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Update on expanded Jervois Project

- **Acquisition of Unca Creek tenement at Jervois completed**
- **Previous exploration confirms well defined copper trend**
- **Reprocessing of exploration results identifies new targets**
- **Detailed gravity survey to commence**

KGL Resources (ASX: KGL) (KGL or the Company) is pleased to announce that the acquisition of the exploration tenement EL28082 adjoining the Jervois Copper Project has been completed. The Northern Territory Government has approved the transfer of the tenement to KGL which was the last outstanding condition precedent to the acquisition, and settlement has now occurred with the vendor.

KGL considers the acquisition, known as the Unca Creek Exploration Project, to have considerable strategic value. The tenement has almost trebled the size of KGL's 100% owned Jervois project area from 37.9 km^2 to 110.8km^2. Unca Creek offers geological similarities to Jervois and is located in the highly prospective Bonya Metamorphics.

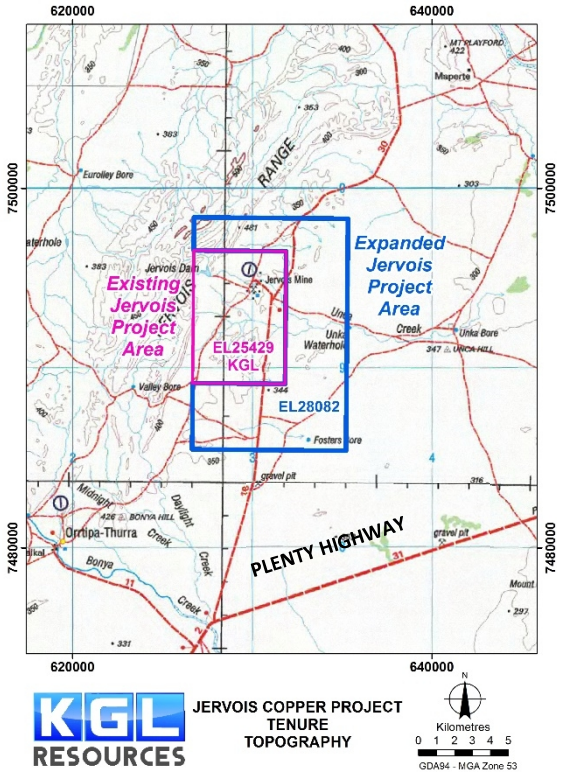

Figure 1 Topographic map of tenements

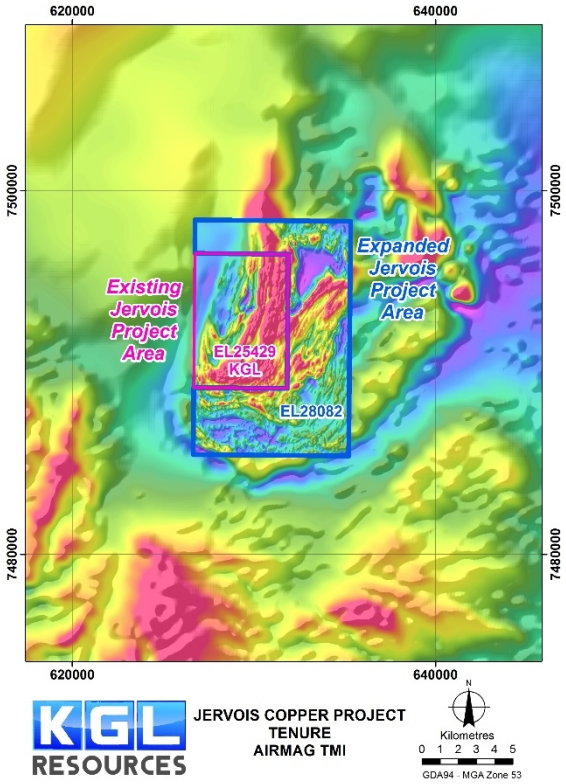

Figure 2 Aeromagetics for Jervois region

Although relatively under-explored, work undertaken by previous tenement holders including MIM, Normandy Poseidon and NRE has demonstrated the tenement's exploration potential. This includes the northern strike extension of the sequence of rocks that host the Marshall-Reward deposits which represent a substantial part of KGLs current Resource at Jervois. As a result, the acquisition offers multiple walk-up drill targets.

Northern Prospects

At the northern edge of KGL's existing Jervois project area, copper mineralisation at the Boundary prospect can be observed in outcrop extending on to the newly acquired Unca Creek tenement. Reconnaissance mapping has located numerous malachite occurrences and prospective host units to the north of Boundary.

Soil and rock chip sampling undertaken by NRE has demonstrated a continuous trend of anomalous copper mineralisation with soil samples of up to 2080ppm and rock chip samples of up to 23% Cu. (Figure 3, Table 2 & 3)

Aeromagnetic and IP data show a continuous trend – the Reward/Morley trend - between Boundary and the Becana prospect then north to the Yohoho prospect and beyond to the northern boundary of the Unca Creek tenement. (Figure 4 & 5)

Becana Prospect

The Becana prospect is located 350m north of the Boundary prospect where KGL intersected 11m @ 0.72% Cu, 3.6g/t Ag from 63m in KJCD004 when following mineralised trends north of the Marshall- Reward copper deposit and the northern extension of the Reward/Morley trend.

