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Middle Island
RESOURCES LIMITED

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ACN 142 361 608

ASX Code: MDI

www.middleisland.com.au

Capital Structure:

122,418,222 ordinary shares

Cash & Investments

$9.9 million (as of 30 June 2022)

No debt

Directors & Management:

Peter Thomas

Non-Executive Chairman

Brad Marwood

Executive Director

Bruce Stewart

Non-Executive Director

Rudolf Tieleman

Company Secretary

Contact:

Brad Marwood

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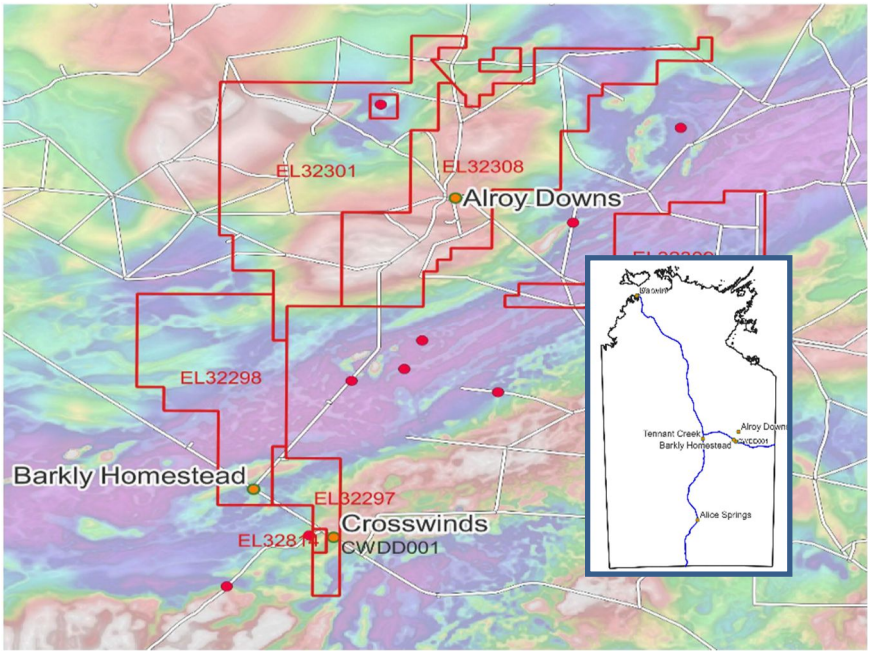
ASX Release –13 September 2022

MAIDEN CROSSWINDS DRILL PROGRAM SUCCESSFULLY COMPLETED

- **IOCG type Hematite alteration, including carbonate, Potassic feldspar, sericite and biotite alteration observed in all holes completed.**
- **Wide zones of observed alteration and veining associated with intrusives intersected throughout the targeted areas.**
- **Hydrothermal alteration, including quartz-sericite-epidote-chlorite, within widespread zones of qtz veining.**
- **A complete interpretation and review to be completed on all data collected from the drilling including the assays results when returned.**
- **Airborne geophysics interpretation well advanced.**



Middle Island
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BARKLY SUPER PROJECT

Introduction

Middle Island Resources Limited (ASX: **MDI**) is pleased to advise that the initial drilling program for the Crosswinds target in the Barkly Tablelands in the Northern Territory has been completed. MDI achieved this with the completion of CWDD002, the 4th drill hole for a total of 3,025m, in the maiden drilling program.

Following the announcement from 1st of August 2022 on the completion of the first drill hole, 3 subsequent holes have been completed. CWDD001 (drilled to 808.4m) was targeting the main IP target generated from work completed in May 2022 (as reported in ASX release 2 June 2022) as well as the surface expression of the Copper oxide observed (ASX release 23 December 2020).

Table 1 below shows all the drill hole location details.

Table 1 Drill Hole Details

Prospect	Hole ID	Easting	Northing	RL	Dip	Azi	Total Depth
Crosswinds West	CWDD004	596045	7813795	335	-70	270	810.8
Crosswinds North	CWDD007	596750	7814900	335	-75	360	855.5
Crosswinds	CWDD002	597125	7812820	334	-70	360	550.3

MDI has undertaken additional drilling, CWDD004 (drilled to 810.8m), which was completed on the second IP target to the north-west (Crosswinds West). After drilling through the upper Georgina Basin limestone sequence and passing thorough the Helen Springs Volcanics, an additional thick sequence of sediments was intersected. This has been interpreted as an equivalent member to that of the Lower McArthur Basin (Blades et al). Below this the basement sediments were intersected at 604m.

