay horizons i.e., bauxitic clay, plastic clay, kaolinite clay and sandy clay from each hole were inserted in the sample train before submittal to ALS. A standard sample, OREAS 999, was also submitted at a rate of 1 per hole.

Assaying was primarily to determine Al₂O₃, Fe₂O₃, SiO₂, LOI and TiO₂ but results were obtained for a range of oxides, namely BaO, CaO, CoO, Cr₂O₃, K₂O, MgO, MnO, Na₂O, P₂O₅, SO₃, SrO, V₂O₅, Zn and ZrO₂. No correction or adjustment to the assays and assay totals has been made.

Density Values

Ten samples from bull-dozed trenching were submitted to ALS for specific gravity analyses using the OA-GRA 08a method. The method records the specific gravity relative to unity with submersion of a wax coated a sample into water. The average SG for the rock types bauxitic clay, kaolinite clay and sandy clay were determined and the average for the respective rock types was calculated. No plastic clay was recovered so no analysis was conducted for this rock type.

The sandy clay consists of kaolinite clay and fine to medium grained quartz. It could be anticipated that the SG of the sandy clay would be higher than the kaolinite. However, it is generally lower indicating there must be more pore space, resulting in a lower SG.

The grey plastic clay generally consists of kaolinite with iron oxides and anatase. As the amount of quartz, iron oxide and anatase in the kaolinite does not have a consistent effect on the SG measurements, these elements will have little effect on the SG of the grey plastic clay. Therefore, it can be assumed that the SG of the plastic clay will be similar to the kaolinite clay i.e., 1.74 t/m³.

The assumed density values used in the MRE were:

- Bauxitic Clay: 2.05 t/m³
- Plastic Clay: 1.74 t/m³
- Kaolinite Clay: 1.74 t/m³
- Sandy Clay: 1.69 t/m³

Mineral Resource Estimate

Micromine 2022 was used to complete the Upgraded Mineral Resource Estimate in accordance with the JORC 2012 Code. A block model was generated to model the overall deposit shape and volume. The block model was defined by the top of the resource (topography), the base of the resource (base of the drillholes) and the interpreted geological boundaries. Parent blocks were sized at 10mE x 10mN x 1mRL. Sub-blocks were sized at 1mE x 1mN x 1mRL. The block model was optimised and the average Al_2O_3 grade and quantity of the resource at varied reporting levels was computed.

The block model was subject statistical and geostatistical analysis and the Ordinary Kriging (OK) method was used to populate the blocks. The Inverse Distance Weighting (IDW) method was used to check the model and yielded similar results. Swath plots were used to validate the interpolation technique to ensure accuracy. All assayed elements were modelled in the block model.

The following parameters and assumptions formed the basis for the Upgrade MRE in accordance with the JORC Code (2012).

- Topography DEM sourced by drone survey
- The resource boundary was determined by a combination of Mining Lease Boundary, geological interpretation and area of influence considerations.
- 5 lithologies determined by geochemistry and geological interpretation Bauxitic Clay, Plastic Clay, Kaolinite Clay (High Iron), Kaolinite Clay (Low Iron) and Sandy Clay.
- A 32% Al₂O₃ grade aided with the determination of the domain boundaries which were determined by analysis
 of raw assay data down each individual drill hole. The grade applied is consistent with industry practice for these
 types of Kaolin deposits.
- As advised by the Project Geologist, no cut-off grade was applied to the Bauxitic Clay, Plastic Clay, Kaolinite Clay (High Iron) and Kaolinite Clay (Low Iron) domains for the estimation process. A cut-off grade of 23% Al₂O₃ was applied to the Sandy Clay domain for the estimation process. All assayed elements were reported as secondary elements constrained to the cut-off grade.
- No topsoil considerations as advised by the Project Geologist.
- Density values as provided by the Project Geologist.

The drill spacing and interpreted geological continuity allowed three resource categories to be defined (Measured, Indicated and Inferred Mineral Resources). The results of the Upgraded Mineral Resource Estimate for Toondoon Kaolin Project are provided in **Table I**. Representative sections across the Resource Area are shown in **Figure I** to **Figure IV**.

Table I – Toondoon Kaolin Project – Upgraded Mineral Resource Estimate													
Resource Category	Lithology	Volume (Mm³)	Density (t/m³)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO₂ %	TiO₂ %	LOI %	K₂O %	Cut-Off Grade		
Measured	Bauxitic Clay	750,000	2.05	1,530,000	38.81	13.86	21.92	4.53	20.07	0.06	No cut-off applied		
Measured	Plastic Clay	1,380,000	1.74	2,400,000	35.45	4.98	41.39	3.38	14.20	0.02	No cut-off applied		
Measured	Kaolinite Clay (High Iron)	510,000	1.74	880,000	36.79	1.92	44.92	2.19	13.63	0.05	No cut-off applied		
Measured	Kaolinite Clay (Low Iron)	900,000	1.74	1,570,000	37.48	0.41	46.50	1.59	13.43	0.12	No cut-off applied		
Measured	Sandy Clay	800,000	1.69	1,350,000	26.79	0.73	61.24	1.21	9.52	0.05	23% Al ₂ O3		
Indicated	Bauxitic Clay	1,510,000	2.05	3,090,000	37.04	16.05	22.62	4.19	19.43	0.05	No cut-off applied		
Indicated	Plastic Clay	2,620,000	1.74	4,560,000	35.22	4.84	42.09	3.15	14.06	0.03	No cut-off applied		
Indicated	Kaolinite Clay (High Iron)	950,000	1.74	1,660,000	36.48	2.32	45.24	1.85	13.49	0.08	No cut-off applied		
Indicated	Kaolinite Clay (Low Iron)	1,150,000	1.74	1,990,000	37.57	0.40	46.43	1.58	13.41	0.12	No cut-off applied		
Indicated	Sandy Clay	1,460,000	1.69	2,460,000	26.10	0.76	62.15	1.21	9.25	0.05	23% Al ₂ O3		
Inferred	Bauxitic Clay	480,000	2.05	990,000	30.73	27.86	22.44	3.19	15.18	0.03	No cut-off applied		
Inferred	Plastic Clay	510,000	1.74	890,000	34.19	5.88	42.41	3.55	13.31	0.03	No cut-off applied		
Inferred	Kaolinite Clay (High Iron)	110,000	1.74	190,000	34.81	6.00	44.02	1.46	13.07	0.15	No cut-off applied		
Inferred	Sandy Clay	190,000	1.69	330,000	28.04	2.22	57.93	1.19	10.12	0.06	23% Al ₂ O3		