Drilling by NRE on this mineralised trend at Becana intersected significant copper mineralisation including:

- 9m @ 2.3% Cu, 9.8g/t Ag from 144m (NRC011)

  including 2m at 8.1% Cu, 22.5g/t Ag, 0.11g/t Au from 148m

- 2m @ 1.2% Cu from 63m (NRC013)

Yohoho Prospect

The Yohoho prospect is 1.2km north of the Boundary prospect beyond Becana. Earlier drilling by MIM that included:

- 8m @ 1.08% Cu from 198m (J21)

was followed up by NRE who drilled further north intersecting

- 8m @ 1.5% Cu from 39m (NRC001)
- 4m @ 1.1% Cu from 40m (NRC002)

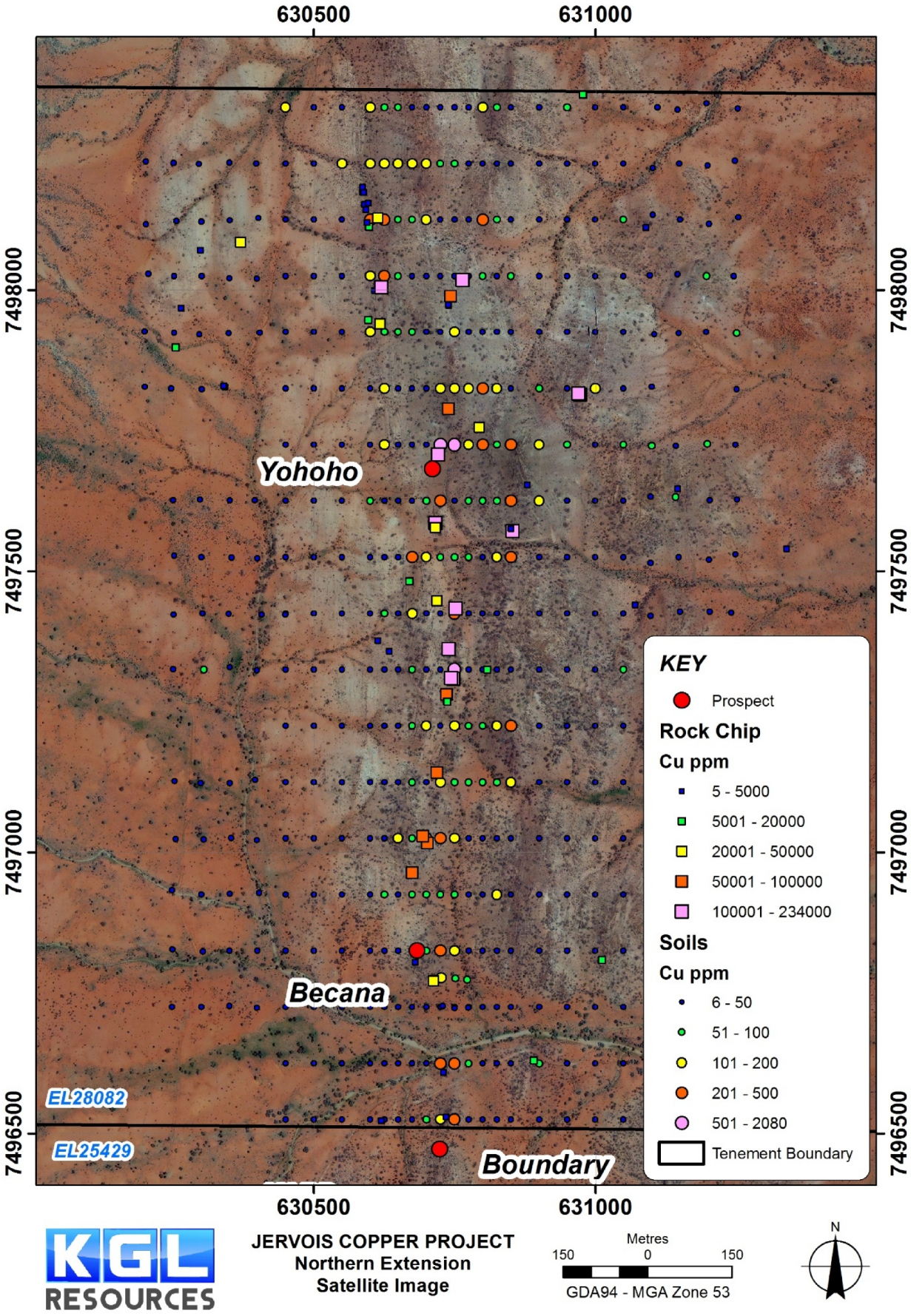

Figure 3 Soils and Rockchip copper assays

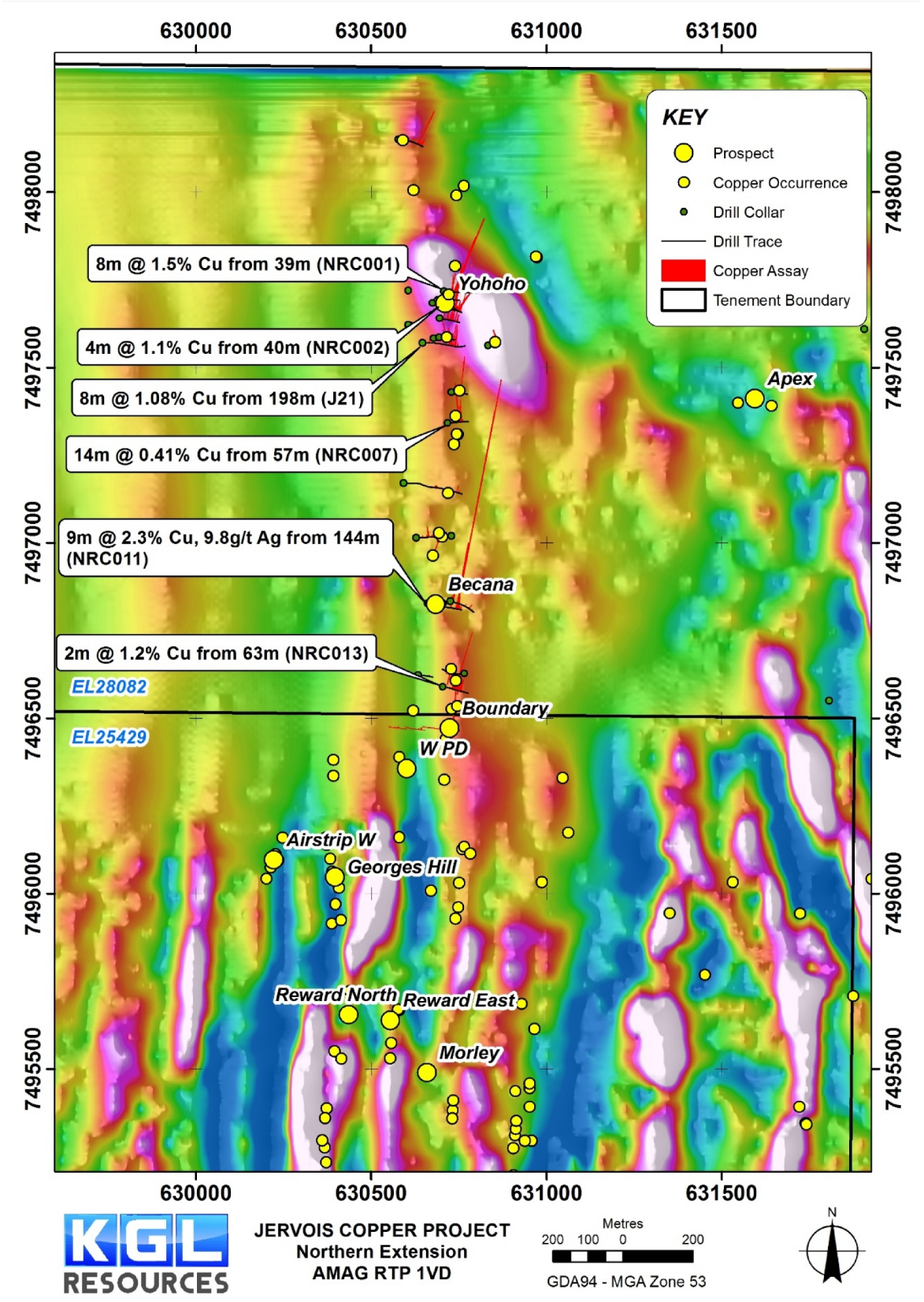

Figure 4 Airborne magnetics north of Reward deposit with known copper mineral occurrences

KGL reprocessed an IP survey conducted by MIM, and calculated 3D inversions of chargeability and resistivity. The results revealed a strong chargeability anomaly that extends from Boundary to Becana and further north to YoHoHo (Figure 5).