A sequence of interbedded sediments with minor intrusives were intersected at the start of the basement. Hematite alteration was also prevalent throughout this basement material.

The basement material then transitions into granite/granodiorite, fine to coarse grained, for the remainder of the hole. Occasionally, it was observed to have strong hematite alteration and quartz veining with albite-sericite and hematite alteration.

Table 2 Core images from Hole CWDD004

	Ductile deformation of qtz-cb veins within sediments, ~633m
	Strong Hematite alteration within Qtz vein, ~655m

MDI also moved to the north to target a coincident gravity high and magnetic high. Drill hole CWDD007 was then drilled to the north and was ended at 855.5m. A malachite thumbnail has been observed at 156.5m within the vuggy limestone of the Georgina Basin. Deposition of this malachite could interpret a very similar system to that of the original discovery of surface malachite at Crosswinds (23 December 2020). The Georgina Basin reached 219m in this hole with the base of the Helen Springs volcanics at 294m.

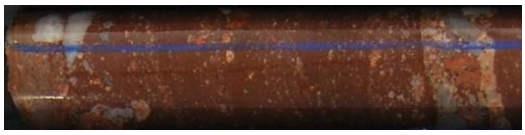
A thick sequence of the equivalent, Lower McArthur Basin, was again intersected. This section reached down to 735m, before entering the basement dominated by Dolerite. This dolerite is altered with hematite and carbonate and continues to the end of the hole at 855.5m.

Chalcopyrite/pyrite in a fracture at 848.6m has also been observed.

Table 3 Core images from Hole CWDD007

	Crackle veining with minor hematite alteration, ~822m
	Quartz breccia veining within Dolerite, ~839m
	Strong Hematite altered Dolerite, ~848m
	Observed Chalcopyrite/pyrite in core, ~848.6m

A return to the first drill pad location saw the drilling of CWDD002 (drilled to 550.3m). The drill hole was re-oriented to drill to the north to test additional limits of the original IP anomaly.

Table 4 Core images from Hole CWDD002	
	Angular clasts with hematite within sediments ~280m

Comments from the Executive Director – Brad Marwood

"The commencement of drilling at the highly prospective Crosswinds prospect has been anticipated for a few months. The results of assays will take a further few months to obtain. The geological inspection of the core from surface provides invaluable insights to the IOCG system potential at Crosswinds. The core demonstrates that multiple sequences of deformations occurred providing fracturing for deportment of mineralisation. The drilling will continue seeking to define a IOCG deposit at Barkly Copper-Gold Super Project once the magnetics and ground gravity work has been assessed for target generation."

RELEASE AUTHORISED BY BRAD MARWOOD (CEO):

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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 Person Statement

The reported Exploration Results were compiled by Brad Marwood, a Fellow of the Australian Institute of Mining and Metallurgy. Mr. Marwood has sufficient experience that is relevant to the style of mineralization and type of deposit 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'. Mr. Marwood is a part-time employee of MDI, and the Competent Person for the Company and other than being paid fees for services in cash and shares for compiling this report, he does not have any financial interest (direct or contingent) in MDI.

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	• *Nature and quality of sampling (e.g., 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 (e.g., 'reverse circulation drilling was used to obtain 1m 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 (e.g., submarine nodules) may warrant disclosure of detailed information.*	• The exploration results contained in this announcement include preliminary core logging and core photography of drill hole CWDD001, the first hole of the recently commenced drilling. CWDD001 was drilled to a total depth of 808.40m all of diamond core. This announcement also includes a drill section showing the drill stem relative to geophysical anomalies. No samples or sample results are mentioned in the announcement.
Drilling techniques	• *Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g., 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.).*	• Diamond drilling to a depth of 808.40m with Both HQ and NQ2 core (diameter 63.5mm and 50.7mm respectively). Core was oriented by use of Reflex ori tool

Drill sample recovery	• *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 and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond core recovery data was measured for each drill run/interval and captured in a digital logging software package. The data has been reviewed and the core recovery was effectively 100% throughout. • Middle Island had no issues with any elements effecting the samples. • No relationship between sample recovery and grade has been established.