Cut-Off Grade	Bauxitic Clay (BCM)	Bauxitic Clay (T)	Plastic Clay (BCM)	Plastic Clay (T)	Kaolinite Clay (High Iron) (BCM)	Kaolinite Clay (High Iron) (T)	Kaolinite Clay (Low Iron) (BCM)	Kaolinite Clay (Low Iron) (T)	Sandy Clay (BCM)	Sandy Clay (T)
23% + Al ₂ O ₃	2,680,000	5,490,000	4,510,000	7,840,000	1,570,000	2,730,000	2,050,000	3,560,000	2,450,000	4,140,000
32%+ Al ₂ O ₃	2,220,000	4,550,000	4,210,000	7,330,000	1,550,000	2,700,000	2,050,000	3,560,000	90,000	150,000
33%+ Al ₂ O ₃	2,110,000	4,320,000	4,070,000	7,080,000	1,530,000	2,670,000	2,050,000	3,560,000	10,000	10,000
34%+ Al ₂ O ₃	1,960,000	4,020,000	3,840,000	6,690,000	1,490,000	2,580,000	2,040,000	3,550,000	-	-
35%+ Al ₂ O ₃	1,850,000	3,790,000	3,360,000	5,850,000	1,340,000	2,330,000	2,010,000	3,490,000	-	-
36%+ Al ₂ O ₃	1,650,000	3,390,000	1,010,000	1,760,000	1,080,000	1,870,000	1,870,000	3,250,000	-	-
37%+ Al ₂ O ₃	1,470,000	3,010,000	260,000	450,000	640,000	1,110,000	1,570,000	2,730,000	-	-
38%+ Al ₂ O ₃	1,270,000	2,610,000	130,000	230,000	160,000	290,000	810,000	1,410,000	-	-
39%+ Al ₂ O ₃	1,060,000	2,170,000	60,000	100,000	10,000	10,000	-	-	-	-
40%+ Al ₂ O ₃	770,000	1,580,000	30,000	50,000	-	-	-	-	-	-

Domain	Surface Area (m ²)	Average Depth (m)
Bauxitic Clay	690,000	4.0
Plastic Clay	790,000	5.7
Kaolinite Clay (High Iron)	790,000	2.0
Kaolinite Clay (Low Iron)	480,000	4.3
Sandy Clay	830,000	13.3

Figure I. Section A-A to A'-A' (Cross section from West LHS of section to East RHS of section)



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Figure III. Section C-C to C'-C' (Long Section from North LHS of section to South RHS of section)



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Figure IV. Section D-D to D'-D' (Long Section from North LHS of section to South RHS of section)





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Conclusions

The Toondoon Kaolin Project has been broadly defined by drilling and the geological controls are reasonably well understood. The drill spacing and interpreted geological continuity allowed three resource categories to be defined (Measured, Indicated and Inferred Mineral Resource) in accordance with the JORC 2012 Code.

The interpreted geology of the Toondoon Kaolin Project is relatively robust, and any alternative interpretation of the deposit is considered unlikely to have a significant influence on the Mineral Resource Estimate undertaken. The known nature and formation of the deposit, together with consistent high grades achieved in drillholes, places a high degree of confidence in the geological interpretation. The detailed level of drilling has enabled confidence of the interpreted geology. Continuity of geology and grade (assays) can be readily identified and traced between drillholes.

Recommendations

There is scope to increase the knowledge and understanding of the Toondoon Kaolin Project by completing the following additional work:

- Complete assessment of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environment, social and government factors or any other modifying factors to enable a proportion of this Mineral Resource Estimate to be potentially upgraded to Ore Reserve status, according to JORC Code (2012) Guidelines.
- Undertake further infill drilling to best complete a gridded coverage across the entire Resource Area, to upgrade
 the Mineral Resource categories and potential size and increase potential Ore Reserve size. An infill drilling
 program with one hole drilled in between each 4 x 100m drillhole 'square' of the Indicated Mineral Resource
 areas could allow the areas to be upgraded to Measured Mineral Resource. Drilling should be taken to
 intersection of sandy clays. The upgrade to Measured Mineral Resources is not likely to be critical to progress
 the project to Pre-feasibility or Definitive-feasibility Study level."
- There is indication of Kaolinite Clay (low iron) near the surface in the central zone of the exploration area. Mine designs/plans could be completed to determine mining options.
- A further detailed aerial survey (LiDAR) for the project is considered integral to this ongoing confirmatory work.
- Conduct additional specific gravity determinations.
- Ensure Sampling and Assaying Procedures are continuously reviewed and improved. Maintain systematic
 application of assay checking. The systematic employment and analysis of drilling blanks, standards and
 duplicates for assaying is required.

1 Introduction

1.1 Overview

Ausrocks Pty Ltd (Ausrocks) was commissioned by Kalotech Pty Ltd (Kalotech) to complete an upgraded Mineral Resource Estimate of their Toondoon Kaolin Project. The Toondoon Kaolinite Project is located in the North Burnett District of South-Central Queensland, some 20 kilometres south of Mundubbera (**Figure 1.1**). The project is within the granted ML 80126 held by Ms G Brown. The Brown family owns the underlying Freeholding Lease tenure of Toondoon Station. This lease consists of 131.221 hectares and is current to 30th November 2030. The lease was subject to an Option Agreement with Kalotech, which has recently been exercised. The transfer to Kalotech documents are currently being processed by the Department of Resources. The Mining Lease is surrounded by EPM 27395, which is also held by Kalotech. Immediately overlying the lease are 3 sub-blocks within EPM Application 27866, applied for by Kalotech.



Figure 1.1 – Site Location Map

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Figure 1.2 – Toondoon ML 80126





2.1 Exploration

The basis for this upgraded MRE is 110 drillholes completed over two drill programs (Phase I and Phase II). The drillholes were vertical and spaced 100m by 100m and 50m by 50m. Drillholes were extended at depth until they were terminated at a determined basement (Sandy Clay).

Phase I: In February 2021, Kalotech drilled 24 blade air-core holes (TDAC 15-56) with an AusRoc Rig operated by Associated Exploration Drilling (AED) for 1042.5 metres on four north-south GDA 96 grid lines. The drillholes are 100m apart on lines 100m apart. The north-south long sections drilled were 5750mE, 5850mE - 5950E, 6050mE and 6150mE.

Phase II: In November 2021, Kalotech drilled 50 blade air core holes (TDAC 58-107) and 2 twin air core holes TDAC 15B and 16B adjacent hole 15 and 16 previously drilled in February. The same drill company and rig were used. The drilling extended the drill coverage west and south of the Phase I drilling to the southern and western edge of the lease. The most eastern incomplete line of the Phase I program was completed in the Phase I program.

Phase II drilling included 18 reverse circulation drilling (TDRC 108-123) using a 115mm (4.5") hammer at 50m hole spacing on lines 315800mE and 315850mE. Drill holes TDRC 110-121 were also twinned. This closer spaced drilling was completed to test what spacing would be needed to delineate a measured resource and to obtain enough composite samples suitable for bulk testing and marketing samples.

The air-core samples were collected at 1 metre intervals. The samples were collected from the rig cyclone and split with an 87.5:12.5 riffle splitter. The large retention samples are stored in a shed in Mundubbera. The smaller split was split again with a smaller 50:50 riffle splitter. These samples have been collected in self-seal plastic bags. One of these samples were delivered to ALS's Brisbane Laboratory for analyses using the standard bauxite method – Me XRF-13n. The other sample is stored at the Gold Coast. Duplicate samples of each of the 4 main clay horizons i.e., bauxitic clay, plastic clay, kaolinite clay and sandy clay from each hole were inserted in the sample train before submittal to ALS. A standard sample, OREAS 999, was also submitted at a rate of 1 per hole.