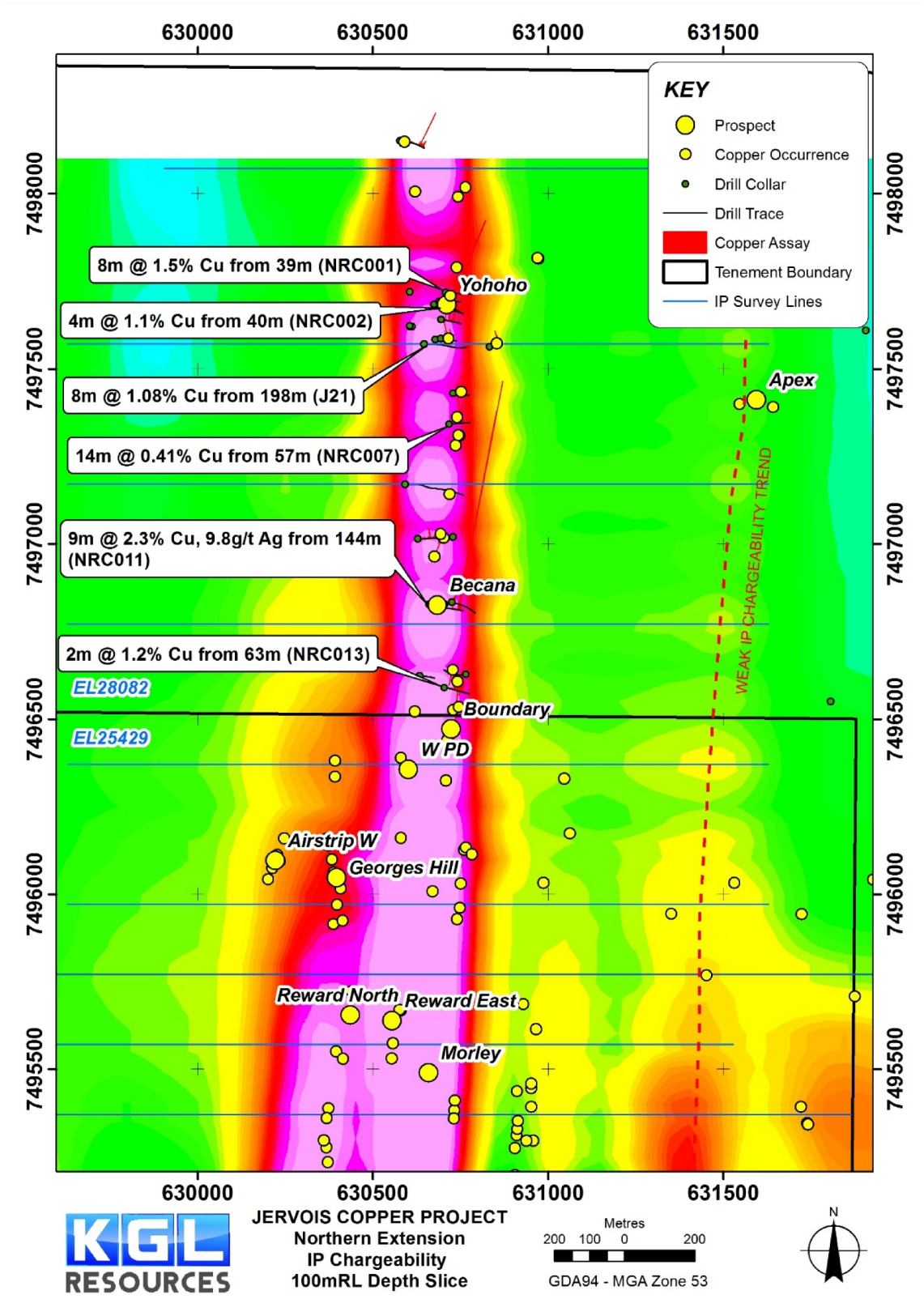

Figure 5 IP Chargeability 100m depth slice

Between the Reward/Morley trend and Hamburger Hill there is the Apex prospect within a tightly folded fold closure. Union Corporation mapped a malachite occurrence within folded calcsilicate units that coincides with a weaker parallel chargeability trend to the east of the main anomaly that is coincident with the Apex target where outcropping copper mineralisation has been observed. This prospect has no previous drilling.

Hamburger Hill

Hamburger Hill is located 2.9km east of the Reward/Morley trend in a sedimentary/volcanic host sequence that resembles the Bellbird-Rockface area. Existing structural interpretations indicate that Hamburger Hill may be a folded repetition of the Reward/Morley trend. Previous wide spaced (~200m) RC and diamond drilling by Normandy intersected copper-lead-zinc mineralisation hosted in calcsilicate rocks. Best intersections include:

- 7m @ 1.28% Cu, 0.65% Pb, 0.34% Zn from 158.6m (HHD-1A)
- 4.2m @ 1.17% Cu from 115.8m (HHD-3)

