



Middle Island
RESOURCES LIMITED

Middle Island Resources Ltd
ACN 142 361 608
ASX code: MDI
www.middleisland.com.au

Capital Structure:

2,132 million ordinary shares
1,100 million unlisted options

Cash & Investments:

\$5.17m (as at 25 May 2020)
No debt

Directors & Management:

Peter Thomas
Non-Executive Chairman
Rick Yeates
Managing Director
Beau Nicholls
Non-Executive Director
Brad Marwood
Non-Executive Director
Dennis Wilkins
Company Secretary

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ASX Release – 26 June 2020

4m at 99.5g/t Au in new drilling at Sandstone gold project, WA

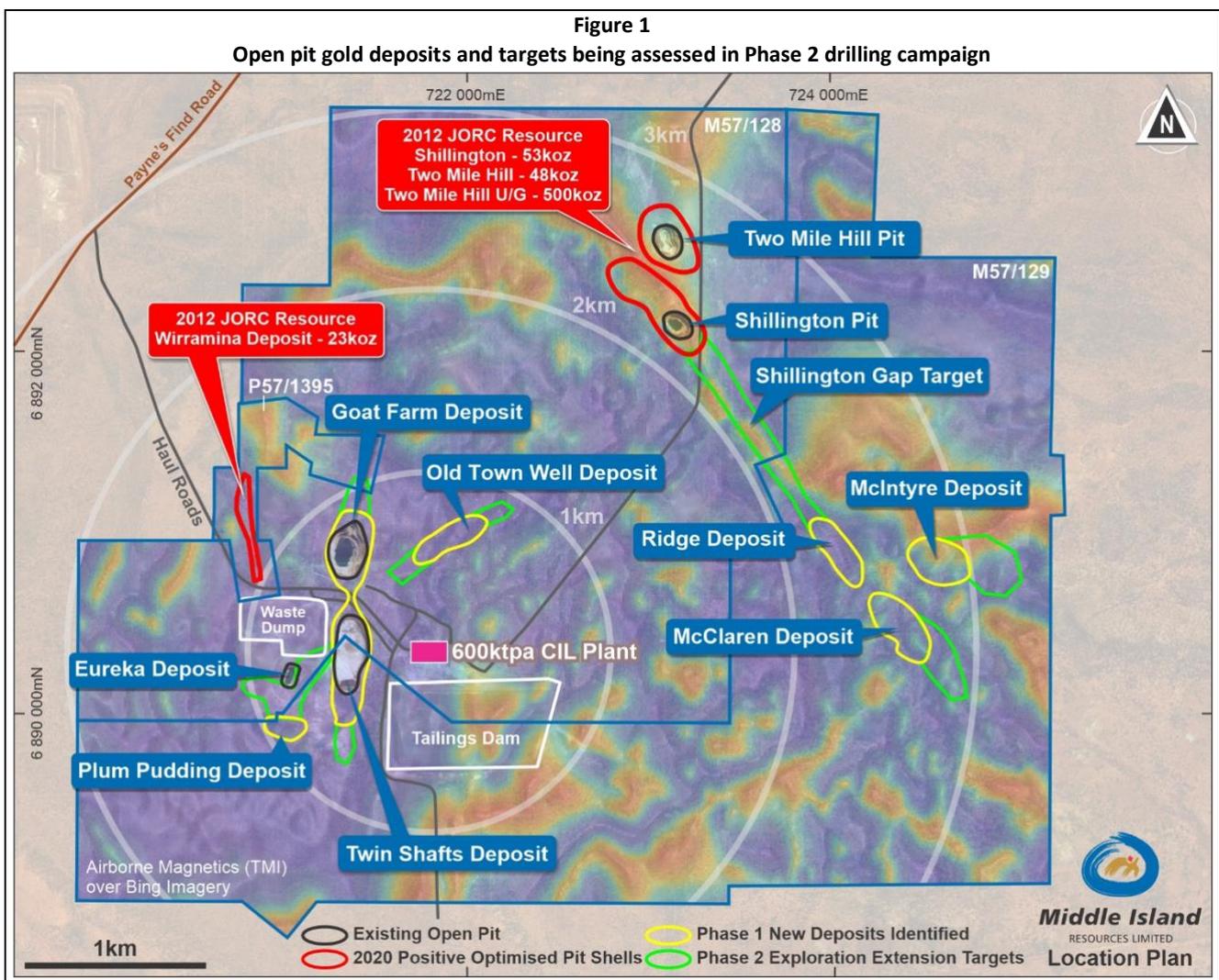
- New hole MSRC530 intersected **4m at 99.5g/t Au, including 1m at 390g/t Au (repeat assay 502g/t Au)** in initial Phase 2 RC drilling at the new Ridge deposit at Middle Island's 100%-owned Sandstone gold project.
- MSRC530 is the most northerly hole completed to date at the Ridge satellite deposit and immediately adjoins the Shillington Gap target, where exploratory drilling will be undertaken at the end of the Phase 2 RC campaign.
- Assay results derived from infill and extension RC drilling at the Ridge prospect are still incomplete and, as such, it is not yet possible to establish the full significance of this initial intersection in context.
- A high resolution airborne magnetic survey and drone digital terrain model have been completed over M57/128, M57/129 and P57/1395 at Sandstone.
- Processing of the airborne magnetic and radiometric data has been finalised and interpretation is in progress prior to drill planning at the Shillington Gap exploration target.
- An extension of the existing program of work (POW) over M57/129 has been approved to accommodate additional drilling requirements at the McClaren, McIntyre and Ridge satellite deposits, along with planned exploratory drilling of the Shillington Gap target.
- Some 9,000m of the Phase 2 drilling campaign have been completed and the program is running to schedule.
- Oxide diamond coring of all new satellite deposits for bulk density, metallurgical and geotechnical purposes is planned to start on schedule during the week commencing 6 July.
- The Feasibility Study update is progressing well, simultaneous with the Phase 2 drilling campaign.