2.2 Geology

2.2.1 Regional Geology

The regional geology of the Toondoon area consists of the Jurassic Evergreen Formation (Je) overlying Devonian-Carboniferous volcaniclastic sediments. These sediments are intruded by two northeast tending belts of Permian-Triassic granitoids north and south of Toondoon. The clayey sediments at Toondoon have been mapped by the GSQ as Tertiary sediments overlying the Evergreen Formation. The drilling has indicated that the clay stratigraphy grading down from flat lying red bauxitic clay, which overlies gently folded units of grey plastic clay, white kaolinite clay and a sandy clay. This folded stratigraphy indicates a Jurassic age with Tertiary weathering-alteration forming the flat lying red bauxitic clay



2.2.2 Local Geology

Toondoon Kaolin Project comprises 5 (five) lithologies / domains: Bauxitic, Plastic, Kaolin (High Iron), Kaolin (Low Iron) and Sandy clays. The mineralogy of the sedimentary units consists of: red brown bauxitic clay - pisolites with hematite, kaolinite, gibbsite, and anatase; grey plastic clay - kaolinite, gibbsite, minor hematite and anatase; white kaolinite clay - kaolinite minor gibbsite and anatase; and cream sandy clay - kaolinite and fine - to medium - grained quartz sand.



2.3 Assays

All assaying has been carried out by ALS Laboratories, Brisbane. ALS is a global leader with over 71 laboratories worldwide and are ISO/IEC 17025:2017 accredited. ALS is also NATA Accredited, Corporate Accreditation No. 825, Corporate Site No. 818.

Assaying was carried out on all (1) metre samples from the drillholes. Assay procedure was primarily by XRF method ME-XRF13 and loss of ignition determined by ME-GRA05 (H₂O/LOI) method. Duplicate samples of each of the 4 main clay horizons i.e., bauxitic clay, plastic clay, kaolinite clay and sandy clay from each hole were inserted in the sample train before submittal to ALS. A standard sample, OREAS 999, was also submitted at a rate of 1 per hole.

Assaying was primarily to determine Al_2O_3 , Fe_2O_3 , SiO_2 , LOI and TiO_2 but results were obtained for a range of oxides, namely BaO, CaO, CoO, Cr_2O_3 , K_2O , MgO, MnO, Na₂O, P₂O₅, SO₃, SrO, V₂O₅, Zn and ZrO₂. No correction or adjustment to the assays and assay totals has been made.

2.4 Density Values

Phase I: Density values were taken from literature as no solid core or outcropping rocks of the bauxitic clay, plastic clay and kaolinite clay were mapped. Core of the sandy kaolinitic clay were obtained but the density values of the more extensive evaluation of the Abercorn Project were used i.e., 2 t/m³. Modifications of the density of the kaolinite clay density was calculated by removing the amount of silica sand resulting in 1.8 t/m³. The density of the plastic clay was calculated by adding the amount of hematite i.e., Fe₂O₃ to that of the kaolin resulting in 1.95 t/m³. The bauxite density used was 2 t/m³, the same that ABX used for their Toondoon and Binjour bauxite evaluations.

Phase II: Ten samples from bull-dozed trenching were submitted to ALS for specific gravity analyses using the OA-GRA 08a method (**Table 2.1**). The method records the specific gravity relative to unity with submersion of a wax coated a sample into water. The average SG for the rock types bauxitic clay, kaolinite clay and sandy clay were determined and the average for the respective rock types was calculated. No plastic clay was recovered so no analysis was conducted for this rock type.

The sandy clay consists of kaolinite clay and fine to medium grained quartz. It could be anticipated that the SG of the sandy clay would be higher than the kaolinite. However, it is generally lower indicating there must be more pore space, resulting in a lower SG.

The grey plastic clay generally consists of kaolinite with iron oxides and anatase. As the amount of quartz, iron oxide and anatase in the kaolinite does not have a consistent effect on the SG measurements, these elements will have little effect on the SG of the grey plastic clay. Therefore, it can be assumed that the SG of the plastic clay will be similar to the kaolinite clay i.e., 1.74 t/m³.

The assumed density values used in the MRE were:

- Bauxitic Clay: 2.05 t/m³
- Plastic Clay: 1.74 t/m³
- Kaolinite Clay: 1.74 t/m³
- Sandy Clay: 1.69 t/m³

	Table 2.1 – SG Determinations with Geochemistry																		
		ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-XRF	ME-GRA	OA-C	BRA	
		13n	13n	13n	13n	13n	13n	13n	13n	13n	13n	13n	13n	13n	13n	05	08a		
Sample	Lithology	Al ₂ O ₃	Fe ₂ O ₃	K₂O	MgO	Na ₂ O	P ₂ O ₅	SO3	SiO2	SrO	TiO ₂	V2O5	Zn	ZrO ₂	Total	LOI	S.G.		SG
No.		%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	Unity		Avg
53.1	Kao Cy	37.4	1.98	0.08	0.06	0.19	0.07	0.05	44.1	0.02	1.82	0.02	<0.01	0.07	99.97	14.06	1.63		
53.2	v sl sa kao cy	33.89	1.16	0.12	0.06	0.16	0.06	0.02	50.2	0.02	1.56	0.03	<0.01	0.07	100.05	12.64	1.79		
53.3	Kao Cy	37.78	1.05	0.11	0.06	0.24	0.06	0.04	44.5	0.01	1.67	0.02	<0.01	0.07	99.96	14.3	1.74		
53.4	v sl sa kao cy	34.07	0.81	0.11	0.06	0.14	0.07	0.02	50.3	0.02	1.56	0.02	<0.01	0.07	100	12.7	1.8	6.96	1.74
73.1	sa cy	20.13	0.52	0.26	0.05	0.08	0.06	0.01	70.3	0.02	0.91	0.01	<0.01	0.03	100	7.58	1.73		
73.2	sa cy	19.39	0.35	0.2	0.05	0.05	0.08	0.01	71.2	0.03	1.2	0.01	<0.01	0.05	100.05	7.39	1.58		
88	sa cy	16.96	0.27	0.13	0.03	0.04	0.04	0.01	75.5	0.02	0.72	0.01	<0.01	0.03	99.97	6.18	1.75		
89	sl sa cy	31.39	0.49	0.11	0.04	0.05	0.07	<0.01	54	0.02	1.6	0.01	<0.01	0.1	100	12.07	1.7	6.76	1.69
76	Baux																2.24		
79	Baux																1.87	4.11	2.05
	Gy PL Cy	Not determ	Let determined as not in trenches																

3 QAQC

3.1 Duplicates

Statistical analyses of the field (MSE) and lab duplicates data were performed to monitor the quality of sampling and assaying processes. The analysis of field duplicates is a quality control procedure to measure the consistency of sampling procedures while lab duplicates are used to measure the consistency of sample preparation and analysis procedures. Duplicate samples were compared to the original samples using several statistical plots such as scatterplots and QQ plots.