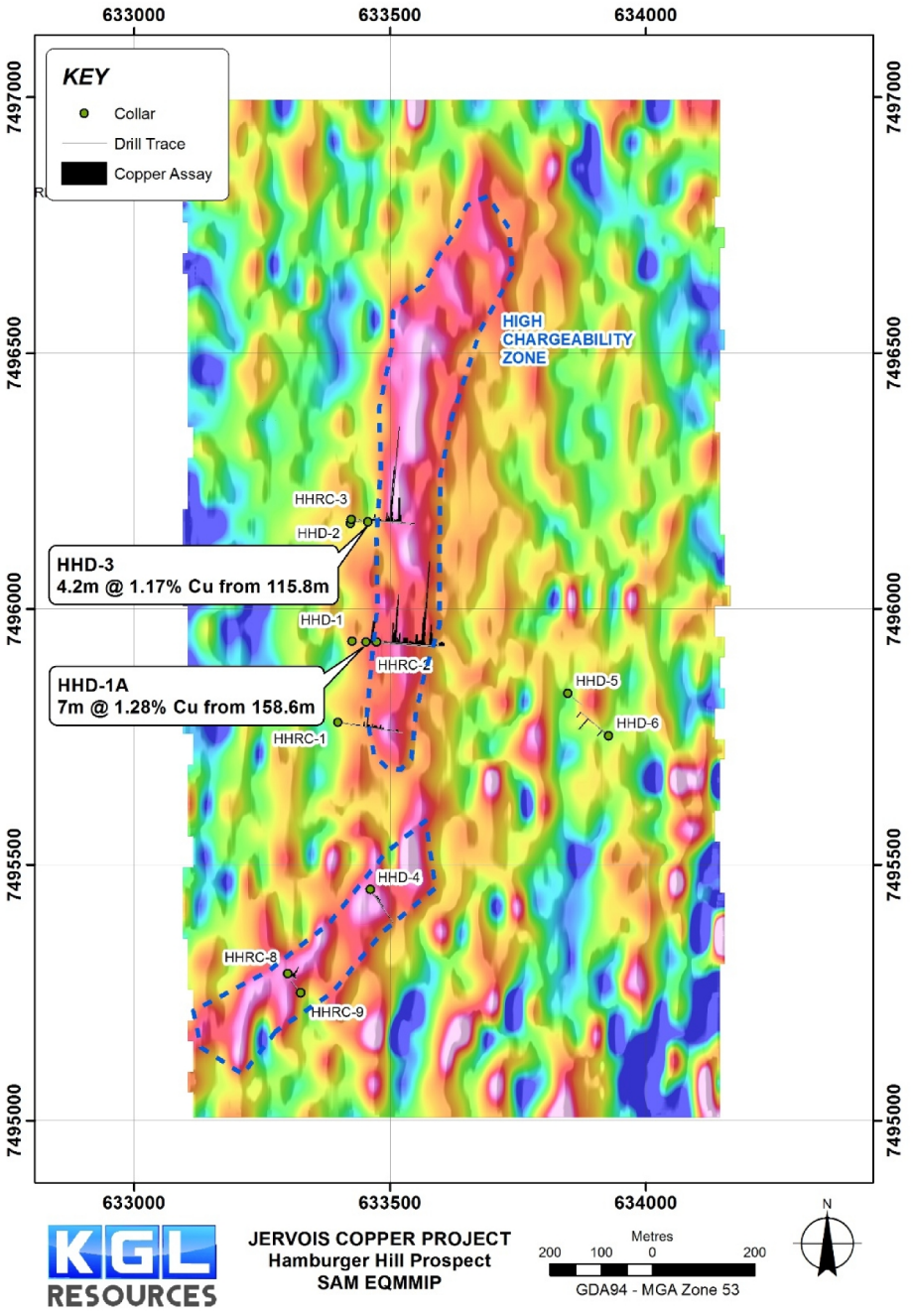

Figure 6 Hamburger Hill SAM Induced Polarisation highlighting the high chargeability zones

Reprocessing of the SAM data acquired by NRE has recovered the Total Field Magnetometric Induced Polarisation (TFMMIP) information that is showing a good chargeability anomaly coincident with known mineralisation and has outlined the northern extensions to this anomaly that remain untested (Figure 6). The central TFMMIP anomaly is over 1 km in length.

Southern Prospects

There is further potential in the southern area of EL28082 where very little previous exploration has been undertaken. On the southern portion of the NRE tenement, directly south from the J-shaped Jervois Range there are four tungsten-copper prospects that are aligned to form an outer J-shaped trend (Big J trend). The tungsten-copper occurrences are hosted by a sedimentary sequence that includes calcsilicates and iron-rich sediments. CSIRO's recently completed 3D geological model for Jervois raises the possibility that the outer J-shaped trend is a folded repetition of the host sequence at Jervois. This area could potentially host sulphide lenses.

Gravity survey

A detailed gravity survey was completed at the Jervois project in early 2016. Results of this survey have proved very effective at locating magnetite and garnet-altered rocks that are commonly proximal to mineralisation. Magnetite-garnet altered rocks are significantly denser than the unaltered country rocks and constitute a good gravity target. This is especially evident in areas such as Marshall, Reward and in the fold hinge zone at Rockface where the gravity response is significantly higher. The presence of high density sulphide minerals can make the gravity response even larger.

A gravity survey will now be undertaken at Unca Creek. The objective will be to improve the understanding of the geology, and in combination with existing drilling results, previous geophysical surveys and structural mapping, define and refine new and existing drill targets.

Table 1 Table of significant results

Hole ID	Easting (m)	Northing (m)	RL (m)	Dip	Azimuth	BOX[1] (m)	Total Depth (m)	From (m)	To (m)	Interval (m)	ETW[2] (m)	Cu %	Pb %	Zn %	Ag g/t	Au g/t
NRC001	630707	7497718	369	-60	96		140	40	43	3	2.1	0.36				
								68	70	2	1.4	0.31				
								74	76	2	1.4	0.53				
								80	81	1	0.7	0.79			8.8	
NRC002	630700	7497682	378	-60	95.5		100	39	47	8	5.6	1.50			4.4	0.04
							including	40	43	3	2.1	2.90			7.4	0.07
								91	95	4	2.8	0.50				
							including	94	95	1	0.7	1.00				
NRC003	630695	7497640	364	-60	96.5		100	40	44	4	2.8	1.10			3.8	
							including	40	42	2	1.4	1.70			5.5	0.03
								59	60	1	0.7	2.30				
								65	67	2	1.4	1.30			2.3	
								79	80	1	0.7	0.65				
NRC004	630693	7497586	364	-60	75.5		60	32	34	2	1.4	0.19				
								40	41	1	0.7	0.65				
NRC005	630678	7497583	362	-60	76		100	86	87	1	0.7	0.26				
NRC006	630833	7497563	356	-60	70		60	47	48	1	0.7	0.54				
NRC007	630718	7497342	369	-60	85.5		100	57	71	14	9.8	0.42			1.2	
							including	57	60	3	2.1	0.90			3.2	
							including	70	71	1	0.7	0.92			5.4	
NRC008	630628	7497015	360	-65	96.5		180	78	79	1	0.7	0.46			5.7	
NRC009	630728	7497020	348	-60	275.5		72	49	50	1	0.7	0.73				
NRC010	630705	7496827	350	-60	275.5		60	9	11	2	1.4	0.33				
								43	44	1	0.7					0.12
								46	47	1	0.7					0.57