SANDSTONE GOLD PROJECT (WA)

Explorer and aspiring gold developer, Middle Island Resources Limited (**Middle Island, MDI or the Company**) is pleased to announce a single, yet very high grade, initial drill intercept derived from infill and extension drilling at the new Ridge satellite deposit at the Company's 100%-owned Sandstone gold project in the central goldfields of Western Australia.

The Phase 2 RC program, exclusively focussed on open pit targets at Sandstone, is designed to infill and extend existing and new deposits defined by the Phase 1 program, with the objective to define Mineral Resources to an Indicated classification. The new Ridge results lie just northeast of the Company's 100%-owned Sandstone gold processing plant and on permitted Mining Lease M57/129 (Figure 1).



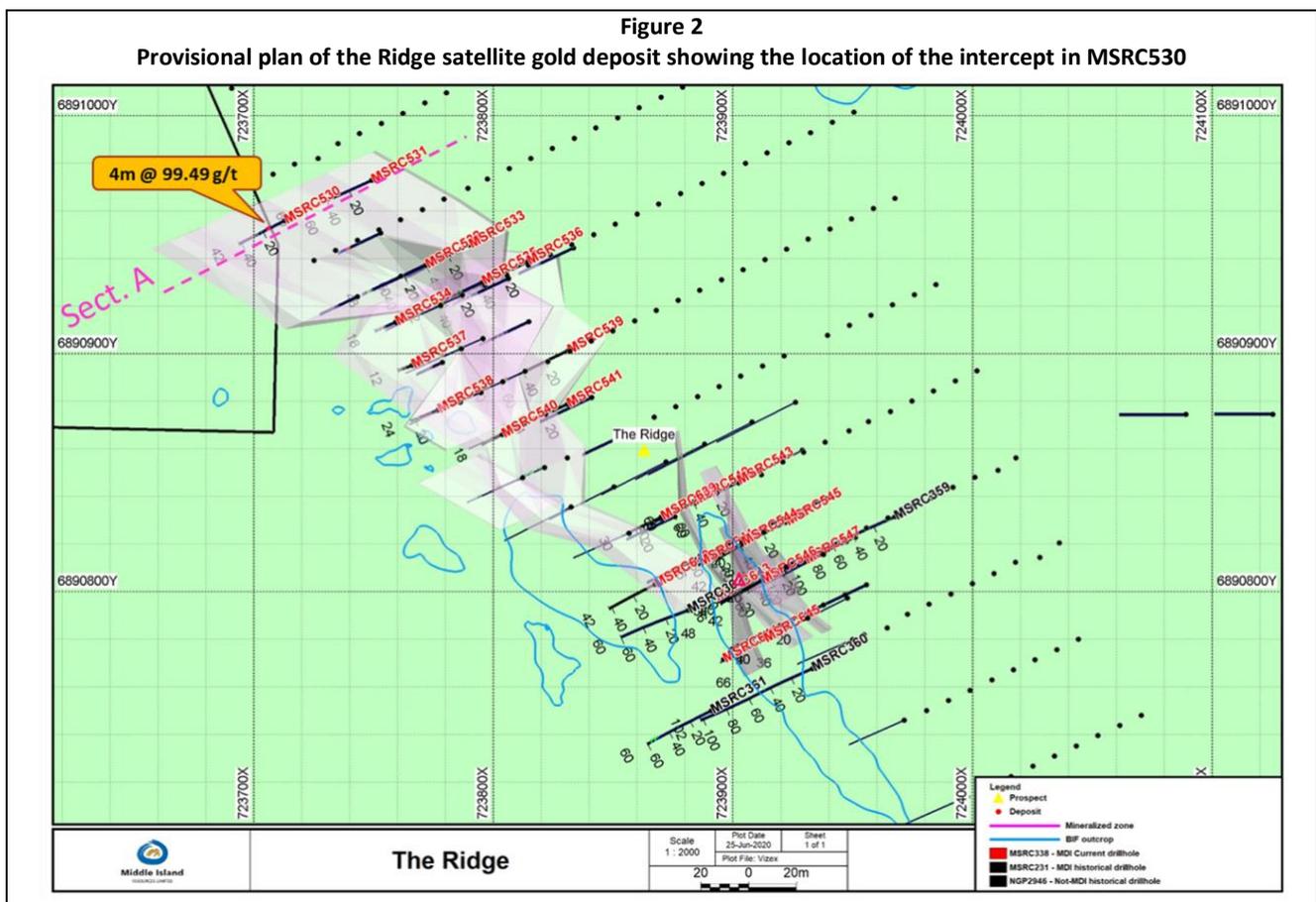


This announcement details assay results derived from a single RC drill intercept in MSRC530 at the new Ridge deposit. The drill intercept in MSRC530 is based on 1m individual samples, reported at a notional open pit cut-off grade of 0.6g/t Au and other parameters (Table 1). All results are based on 50g fire assay analyses completed by Nagrom in Perth. The exploration results have been prepared and reported in accordance with the JORC Code 2012.

Prospect	Hole ID	East	North	RL	Dip	Azimuth	Hole Depth (m)	Depth From (m)	Depth To (m)	Thickness (m)	Grade (g/t Au)
Ridge	MSRC530	723712.98	6890955.95	510.83	-59.57	242.45	42	13	17	4	99.5

Note: Calculated at a 0.6g/t Au lower cut-off grade, a minimum intercept length of 2m and a maximum of 2m of included waste. Grid MGA94_50.