During sampling of drill cores, field duplicate samples and standards were submitted to the analytical laboratory. Following industry procedures, the laboratory has included Laboratory Standards and duplicates to assess its performance. This section outlines the findings from both the field and lab QAQC samples

Q-Q plots were produced to compare the original to the duplicate sample distributions. These plots are used to check if the two data sets represent the same population and check for possible bias and outliers. As an example, the Q-Q plot for the ALS Duplicates for Al_2O_3 % is shown in **Figure 3.1**. The Al_2O_3 % Q-Q samples plot very close to the unbiased 1:1 straight line on the Q-Q plot, with no noticeable presence of bias. The Q-Q plots for the other elements are included in **Appendix B - Statistics**. All other elements display similar good results.



3.2 Standards

The submission of standard samples of a certified grade to the assay laboratory is a quality control process used to monitor accuracy of assaying. The QAQC program for Toondoon Kaolin Project used standard OREAS 999.

Control charts were produced for Al₂O₃ which display the standard sample data in relation to the expected reference value. The multiple of two standard deviations of the reference standards mean are plotted together with the reference value to check whether the laboratory procedures were in control.

Standards performed well with no concerning outliers which confirms good QA practices by the laboratory.

Further information is included in Appendix B - Statistics.



4 Mineral Resource Estimate

4.1 Overview

Micromine 2022 was used to complete the upgraded Mineral Resource Estimate in accordance with the JORC 2012 Code. A block model was generated to model the overall deposit shape and volume. The block model was defined by the top of the resource, the base of the resource (base of the drillholes) and the interpreted geological boundaries. Parent blocks were sized at 10mE x 10mN x 1mRL. Sub-blocks were sized at 1mE x 1mN x 1mRL. The block model was subject statistical and geostatistical analysis and the Ordinary Kriging (OK) method was used to populate the blocks. The Inverse Distance Weighting (IDW) method was used to check the model and yielded similar results. Swath plots were used to validate the interpolation technique to ensure accuracy. All assayed elements were modelled in the block model.

Detailed steps that were undertaken in Micromine 2022 are outlined throughout this section.

4.2 Database Integrity – Database Validation

The database was originally constructed, validated and electronically provided by Graham Rolfe (Rock-Ex-Enterprises Pty Ltd) to Ausrocks Pty Ltd. Ausrocks reformatted the database into appropriate file formats checking the veracity of the assay results. The data was further validated and cross checked against the geological logs. Micromine 2022 validated the files which were used for the Mineral Resource Estimate. To ensure continuity and validity across the data sets, three separate files which cross-referenced the data were used. These were as follows:

- Collar File This file contains the Hole ID, Location (Northing, Easting and Z value), Azimuth and Inclination of each hole.
- Interval File A file containing the information collected at intervals (depth from, depth to) downhole. This included colour, hue and sample assay values.
- Survey File Showing the azimuth, orientation, or each hole. Note all holes were drilled vertically, which simplified the data.

Sample intervals were collected at 1m throughout the drilling program. No sample bias based on the sample interval length.

4.3 Statistics

4.3.1 Overview

Using Micromine 2022, Statistical and Geostatistical analyses was undertaken on aluminium (Al₂O₃) and the key impurities (Fe₂O₃, SiO₂, TiO₂ and LOI) of the dataset. Assay methods also returned results for BaO, CaO, CoO, Cr₂O₃, K₂O, MgO, MnO, Na₂O, P₂O₅, SO₃, SrO, V₂O₅, Zn and ZrO₂ but they were not examined due to their very low grades (at or near detection range).

A summary of the geostatistics that were completed on all the assayed variables can be found in **Appendix B** – **Statistics**.

4.3.2 Basic Statistics

All sample intervals underwent basic statistical analysis (minimum, maximum, mean etc.). All variables showed that there were no requirements for top or bottom cutting.

The maximum and minimum of each variable is shown in Table 4.1 - Basic Statistics (Minimums and Maximums)

able 4.1 – Basic Statistics (Minimums and Maximums)		
Field Name	Minimum	Maximum
Easting	315,146.6	316,156.9
Northing	7,145,846	7,147,507
Collar RL	283.77	307.46
Terminal Depth	18	42
Thickness	0.5	1
Al ₂ O ₃	5.06	49.27
BaO	0.01	0.06
CaO	0.01	0.7
CoO	0.01	0.01
Cr ₂ O ₃	0.01	0.09
Fe ₂ O ₃	0.13	49
K ₂ O	0.01	1.02
MgO	0.01	0.32
MnO	0.01	0.05
Na ₂ O	0.01	0.97
P ₂ O ₅	0.01	0.23
SO ₃	0.01	4.54
SiO ₂	3.19	87.7
SrO	0.01	0.05
TiO ₂	0.31	16.5
V_2O_5	0.01	0.23
Zn	0.01	0.05
ZrO ₂	0.01	0.29
Total	99.9	104.55
LOI	2.65	28.02

Note: A value below the detectable limit has been assigned to 0.

4.3.3 Raw Data Distribution (Histograms)

The raw data distribution for aluminium (Al_2O_3) and the key impurities (Fe_2O_3 , SiO_2 , TiO_2 and LOI) were analysed in detail and used in the block modelling. Histograms for Al_2O_3 , Fe_2O_3 , SiO_2 , TiO_2 and LOI are respectively shown in **Figures 2.1 – 2.5**. The results are summarised below.

Aluminium (Al₂O₃)

The assayed data for Al_2O_3 has a range of values from 5.05% to 49.27% with a mean of 28.98%.

Iron (Fe₂O₃)

The assayed data for Fe_2O_3 has a range of values from 0.13% to 49.0% with a mean of 3.74%.

Silica (SiO₂)

The assayed data for SiO_2 has a range of values from 3.19% to 87.7% with a mean of 53.33%.

Titanium (TiO₂)

The assayed data for TiO₂ has a range of values from 0.31% to 16.5% with a mean of 1.99%.

Loss of Ignition (LOI)

The assayed data for LOI has a range of values from 2.65% to 28.02% with a mean of 11.39%





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4.4 Block Modelling

4.4.1 Block Size

Parent block sizing was chosen as 10m E x 10m N x 1m RL which was then sub-blocked to 1m E x 1m N x 1m RL. The block model was trimmed by nearest sub-block to the wireframe encompassed by the top and base of the resource in accordance with the JORC Code (2012).

4.4.2 Resource Parameters and Assumptions

The following parameters and assumptions formed the basis for the upgraded Mineral Resource Estimate in accordance with the JORC Code 2012.