Hole ID	Easting (m)	Northing (m)	RL (m)	Dip	Azimuth	BOX[1] (m)	Total Depth (m)	From (m)	To (m)	Interval (m)	ETW[2] (m)	Cu %	Pb %	Zn %	Ag g/t	Au g/t
NRC011	630661	7496827	350	-60	96.5		168	120	121	1	0.7	0.46				
								144	153	9	6.3	2.30			9.8	0.03
							including	148	150	2	1.4	8.10			22.5	0.11
NRC012	630704	7496589	348	-60	90		120	50	51	1	0.6	0.30	0.16	0.54	8	
								55	56	1	0.3	0.45				
								60	90	30	18	0.36		0.11	2.5	
							including	63	65	2	1.2	1.40			7.6	0.04
							including	74	76	2	1.2	0.68			4.1	0.03
							including	82	86	4	2.8	0.30		0.54	6.4	
NRC013	630765	7496627	350	-60	264.5		102	29	38	9	6.3	0.62			2.2	
							including	30	31	1	0.7	0.23	Zn			
							including	36	38	2	1.4	1.20			4.2	0.02
								54	59	5	3.5	0.23	0.13	0.37	3.7	
								66	67	1	0.7	0.50				
NRC014	630332	7497006	354	-60	96		96	8	9	1	0.7	0.17				
								95	96	1	0.7	0.15				
NRC015	630674	7497684	361	-70	96.5		174	83	90	7	4.9	0.17				
							including	89	90	1	0.7	0.46				
								138	139	1	0.7					0.12
								166	168	2	1.4	0.52			3	
NRC016	630728	7497430	365	-60	95		80	48	49	1	0.7	1.40			4	

Hole ID	Easting (m)	Northing (m)	RL (m)	Dip	Azimuth	BOX[1] (m)	Total Depth (m)	From (m)	To (m)	Interval (m)	ETW[2] (m)	Cu %	Pb %	Zn %	Ag g/t	Au g/t
NRC017	630577	7498150	373	-60	94		120	14	27	13	9.1					0.07
							including	20	22	2	1.4					0.13
							including	26	27	1	0.7					0.33
								54	56	2	1.4					0.28
								99	100	1	0.7	1.50				
								113	114	1	0.7	0.28				0.06
NRC018	630725	7496834	348	-70	104.5		168	14	18	4	2.8	0.33				
NRC019	630633	7496623	347	-60	90		80	41	50	9	6.3				5.1	
							including	41	45	4	2.8					
							including	42	44	2	1.4		0.88	0.35		
							including	43	44	1	0.7					
NRC020	632656	7490554	355	-60	145.5		78	46	47	1	0.7	0.12			1.3	
HHD-1	633452	7495935	340.12	-55	90		60	48	52	4	2.8	0.81	0.01	0.07		
HHD-1A	633453	7495935	340.15	-55	94		182.8	87.8	90.8	3	2.1	0.87	0.74	0.53		
								98.7	101.7	3	2.1	0.36	0.05	0.29		
								158.6	165.6	7	4.9	1.28	0.65	0.34		
HHD-3	633458	7496178	340.15	-55	86.5		182.8	115.8	120	4.2	3.0	1.17	0.03	0.11		
HHD-6	633936	7495750	331.03	-65	90		169.2	123.8	124.8	1	0.7	0.5	0	0.01		
HHRC-2	633473	7495935	344	-55	90		150	43	44	1	0.7	0.69	0.14	0.35		
								46	51	5	0.7	0.76	0.14	0.51		
								121	125	4	2.8	0.53	0.26	0.48		
HHRC-3	633457	7496170	339.76	-55	90		113	104	108	4	2.8	0.85	0.02	0.08		
HHRC-8	633300	7495292	335.04	-60	90		43	22	25	3	2.1	0.3	0.41	0.34		

Hole ID	Easting (m)	Northing (m)	RL (m)	Dip	Azimuth	BOX[1] (m)	Total Depth (m)	From (m)	To (m)	Interval (m)	ETW[2] (m)	Cu %	Pb %	Zn %	Ag g/t	Au g/t
J18	630592	7497170	355.3	-70	90		255	235	236	1	0.6	0.65	0	0.01		0.01
J19	630689	7497692	361.9	-70	90		114	96	100	4	2.4	0.65	0	0.01		0
J21	630646	7497570	359.64	-75	90		252.2	66	68	2		0.56	0	0.01		0.01
								173	183	10		0.44	0	0.01		0.01
								189	190	1		2.23	0	0		0
								198	206	8		1.08	0	0.01		0.02