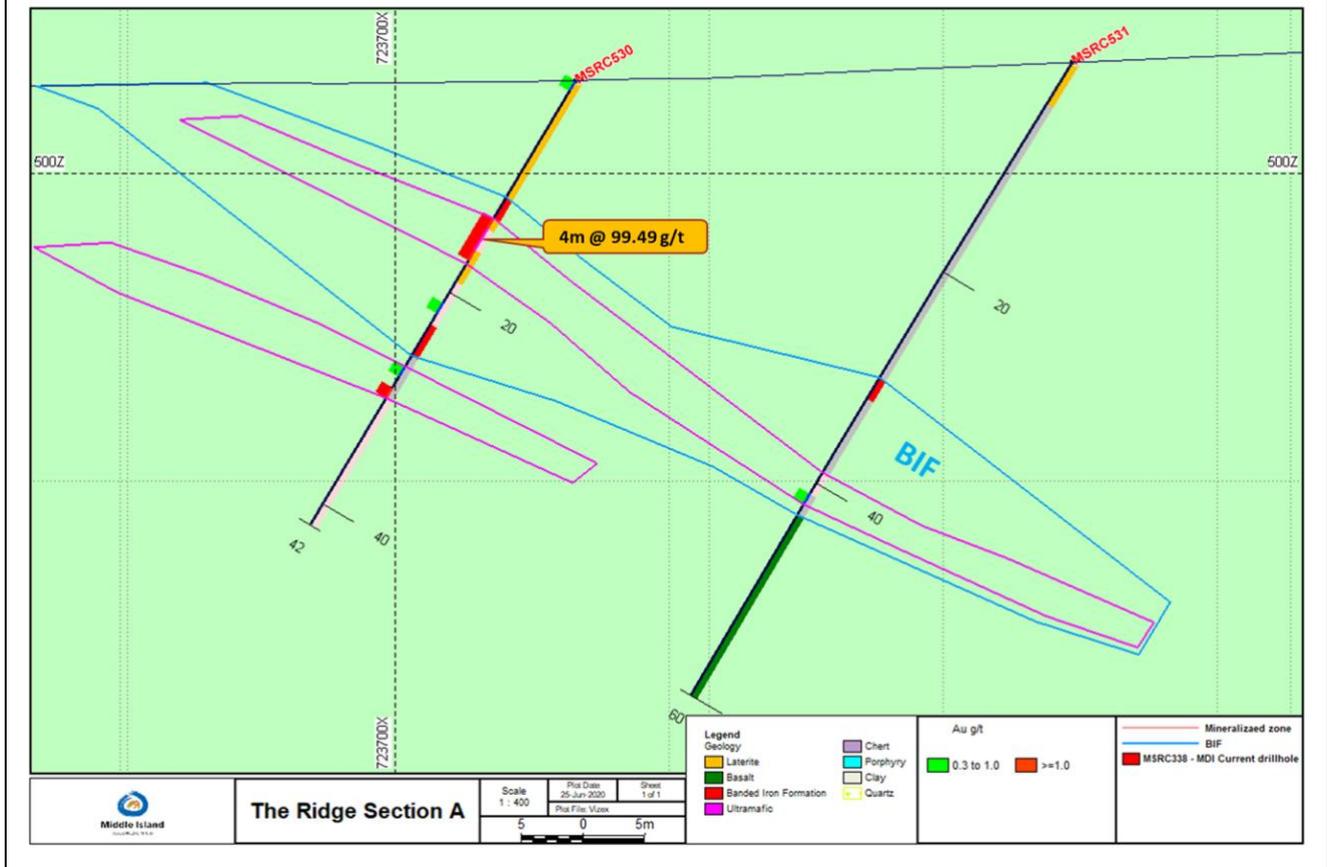
MSRC530 includes an intercept of **4m at 99.5g/t Au** (from 13m), **including 1m at 390g/t Au** (from 14m) for which a **duplicate assay of 1m at 502g/t Au** was returned. MSRC530 is an extension hole drilled at the extreme northern end of the Ridge satellite gold deposit (Figure 2), which remains open to the north into the Shillington Gap target, where initial exploratory RC drilling is planned later in the Phase 2 campaign.



The bonanza grade intercept in MSRC530 lies at shallow depth, hosted within a shallow northeast dipping unit of banded iron formation (BIF) comprising part of the Shillington BIF package (Figure 3).



Figure 3
Ridge satellite gold deposit (provisional Section A)



While further results from Phase 2 infill and extension RC drilling at the Ridge deposit will be required to more fully comprehend the context of the intercept in MSRC530, **this initial result lies some 40m along strike from a Phase 1 RC drill intercept of 3m at 8.77g/t Au** (refer ASX Release dated 29 May 2020), lending considerable support for this style of mineralisation persisting to the north, beneath shallow cover, into the Shillington Gap target area.