- Topography DEM sourced by drone survey
- The resource boundary was determined by a combination of Mining Lease Boundary, geological interpretation and area of influence considerations.
- 5 lithologies determined by geochemistry and geological interpretation Bauxitic Clay, Plastic Clay, Kaolinite Clay (High Iron), Kaolinite Clay (Low Iron) and Sandy Clay.
- A 32% Al₂O₃ grade aided with the determination of the domain boundaries which were determined by analysis of raw assay data down each individual drill hole. The grade applied is consistent with industry practice for these types of Kaolin deposits.
- As advised by the Project Geologist, no cut-off grade was applied to the Bauxitic Clay, Plastic Clay, Kaolinite Clay (High Iron) and Kaolinite Clay (Low Iron) domains for the estimation process. A cut-off grade of 23% Al₂O₃ was applied to the Sandy Clay domain for the estimation process. All assayed elements were reported as secondary elements constrained to the cut-off grade.
- No topsoil considerations as advised by the Project Geologist.
- Density values as provided by the Project Geologist.

Further information relating to the resource parameters and assumptions can be found in **Appendix C** – JORC Table 1.

4.4.3 Resource Shape and Volume

Prior to interpolating and assigning assay values to each block, a solid was generated to model the overall deposit shape and volume by applying the following parameters:

- Top surface constrained to topography and determined by geological interpretation for each domain
- Bottom surface constrained to drilled floor and determined by geological interpretation for each domain
 - Boundary the resource boundary was defined by the following considerations:
 - Geological interpretation of drillholes
 - Area of influence around drillholes determined by confidence level
 - Mining Lease Boundary.

Multiple cross section iterations were used to further define and constrain the model where data was minimal with information/consultation from the Project Geologist.

4.4.4 Cut-Off Grade

As advised by the Project Geologist, no cut-off grade was applied to the Bauxitic Clay, Plastic Clay, Kaolinite Clay (High Iron) and Kaolinite Clay (Low Iron) domains for the estimation process. A cut-off grade of 23% Al₂O₃ was applied to the Sandy Clay domain for the estimation process. All assayed elements were reported as secondary elements constrained to the cut-off grade.

A 32% Al₂O₃ grade aided with the determination of the domain boundaries which were determined by analysis of raw assay data down each individual drill hole. The grade applied is consistent with industry practice for these types of Kaolin deposits.

4.4.5 Estimation Method - Kriging

The Ordinary Kriging (OK) method was used to estimate the grades and populate the block model for all assayed elements. The ellipse directions utilised the directions from the variography described in Section 5.4.7

The Inverse Distance Weighting (IDW) method (2:1) was used to check the model and yielded similar results.

Both estimation methods are universally acceptable resource estimators, with IDW potentially having an exponent arbitrariness or bias, is relatively simpler to apply, as opposed to variography and kriging being an unbiased estimator requiring a high degree of expert application.

4.4.6 Semivariogram Map

Semivariogram mapping is used to define the three planes of continuity (strike, dip and pitch). The direction of least variation/highest continuity (dark blue colour) was picked in each plane. A semi-variogram is created with a spherical model fitted for each of the three plans. Work should continue with ongoing improved geological understanding and particularly with deposit-wide infill drilling, to carry out detailed geostatistical analyses and particularly variography studies to cross validate applications.

4.4.7 Validation

Using the same blank block model as the OK model, the blank block model was populated with values for all assayed elements. The IDW interpolation method is traditionally used to model homogenous deposits or deposits where the strike and dip remain reasonably constant (Micromine, 2021). The method is based on estimating values by averaging the input assay data points in the neighbourhood of each block within the model. IDW is not driven by geostatistics with points closer to the centroid of the block having a greater influence.

Cross-sections throughout the block model were compared with the same sections through the drillhole data showing that the modelling completed was indicative of the input data and the mineralisation.

Swath plots were used to validate the interpolation technique to ensure accuracy. Swath plots compared the drillhole and block model with Al₂O₃, Fe₂O₃, SiO₂, TiO₂ and LOI grades which showed sufficient spatial correlation between both modelled estimates and input drillhole grades.

AI2O3

< 20.00












Figure 4.10 – Section C-C to C'-C' (Long Section from North LHS of section to South RHS of section)



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Figure 4.11 – Section D-D to D'-D' (Long Section from North LHS of section to South RHS of section)





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4.5 Resource Reporting in Accordance with JORC Code 2012

4.5.1 JORC Code 2012

The Joint Ore Reporting Committee (JORC) Code 2012 is a professional code of practice that set minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. A mineral resource is defined by the JORC Code (2012) as follows:

"A 'Mineral Resource' is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories"

The general relationship between Exploration Results, Mineral Resources (Inferred, Indicated and Measured) and Ore Reserves (Probable and Proved) is shown in **Figure 4.12** from The JORC Code, 2012 Edition. Mineral Resources stated in this report have been categorised as Measured, Indicated and Inferred based on "increasing level of geological knowledge and confidence".

Figure 4.12 - General Relationship between Exploration Results, Mineral Resources and Ore Reserves.



JORC Code, 2012 Edition

Although there have been some considerations to mining, processing, metallurgical, infrastructure, economic, marketing legal, environment, social and government factors. These have not been considered adequately to report any Probable or Proved Ore Reserves in accordance with the JORC Code 2012.





Kalotech Pty Ltd | Toondoon Kaolin Project – Upgraded Mineral Resource Estimate | 31/01/2022

4.5.2 Measured Mineral Resource Estimate

This maiden Measured Mineral Resource Estimate has been prepared by Ausrocks Pty Ltd in accordance with the JORC Code (2012). An excerpt on the definition of a Measured Mineral Resource as per the JORC Code (2012) is as follows:

"A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve. Mineralisation may be classified as a Measured Mineral Resource when the nature, quality, amount and distribution of data are such as to leave no reasonable doubt, in the opinion of the Competent Person determining the Mineral Resource, that the tonnage and grade of the mineralisation can be estimated to within close limits, and that any variation from the estimate would be unlikely to significantly affect potential economic viability. This category requires a high level of confidence in, and understanding of, the geological properties and controls of the mineral deposit. (JORC Code (2012) Clause 23)

The choice of the appropriate category of Mineral Resource depends upon the quantity, distribution, and quality of data available and the level of confidence that attaches to those data. The appropriate Mineral Resource category must be determined by a Competent Person." (JORC Code (2012) Clause 24)

In accordance with the JORC Code (2012), requirements were developed to allow for areas of the Toondoon Kaolin Project to be classified as a Measured Mineral Resource. To meet the requirements of a Measured Mineral Resource, drillholes had to show geological continuity between gridded drillholes with a confirmatory spacing (100m x 100m with infill holes with a minimum of one hole drilled in between each 4 x 100m drillhole 'square').