Criteria	JORC Code explanation	Commentary
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The diamond core was logged for lithology, weathering, structure, mineralogy, mineralisation, alteration, colour, RQD and geotechnical parameters. Logging was carried out according to Middle Island Resources internal protocols at the time of drilling. • Diamond core was logged continuously to record all relevant features, regardless of length. Core was also photographed within each core tray.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all cores taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc., and whether sampled wet or dry.* • *For all sample types, the nature, quality, and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• At the time of writing the core was whole. • Not applicable. • Other than standard laboratory protocols, no quality control procedures were adopted, given the nature of sampling. • When sampled the size and assay charge size are considered appropriate for the style of mineralisation.

Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	• No quality controls protocols were utilised, other than those employed by the laboratory in assaying, given the reconnaissance nature of sampling.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Sampling was undertaken by experienced geologists contracted to Middle Island Resources. Other than an independent laboratory undertaking the assaying, the results were verified by the Company's external, independent database managers. • No twinned holes or umpire assaying were used as part of this programme. • Sampling data were imported and validated using a GBIS database software system by an experienced database consultancy. • Assay data were not adjusted.

Criteria	JORC Code explanation	Commentary
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Hand-held GPS located the on-ground positions of drill holes. • MGA94 Zone 53S • The topographic surface was recorded by hand-held GPS.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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 classifications applied.* • *Whether sample compositing has been applied.*	• Core samples are to be reported at 1m sample/assay intervals when bulk assaying is conducted. On occasion specific intervals will also be recorded for their specific lengths. • The data spacing is adequate to provide continuity of grade for exploration drilling and resource estimation purposes. • Individual sample interval results will be aggregated via length-weighting to report an overall contiguous mineralised interval.

Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• The amorphous (and generally sub-horizontal) nature of secondary calcrete and silcrete outcrops at surface preclude determination of the orientation of mineralisation, relative to the strike of underlying stratigraphy. However, the Magnetic modelling demonstrates that the basement geology and associated growth faults are oriented normal to the sampling traverse. • Insufficient evidence is available to confirm if the sampled mineralisation reflects true width and may therefore be biased.
Sample security	• *The measures taken to ensure sample security.*	• All samples are held at the Middle Island exploration camp in the custody of Middle Island employees prior to collection by the courier for transport to the laboratory in Adelaide for sample preparation.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No independent audits or reviews of sampling techniques and data has been conducted.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The diamond cores are derived EL32297, which is 100%-owned by Barkly Operations Pty Ltd (BOP), a wholly owned subsidiary of Middle Island Resources Limited.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No acknowledgement or appraisal has been undertaken other parties at this Crosswinds prospect is a new discovery.
Geology	• *Deposit type, geological setting, and style of mineralisation.*	• Copper mineralisation at the Crosswinds prospect is hosted by calcrete and silcrete, representing the weathered expression of limestones comprising the Cambrian Georgina Basin. At this point the Georgina Basin is interpreted to overlie (at circa 200m depth) Proterozoic basement (possibly chloritic siltstones of the Warramunga Formation or equivalent) that has been identified by collaborative pre-competitive government research as prospective for IOCG mineralisation. The surface copper occurrence at Crosswinds is interpreted by the CP to reflect secondary copper mineralisation that has migrated up along growth faults extending from a primary copper source within the basement, through the otherwise unmineralised Georgina Basin.

Drill hole Information	• *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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *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*	• See Table 1 within the release. • No material information has been excluded.

Criteria	JORC Code explanation	Commentary
	why this is the case.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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 such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• • Metal equivalent values are not reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• The primary control on secondary copper mineralisation is believed to result from groundwater movement along growth faults through the Georgina Basin, remobilising copper from a primary mineralised source within the basement beneath. As such, the mineralisation is of significance as a possible vector to primary mineralisation within the basement, rather than being of economic interest in its own right.

	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	
Diagrams	• *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.*	• See table, map, photos, and diagrams within the release.
Balanced reporting	• *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.*	
Other substantive exploration data	• *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.*	• Other than that, included in the release, there is no other relevant, meaningful, or material exploration data that is currently known.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The Company intends to commence more systematic research and exploration in the 2022 dry season. • A selection of photos, maps and a diagrammatic interpretation are included within the release.