RELEASE AUTHORISED BY:

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Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Middle Island, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

Competent Persons' Statement

Information in this release that relates to new Exploration Results fairly reflects information and supporting documentation prepared by Mr Rick Yeates. Mr Yeates is a Member of the Australasian Institute of Mining and Metallurgy and a fulltime employee of Middle Island Resources Limited. Mr Yeates has sufficient experience, which is relevant to the nature of work and style of mineralisation under consideration, to qualify as Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Yeates has given his prior written consent to the inclusion in the release of the statements, based on his information, in the form and context in which they appear. Mr Yeates is a shareholder in the Company and entities associated with Mr Yeates hold unlisted options in the capital of the Company as disclosed in Appendix 3Y and substantial shareholder notices released to ASX.

Previously Reported Information

This report includes information that relates to previously reported Exploration Results, which were prepared and first disclosed under the JORC Code 2012. The information was extracted from the Company's previous announcements dated 29 May and 9 June 2020, which are available to view on the Company's website.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements 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 announcements.

Appendix 1

The following Table is provided in compliance with the JORC Code

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> The new results are derived from RC drilling completed by Middle Island Resources. All sampling was carried out by collecting 2-3kg of RC chips off the drill rig's cone splitter; the sampling was undertaken on 1m intervals over the whole length of each drillhole. Average sample recoveries are 96.9% for the Ridge deposit. The sub-sample was a consistent size of 2-3kg, derived from the cone splitter. The primary sample was taken from the same splitter chute the entire program. Individual 1m sub-samples of drill cuttings weighing 2-3kg were sent to Nagrom in Perth to be crushed (-10mm) and pulverised to produce a 300g pulp, then split to a 50g charge for fire assay analysis.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> The RC rig employed by Middle Island utilised a face sampling hammer with a 5 inch bit to return sample every metre.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade 	<ul style="list-style-type: none"> RC chip recovery data for this drilling was estimated for each drill metre and captured in a digital logging software package. The recorded average RC chip recoveries for the Ridge prospect is 96.9%. The water table is typically encountered at 60-80m down-hole, with appropriate measures taken by the drilling contractor to maintain recovery and dry samples, including additional air pressure and foam injection. No relationship between sample recovery and grade has been

Criteria	JORC Code explanation	Commentary
	<i>and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	established.
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> The RC chips were logged for lithology, weathering, mineralogy, mineralisation, colour and other features on 1m intervals. Logging was carried out according to Middle Island Resources internal protocols at the time of drilling. Sampling was carried out according to Middle Island Resources internal protocols, which comply with industry standards. All drill holes were quantitatively logged from start to finish of the hole on 1m intervals.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Not applicable Middle Island RC chips were rotary split with a cone splitter on the drill rig, and collected and bagged in 1m intervals. All samples were sampled dry. Samples were dried and crushed to -10mm before being split and then a 300g subsample pulverised to 95% passing 75 microns. This fraction was then split again down to a 50g sample charge for fire assay. For the RC chips the routine sample procedure was to consistently take the primary split from the same chute. A field duplicate (via a second split) off the drill rig's cone splitter was collected and assayed at a rate of 1:50 samples. Field duplicates were taken via second split from the cyclone. Results have been compared to the original sample taken. Sample size and assay charge size are considered entirely appropriate for the style of mineralisation.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> 	<ul style="list-style-type: none"> Middle Island adopted a 50g fire assay method with an ICP-OES finish. This technique is considered appropriate for gold mineralisation of this style. No other measurement tools/instruments were used to derive assays. Field duplicates, lab duplicates, field and laboratory standards were