Table 4.2 – Measured Mineral Resource Estimate											
Resource Category	Lithology	Volume (Mm³)	Density (t/m³)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO₂ %	TiO₂ %	LOI %	K₂O %	Cut-Off Grade
Measured	Bauxitic Clay	750,000	2.05	1,530,000	38.81	13.86	21.92	4.53	20.07	0.06	No cut-off applied
Measured	Plastic Clay	1,380,000	1.74	2,400,000	35.45	4.98	41.39	3.38	14.20	0.02	No cut-off applied
Measured	Kaolinite Clay (High Iron)	510,000	1.74	880,000	36.79	1.92	44.92	2.19	13.63	0.05	No cut-off applied
Measured	Kaolinite Clay (Low Iron)	900,000	1.74	1,570,000	37.48	0.41	46.50	1.59	13.43	0.12	No cut-off applied
Measured	Sandy Clay	800,000	1.69	1,350,000	26.79	0.73	61.24	1.21	9.52	0.05	23% Al ₂ O ₃

4.5.3 Indicated Mineral Resource

Ausrocks prepared this upgraded Indicated Resource Estimate for the Toondoon Kaolin Project in accordance with the JORC Code 2012. An excerpt on the definition of an Indicate Mineral Resource as per the JORC Code (2012) is as follows:

"An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve. Mineralisation may be classified as an Indicated Mineral Resource when the nature, quality, amount and distribution of data are such as to allow confident interpretation of the geological framework and to assume continuity of mineralisation." (JORC Code 2012 Clause 22).

In accordance with the JORC Code (2012), requirements were developed to allow for areas of the Toondoon Kaolin Project to be classified as an Indicated Mineral Resource. To meet the requirements of an Indicated Mineral Resource, drillholes had to show geological continuity between gridded drillholes with a reconnaissance spacing (100m x 100m)

Table 4.3 – Indicated Mineral Resource Estimate											
Resource Category	Lithology	Volume (Mm³)	Density (t/m³)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO₂ %	TiO₂ %	LOI %	K₂O %	Cut-Off Grade
Indicated	Bauxitic Clay	1,510,000	2.05	3,090,000	37.04	16.05	22.62	4.19	19.43	0.05	No cut-off applied
Indicated	Plastic Clay	2,620,000	1.74	4,560,000	35.22	4.84	42.09	3.15	14.06	0.03	No cut-off applied
Indicated	Kaolinite Clay (High Iron)	950,000	1.74	1,660,000	36.48	2.32	45.24	1.85	13.49	0.08	No cut-off applied
Indicated	Kaolinite Clay (Low Iron)	1,150,000	1.74	1,990,000	37.57	0.40	46.43	1.58	13.41	0.12	No cut-off applied
Indicated	Sandy Clay	1,460,000	1.69	2,460,000	26.10	0.76	62.15	1.21	9.25	0.05	23% Al ₂ O ₃

4.5.4 Inferred Mineral Resource

Ausrocks prepared this maiden Inferred Mineral Resource Estimate for the Toondoon Kaolin Project in accordance with the JORC Code 2012. An excerpt on the definition of an Inferred Mineral Resource as per the JORC Code (2012) is as follows:

"An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. (JORC Code (2012) Clause 21).

In accordance with the JORC Code (2012), requirements were developed to allow for areas of the Toondoon Kaolin Project to be classified as an Inferred Mineral Resource. To meet the requirements of an Inferred Mineral Resource, drillholes showed geological continuity between gridded drillholes with a reconnaissance spacing (100m x 100m) but had limited cross sectional control (2 or 3 drillholes in cross section).

Table 4.4 – Inferred Mineral Resource Estimate											
Resource Category	Lithology	Volume (Mm³)	Density (t/m³)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO₂ %	TiO₂ %	LOI %	K₂O %	Cut-Off Grade
Inferred	Bauxitic Clay	480,000	2.05	990,000	30.73	27.86	22.44	3.19	15.18	0.03	No cut-off applied
Inferred	Plastic Clay	510,000	1.74	890,000	34.19	5.88	42.41	3.55	13.31	0.03	No cut-off applied
Inferred	Kaolinite Clay (High Iron)	110,000	1.74	190,000	34.81	6.00	44.02	1.46	13.07	0.15	No cut-off applied
Inferred	Sandy Clay	190,000	1.69	330,000	28.04	2.22	57.93	1.19	10.12	0.06	23% Al ₂ O ₃

Competent Person Statement

The information in this report that relates to Mineral Resources at the Kaolin project is based on results and data collected and compiled by Mr Graham Rolfe, who is a Fellow of the Institute of Geoscientists and a registered practicing Geologist in Mineral Exploration. Mr Graham Rolfe is a Consulting Geologist employed by Rock-Ex-Enterprises Pty Ltd and engaged by Kaoltech Pty Ltd. Mr Graham Rolfe has a Bachelor of Science (Geology) from the University of Queensland and Master of Science (Exploration and Mining Geology) from James Cook University. Mr Graham Rolfe has over 50 years of mining and exploration experience in Australia.

The information in this report that relates to the Kaolin project is based on information and modelling carried out by Mr Chris Ainslie, Project Engineer – Mining & Quarrying, who is a full-time employee of Ausrocks Pty Ltd and a Member of the Australasian Institute of Mining & Metallurgy and a Member of the Australian Institute of Geoscientists. The work was supervised by Mr Carl Morandy, Mining Engineer who is Managing Director of Ausrocks Pty Ltd and a Member of the Australasian Institute of Mining & Metallurgy. Mr Ainslie and Mr Morandy are employed by Ausrocks Pty Ltd who have been engaged by Kalotech Pty Ltd to prepare this independent report, there is no conflict of interest between the parties. Mr Carl Morandy and Mr Chris Ainslie consent to the disclosure of information in the form and context in which it appears in this report.

The overall resource work for the Kaolin project is based on the direction and supervision of Mr Graham Rolfe who has sufficient experience that is relevant to the style of mineralisation and type of deposits 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 corresponding JORC 2012 Table 1 is attached to this report in **Appendix C**.

5 Conclusions

The Toondoon Kaolin Project has been broadly defined by drilling and the geological controls are reasonably well understood. The drill spacing and interpreted geological continuity allowed three resource categories to be defined (Measured, Indicated and Inferred Mineral Resources) in accordance with the JORC 2012 Code. A summary of the Upgraded Mineral Resource Estimate for the Toondoon Kaolin Project is provided in **Table 5.1**,

The interpreted geology of the Toondoon Kaolin Project is relatively robust, and any alternative interpretation of the deposit is considered unlikely to have a significant influence on the Mineral Resource Estimate undertaken. The known nature and formation of the deposit, together with consistent high grades achieved in drillholes, places a high degree of confidence in the geological interpretation. The detailed level of drilling has enabled confidence of the interpreted geology. Continuity of geology and grade (assays) can be readily identified and traced between drillholes.