[1]Base of Oxidisation down hole depth [2]Estimated True Width

Table 2 Rockchip sampling results for Northern Extension (NRE data)

SAMPLE	East_WGS84	North_WGS8	Cu %	Pb ppm	Zn ppm	Ag g/t	Au g/t
3014404	631090	7498111	0.00	12	136	-0.5	-0.002
3014437	631146	7497647	0.00	4	4	-0.2	-0.01
3014438	630879	7497654	0.03	2	42	-0.2	-0.01
3014439	630794	7497756	4.76	2	35	7.2	0.04
3014440	630739	7497789	9.43	6	28	0.8	0.05
3014441	630973	7497814	10.35	8	18	18.7	0.19
3014442	630740	7497973	0.06	4	11	-0.2	-0.01
3014443	630739	7497974	0.18	2	36	-0.2	0.02
3014444	630743	7497990	5.64	10	20	2.1	0.08
3014445	630614	7498128	2.80	69	183	3.7	0.01
3014446	630590	7498152	0.02	32	4	0.2	0.01
3014447	631340	7497540	0.25	12	5	-0.2	0.02
3014448	630853	7497572	13.75	7	37	22.5	0.02
3014449	630850	7497576	0.08	-2	36	-0.2	0.02
3014450	630716	7497586	14.95	37	27	39	0.21
3014451	630716	7497578	3.15	50	61	2.9	0.14
3014452	630670	7497482	0.70	15	144	0.2	-0.01
3014453	630719	7497448	4.84	17	184	6.7	0.11
3014454	630752	7497434	22.20	180	28	22.8	0.24
3014455	631071	7497440	0.34	5	13	0.2	0.02
3014456	630808	7497325	0.78	2	84	0.5	0.15
3014457	630748	7497309	19.00	40	22	97	0.04
3014458	630736	7497281	7.19	407	46	8.1	0.11
3014459	630737	7497268	1.35	22	26	0.7	0.02
3014460	630719	7497142	9.94	404	81	49	0.28
3014461	631350	7496865	0.25	19	93	0.3	0.01
3014462	630702	7497017	7.15	68	96	0.6	0.11
3014463	630694	7497029	7.43	531	182	4	0.07
3014464	630675	7496964	6.59	1270	456	3	0.14
3014465	630680	7496805	0.09	10	62	-0.2	0.01
3014467	630713	7496772	4.55	178	185	2.1	0.06
3014468	631012	7496809	1.56	45	65	4.5	0.02
3014470	630255	7497898	0.93	200	29	1.2	0.01
3014471	630264	7497968	0.07	97	58	0.2	-0.01
3014472	630299	7498071	0.33	4750	471	10.4	0.04
3014473	630370	7498085	3.01	35	33	5.9	0.03
3014474	630587	7498174	0.01	53	8	0.2	-0.01
3014475	630589	7498173	0.01	68	37	0.2	0.01
3014476	630587	7498183	0.04	13	69	-0.2	-0.01
3014477	630593	7498143	0.01	44	8	-0.2	0.01
3014479	630618	7497940	4.95	234	148	4.6	0.04
3014480	630608	7497999	0.08	30	67	0.2	0.01
3014481	630620	7498005	14.65	359	436	178	0.04

SAMPLE	East_WGS84	North_WGS8	Cu %	Pb ppm	Zn ppm	Ag g/t	Au g/t
3014482	630598	7498112	1.31	29	161	1.6	-0.01
3014483	630595	7498120	0.08	37	21	0.4	0.01
3014485	630620	7496523	0.04	51	1790	-0.2	0.01
3014486	630735	7496530	0.16	492	407	2.7	0.04
3014487	630730	7496609	0.20	253	210	1.5	0.08
3014488	630891	7496630	0.81	8	278	0.7	0.01
3014494	630764	7498018	23.40	23	15	68	0.13
3014505	630978	7498347	1.10	7	103	1.5	0.03
JN13-421	630342	7497828	0.00	2	82	1.8	0
JN13-422	630340	7497830	0.00	7	171	-0.5	0
JN13-423	630634	7497358	0.00	7	160	-0.5	0
JN13-424	630614	7497377	0.00	45	97	-0.5	0
NUR-01	630597	7498154	0.00	24.3	20	0.1	-0.001
NUR-02	630597	7497947	0.78	9.4	65	2.5	0.001
NUR-03	630970	7497816	12.30	12.2	22	19.85	1.18
NUR-04	630721	7497708	16.30	49.2	41	21.6	0.192
NUR-05	630740	7497362	11.30	37.2	10	24	0.184
NUR-06	630744	7497310	11.10	33.5	32	41.9	0.053

Table 3 Northern area soil sampling assays (NRE)