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<p>routinely included in the assay train at a 1:9 frequency when taking all QC samples into account, and a quartz wash was applied between each sample pulverised. The intercept reported here is biased by a single exceptional result that considerably higher than those recorded in previous drilling programs, however is not unusual for the project or the style of mineralisation evident at the Ridge deposit.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Sampling was undertaken by field assistants supervised by experienced geologists from Middle Island Resources. Significant intercepts were checked by senior personnel who confirmed them as prospective for gold mineralisation. MSRC530 was not a twin hole, however verification drilling has just been completed (results pending) at the Ridge prospect to confirm the previous NRE drilling results in particular. Data was collected digitally utilising designated templates following industry best practice. Sampling data was also captured on paper to ensure a paper trail was maintained by the field staff and checked by the supervising geologists. Logging and sampling data were imported and validated using the OCRIS database software system by an experienced external database manager. After database import, drillhole data were plotted and validated in plan and section view by Middle island geologists and any errors encountered were rectified. Assay data has not been adjusted.
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> Surface collar coordinates are surveyed via RTK GNSS with 1cm accuracy by a professional surveying contractor. A high-quality downhole north-seeking multi-shot or continuous survey gyro-camera was used to determine the dip and azimuth of the hole at 25m intervals down the hole. MGA94 Zone 50 The topographic surface was calculated from the DTM (+/-50mm) and subsequently verified by RTK GNSS collar surveys.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and</i> 	<ul style="list-style-type: none"> Reported results comprise 1m individual sample intervals. The data spacing is sufficient to demonstrate the continuity of geology, however further infill drilling will be required to determine the continuity of mineralisation.

Criteria	JORC Code explanation	Commentary
	<p><i>classifications applied.</i></p> <ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • No composite sampling was applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Drilling orientations were orthogonal to anticipated mineralisation orientations where known. The true width of mineralised saprolite intervals are interpreted to be 100% of the down-hole length. • The Competent Person does not believe that any sample bias has been introduced.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • The samples were collected by a field assistant and two experienced company geologists and transferred directly to the laboratory via a reputable commercial freight courier contractor. • Sample receipt by Nagrom was carried out in line with its internal procedures to maintain chain of custody control.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Reported results are consistent with historic results within the areas drilled.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • The Ridge prospect is located within Mining Lease M57/129, which is 100%-owned by Sandstone Operations Pty Ltd (SOP), a wholly-owned subsidiary of Middle Island Resources Limited. • As of 15/02/2016 Sandstone Operations Pty Ltd was the sole owner of M57/128 & M57/129.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Prior exploration was variously undertaken by National Resources Exploration and Troy Resources is acknowledged, details of which are provided in ASX Release dated 29 May 2020.
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Shear or fault zones hosted within greenschist facies banded iron formation, with meso-thermal quartz veining and associated silica-carbonate-chlorite-pyrite alteration within the Archaean Sandstone greenstone belt.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • The MSRC530 intercept has been released as it is considered material. However, results from only 5 infill and extension RC holes are available. The context of MSRC530 is not yet fully understood. All material information relating to infill and extension drilling at the Ridge deposit will be provided once all results are received and compiled. • All material information will be provided when all results for the Ridge prospect are received and the context better understood.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of</i> 	<ul style="list-style-type: none"> • Drill intercepts reported with weighted averages to create the grade intercepts. Individual internal values of <0.6g/t Au were included over a minimum internal interval of two metres, with a maximum of 2m of internal waste. • The aggregated intercept in MSRC530 includes an individual 1m interval that is relevant to an understanding of the aggregated intercept.

Criteria	JORC Code explanation	Commentary
	<p><i>such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Metal equivalent values are not reported.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Holes have been drilled orthogonally to the general dip and strike of the mineralised unit or envelope. • Down-hole intercepts are interpreted to represent 100% of true width.
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • A table, plan and cross-section is included within the release in isolation, as the single intercept in MSRC530 is considered sufficiently material to be reported immediately to comply with continuous disclosure obligations. More comprehensive tables, plans and cross sections will be provided once all infill and extension RC drilling results have been received and compiled.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • Results are derived from a targeted infill and extension drilling program to confirm existing zones defined from previous programs.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • Other than that included in the release and referenced ASX releases, there is no other relevant, meaningful or material exploration data that is currently known.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Infill, extension and verification drilling at the Ridge prospect has just been completed (results pending) in advance of preparing a Mineral Resource estimate. Mineral Resources will be estimated prior to consideration as Ore Reserves in a feasibility study update planned for the September quarter 2020. • Included – a table, and provisional plan and cross section, are included in the release. Detailed tables, plans and cross sections will be provided once all infill and extension RC drilling results have been received and compiled, and the MSRC530 intercept can then be more fully assessed in context.