Table 5.1 – Toondoon Kaolin Project – Upgraded Mineral Resource Estimate											
Resource Category	Lithology	Volume (Mm³)	Density (t/m³)	Tonnes (T)	Al ₂ O ₃ %	Fe ₂ O ₃ %	SiO₂ %	TiO₂ %	LOI %	K₂O %	Cut-Off Grade
Measured	Bauxitic Clay	750,000	2.05	1,530,000	38.81	13.86	21.92	4.53	20.07	0.06	No cut-off applied
Measured	Plastic Clay	1,380,000	1.74	2,400,000	35.45	4.98	41.39	3.38	14.20	0.02	No cut-off applied
Measured	Kaolinite Clay (High Iron)	510,000	1.74	880,000	36.79	1.92	44.92	2.19	13.63	0.05	No cut-off applied
Measured	Kaolinite Clay (Low Iron)	900,000	1.74	1,570,000	37.48	0.41	46.50	1.59	13.43	0.12	No cut-off applied
Measured	Sandy Clay	800,000	1.69	1,350,000	26.79	0.73	61.24	1.21	9.52	0.05	23% Al ₂ O3
Indicated	Bauxitic Clay	1,510,000	2.05	3,090,000	37.04	16.05	22.62	4.19	19.43	0.05	No cut-off applied
Indicated	Plastic Clay	2,620,000	1.74	4,560,000	35.22	4.84	42.09	3.15	14.06	0.03	No cut-off applied
Indicated	Kaolinite Clay (High Iron)	950,000	1.74	1,660,000	36.48	2.32	45.24	1.85	13.49	0.08	No cut-off applied
Indicated	Kaolinite Clay (Low Iron)	1,150,000	1.74	1,990,000	37.57	0.40	46.43	1.58	13.41	0.12	No cut-off applied
Indicated	Sandy Clay	1,460,000	1.69	2,460,000	26.10	0.76	62.15	1.21	9.25	0.05	23% Al ₂ O3
Inferred	Bauxitic Clay	480,000	2.05	990,000	30.73	27.86	22.44	3.19	15.18	0.03	No cut-off applied
Inferred	Plastic Clay	510,000	1.74	890,000	34.19	5.88	42.41	3.55	13.31	0.03	No cut-off applied
Inferred	Kaolinite Clay (High Iron)	110,000	1.74	190,000	34.81	6.00	44.02	1.46	13.07	0.15	No cut-off applied
Inferred	Sandy Clay	190,000	1.69	330,000	28.04	2.22	57.93	1.19	10.12	0.06	23% Al ₂ O3

Cut-Off Grade	Bauxitic Clay (BCM)	Bauxitic Clay (T)	Plastic Clay (BCM)	Plastic Clay (T)	Kaolinite Clay (High Iron) (BCM)	Kaolinite Clay (High Iron) (T)	Kaolinite Clay (Low Iron) (BCM)	Kaolinite Clay (Low Iron) (T)	Sandy Clay (BCM)	Sandy Clay (T)
23% + Al ₂ O ₃	2,680,000	5,490,000	4,510,000	7,840,000	1,570,000	2,730,000	2,050,000	3,560,000	2,450,000	4,140,000
32%+ Al ₂ O ₃	2,220,000	4,550,000	4,210,000	7,330,000	1,550,000	2,700,000	2,050,000	3,560,000	90,000	150,000
33%+ Al ₂ O ₃	2,110,000	4,320,000	4,070,000	7,080,000	1,530,000	2,670,000	2,050,000	3,560,000	10,000	10,000
34%+ Al ₂ O ₃	1,960,000	4,020,000	3,840,000	6,690,000	1,490,000	2,580,000	2,040,000	3,550,000	-	-
35%+ Al ₂ O ₃	1,850,000	3,790,000	3,360,000	5,850,000	1,340,000	2,330,000	2,010,000	3,490,000	-	-
36%+ Al ₂ O ₃	1,650,000	3,390,000	1,010,000	1,760,000	1,080,000	1,870,000	1,870,000	3,250,000	-	-
37%+ Al ₂ O ₃	1,470,000	3,010,000	260,000	450,000	640,000	1,110,000	1,570,000	2,730,000	-	-
38%+ Al ₂ O ₃	1,270,000	2,610,000	130,000	230,000	160,000	290,000	810,000	1,410,000	-	-
39%+ Al ₂ O ₃	1,060,000	2,170,000	60,000	100,000	10,000	10,000	-	-	-	-
40%+ Al ₂ O ₃	770,000	1,580,000	30,000	50,000	-	-	-	-	-	-

Domain	Surface Area (m ²)	Average Depth (m)
Bauxitic Clay	690,000	4.0
Plastic Clay	790,000	5.7
Kaolinite Clay (High Iron)	790,000	2.0
Kaolinite Clay (Low Iron)	480,000	4.3
Sandy Clay	830,000	13.3

6 Recommendations

There is scope to increase the knowledge and understanding of the Toondoon Kaolin Project by completing the following additional work:

There is scope to increase the knowledge and understanding of the Toondoon Kaolin Project by completing the following additional work:

- Complete assessment of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environment, social and government factors or any other modifying factors to enable a proportion of this Mineral Resource Estimate to be potentially upgraded to Ore Reserve status, according to JORC Code (2012) Guidelines.
- Undertake further infill drilling to best complete a gridded coverage across the entire Resource Area, to upgrade
 the Mineral Resource categories and potential size and increase potential Ore Reserve size. An infill drilling
 program with one hole drilled in between each 4 x 100m drillhole 'square' of the Indicated Mineral Resource
 areas could allow the areas to be upgraded to Measured Mineral Resource. Drilling should be taken to
 intersection of sandy clays. The upgrade to Measured Mineral Resources is not likely to be critical to progress
 the project to Pre-feasibility or Definitive-feasibility Study level."
- There is indication of Kaolinite Clay (low iron) near the surface in the central zone of the exploration area. Mine designs/plans could be completed to determine mining options.
- A further detailed aerial survey (LiDAR) for the project is considered integral to this ongoing confirmatory work.
- Conduct additional specific gravity determinations.
- Ensure Sampling and Assaying Procedures are continuously reviewed and improved. Maintain systematic application of assay checking. The systematic employment and analysis of drilling blanks, standards and duplicates for assaying is required.



7 References

ASX: ZEO Statement (Zeotech to Acquire One of Australia's Highest Grade Kaolin Projects Held Within an Approved Mining Lease _

Micromine 2021 Online Help, published version 06/03/2020 14:46

The JORC Code 2012 Edition, 2012, The AusIMM.

Appendix A | Sections







20 0 20 40 60 80































20 0 20 40 60 80










































AUSROCKS 100 0 100 200 300 400 20 0 20 40 60 80













AUSROCKS 100 0 100 200 300 400 25

20 0 20 40 60 80





AUSROCKS 100 0 100 200 300 400 46 45 20 0 20 40 60 80







Appendix B | Statistics



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Mean
U Outliers
 8



	Mean Outliers
LOI	
LOI 2776	
LOI 2776 2.65	
LOI 2776 2.65 28.02	
LOI 2776 2.65 28.02 11.3855	
LOI 2776 2.65 28.02 11.3855 21.9968	
LOI 2775 2.65 28.02 11.3855 21.9988 4.69028	
LOI 2775 2.65 28.02 11.3855 21.9988 4.69028 0.411952	
LOI 2776 2.65 28.02 11.3855 21.9988 4.69028 0.411962 6.69	
LOI 2775 2.65 28.02 11.3855 21.9988 4.69028 0.411952 6.69 12.595	
LOI 2775 2.65 28.02 11.3855 21.9988 4.69028 0.411952 6.69 12.595 13.8	
LOI 2776 2.65 28.02 11.3855 21.9988 4.69028 0.411952 6.69 12.595 13.8 -58.9995	
LOI 2775 2.65 28.02 11.3855 21.9988 4.69028 0.411952 6.69 12.595 13.8 -58.9995 14.7446	



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AUSROC	KS

				Fe2O3	VS A	203
				200		
_	-					
	_					
4	8 5	0 5	2			



AUSROCKS	3
----------	---

		SiO2 vs.	AI203
_			
•			
_			



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			1	rio2 vs	6. AI2O3
16	17	18			



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		_		AI2O2
			LOT VS.	AI203
2	28	30		



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			SiO2 vs. Fe2O3
_			
5	90	95	



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			TiO2 vs.	Fe2O3
16 1	7 1	8		



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		LOI vs.	Fe2O3
28	30		



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				102 vs. 5102
	-			
1	6 1	7 1	8	4



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				AUS	RO	eks
			LC)I vs. Si	02	
•						
-						
2	 28	30				



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			AUSR	OCKS
			vs TiO2	
			10. 1102	
2	8	30		



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AUSROC	eks.
Al2O3 vs. RL Mid	



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Ausrock	S
Fe2O3 vs. RL Mid	



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	AUSROCKS
	SiO2 vs. From
+	



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AUSROO	eks
TiO2 vs. RL Mid	



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AUSROCKS				
LOI vs. RL Mid				



















Semivariogram Map - Pl Clay - Al2O3

Strike Variogram











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AUSROCKS

AZ = 0; PI = 90	
A7 = 358 DI =	0
0	
Variance (28.764)
	Az = 358: PI =









































ability-Probability
mistry (Duplicates)
Al2O3
63
26.800
89.560
9.464
0.999
0.999
-1
0.001
nan
nan
nemistry (Original)
AI2O3
63
26.7935
89.4432
9,45744





ability-Probability
stry (Duplicates)
Fe2O3
63
3.510
47.538
6.895
0.999
1.006
1
0.011
3.841
2.706
emistry (Original)
Fe2O3
63
3.52
47.8432
6.91688





ability-Probability
stry (Duplicates)
SiO2
63
57.171
389.867
19.745
1.000
1.001
0
0.153
nan
nan
emistry (Original)
SiO2
63
57.162
390.236
19.7544





ability-Probability
stry (Duplicates)
TiO2
63
1.651
1.528
1.236
1.000
0.997
1
1.537
3.841
2.706
emistry (Original)
TiO2
63
1.65042
1,52438
1.23466





ability-Probability
stry (Dunlicates)
63
10 3/3
22 090
4 700
0.999
1.002
-1
0.000
nan
nan
emistry (Original)
LOI
63
10.3519
22.1347
4.70475

Q-Q Plot - Previous Duplicates Chemistry - Al2O3

AI2O3





Chart Type	Probability-Probability
Y Axis	
Input File	Interval - Previous Duplicates Chemistry (Original)
Y Name	AI2O3
Sample Ny	129
Mean	32.286
Variance	77.126
Std Dev	8.782
Corr Coeff	0.999
X Var / Y Var	0.988
Chi ² Degrees of Freedom	1
Experimental Chi ²	4.913
Critical Chi ² 5%	3.841
Critical Chi ² 10%	2.706
X Axis	
Input File	Interval - Previous Duplicates Chemistry (Duplicates)
X Name	AI2O3
Sample Nx	129
Mean	32.2176
Variance	76.2207
Std Dev	8.73045



Fe2O3





Chart Type	Probability-Probability	
Y Axis		
Input File	Interval - Previous Duplicates Chemistry (Original)	
Y Name	Fe2O3	
Sample Ny	129	
Mean	4.501	
Variance	39.518	
Std Dev	6.286	
Corr Coeff	0.999	
X Var / Y Var	0.995	
Chi ² Degrees of Freedom	2	
Experimental Chi ²	1.699	
Critical Chi ² 5%	5.991	
Critical Chi ² 10%	4.605	
X Axis		
Input File	Interval - Previous Duplicates Chemistry (Duplicates)	
X Name	Fe2O3	
Sample Nx	129	
Mean	4.51033	
Variance	39.3179	
Std Dev	6.2704	



Prob	Probability-Probability	
uplicates Cher	mistry (Original)	
	SiO2	
	129	
	47.199	
	368.894	
	19.207	
	1.000	
	0.988	
	2	
	0.843	
	5.991	
	4.605	
icates Chemis	try (Duplicates)	
	SiO2	
	129	
	47.2817	
	364.333	



Probability	/-Probability
uplicates Chemistry	y (Original)
	TiO2
	129
	2.351
	2.203
	1.484
	1.000
	1.003
	2
	0.884
	5.991
	4.605
licates Chemistry ([Duplicates)
	TiO2
	129
	2.34936
	2.20992
	1.48658

Q-Q Plot - Previous Duplicates Chemistry - LOI



🔶 LOI



Chart Type	Probability-Probability
Y Axis	
Input File	Interval - Previous Duplicates Chemistry (Original)
Y Name	LOI
Sample Ny	129
Mean	13.051
Variance	24.691
Std Dev	4.969
Corr Coeff	0.999
X Var / Y Var	0.988
Chi ² Degrees of Freedom	1
Experimental Chi ²	2.740
Critical Chi ² 5%	3.841
Critical Chi ² 10%	2.706
X Axis	
Input File	Interval - Previous Duplicates Chemistry (Duplicates)
X Name	LOI
Sample Nx	129
Mean	13.0241
Variance	24.3902
Std Dev	4.93864





bility-Probability
istry (Duplicates)
AI2O3
63
26.800
89.560
9.464
0.999
0.999
-1
0.001
nan
nan
emistry (Original)
AI2O3
63
26.7935
89.4432
9.45744





ability-Probability
stry (Duplicates)
Fe2O3
63
3.510
47.538
6.895
0.999
1.006
1
0.011
3.841
2.706
emistry (Original)
Fe2O3
63
3.52
47.8432
6.91688





ability-Probability
stry (Duplicates)
SiO2
63
57.171
389.867
19.745
1.000
1.001
0
0.153
nan
nan
emistry (Original)
SiO2
63
57.162
390.236
19.7544





ability-Probability
stry (Duplicates)
TiO2
63
1.651
1.528
1.236
1.000
0.997
1
1.537
3.841
2.706
emistry (Original)
TiO2
63
1.65042
1,52438
1.23466





ability-Probability
stry (Dunlicates)
LOI
63
10.343
22.090
4.700
0.999
1.002
-1
0.000
nan
nan
emist <mark>ry (</mark> Original)
LOI
63
10.3519
22.1347
4.70475

















AUSROCKS

•	Standards Chemistry
	Oreas999
	2 Standard Deviation (-)
	2 Standard Deviation (+)
	Mean



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AUSROCKS

•	Standards Chemistry
	Oreas999
	2 Standard Deviation (-)
	2 Standard Deviation (+)
	Mean