SAMPLE	East m	North m	Cu ppm	Pb ppm	Zn ppm	SAMPLE	East m	North m	Cu ppm	Pb ppm	Zn ppm
5011056	630600	7497425	19	9	31	5011306	630825	7498325	66	2	38
5011060	630625	7497425	79	9	39	5011307	630850	7498325	22	4	18
5011061	630650	7497425	24	9	43	5011319	630600	7497325	30	9	36
5011062	630675	7497425	195	10	54	5011320	630625	7497325	39	9	43
5011063	630700	7497425	14	7	54	5011321	630650	7497325	40	6	37
5011064	630725	7497425	44	7	44	5011322	630675	7497325	93	6	54
5011065	630750	7497425	355	7	35	5011323	630700	7497325	12	4	43
5011066	630775	7497425	40	6	29	5011324	630725	7497325	16	4	36
5011067	630800	7497425	24	6	27	5011325	630750	7497325	725	5	37
5011068	630825	7497425	41	7	29	5011326	630775	7497325	45	6	31
5011069	630850	7497425	16	9	38	5011327	630800	7497325	35	4	29
5011101	630600	7497525	17	12	37	5011328	630825	7497325	29	4	40
5011102	630625	7497525	16	9	39	5011329	630850	7497325	11	3	23
5011103	630650	7497525	15	12	69	5011341	630600	7497225	20	3	34
5011104	630675	7497525	230	9	50	5011342	630625	7497225	27	8	29
5011105	630700	7497525	119	7	37	5011343	630650	7497225	21	5	34
5011106	630725	7497525	52	7	36	5011344	630675	7497225	92	3	50
5011107	630750	7497525	91	6	28	5011345	630700	7497225	122	3	39
5011108	630775	7497525	82	5	19	5011347	630725	7497225	36	3	37
5011109	630800	7497525	32	6	24	5011348	630750	7497225	117	6	36
5011110	630825	7497525	174	5	20	5011349	630775	7497225	71	3	24

SAMPLE	East m	North m	Cu ppm	Pb ppm	Zn ppm	SAMPLE	East m	North m	Cu ppm	Pb ppm	Zn ppm
5011111	630850	7497525	255	6	21	5011350	630800	7497225	89	6	29
5011135	630600	7497625	93	6	27	5011351	630825	7497225	118	4	32
5011136	630625	7497625	38	9	33	5011352	630850	7497225	468	4	44
5011137	630650	7497625	19	6	33	5011364	630600	7497125	28	11	50
5011138	630675	7497625	50	7	39	5011365	630625	7497125	12	7	63
5011139	630700	7497625	80	3	22	5011366	630650	7497125	13	7	67
5011140	630725	7497625	384	8	24	5011367	630675	7497125	55	4	31
5011141	630750	7497625	42	4	20	5011368	630700	7497125	32	4	36
5011143	630775	7497625	76	5	26	5011369	630725	7497125	155	6	40
5011144	630800	7497625	57	5	31	5011370	630750	7497125	97	4	29
5011145	630825	7497625	88	6	30	5011371	630775	7497125	76	6	22
5011146	630850	7497625	232	4	23	5011372	630800	7497125	58	4	18
5011158	630600	7497725	29	6	29	5011373	630825	7497125	87	3	23
5011159	630625	7497725	157	3	31	5011374	630850	7497125	109	3	37
5011160	630650	7497725	21	5	25	5011386	630600	7497025	32	8	39
5011161	630675	7497725	31	5	34	5011387	630625	7497025	47	5	50
5011162	630700	7497725	23	5	40	5011388	630650	7497025	126	13	53
5011163	630725	7497725	2080	6	35	5011389	630675	7497025	80	8	34
5011164	630750	7497725	572	6	27	5011390	630700	7497025	385	13	40
5011165	630775	7497725	156	6	30	5011391	630725	7497025	290	10	54
5011166	630800	7497725	228	5	33	5011392	630750	7497025	160	9	37
5011167	630825	7497725	61	6	67	5011393	630775	7497025	50	5	28
5011168	630850	7497725	336	4	48	5011394	630800	7497025	21	5	32
5011180	630600	7497825	43	6	48	5011395	630825	7497025	20	4	34
5011181	630625	7497825	155	6	35	5011396	630850	7497025	21	2	32
5011182	630650	7497825	29	6	53	5011409	630600	7496925	27	8	45
5011183	630675	7497825	19	7	70	5011410	630625	7496925	66	13	41
5011184	630700	7497825	35	6	32	5011411	630650	7496925	20	8	37
5011185	630725	7497825	116	4	32	5011412	630675	7496925	94	6	28
5011186	630750	7497825	159	4	32	5011413	630700	7496925	95	6	23
5011187	630775	7497825	102	5	34	5011414	630725	7496925	66	5	22
5011188	630800	7497825	295	5	37	5011415	630750	7496925	63	5	26
5011189	630825	7497825	119	5	33	5011416	630775	7496925	31	3	26
5011190	630850	7497825	37	6	29	5011417	630800	7496925	27	5	32
5011203	630600	7497925	123	9	34	5011418	630825	7496925	135	5	28
5011204	630625	7497925	87	6	41	5011419	630850	7496925	40	3	32
5011205	630650	7497925	60	6	31	5011431	630600	7496825	17	5	32
5011206	630675	7497925	54	6	42	5011432	630625	7496825	34	6	45
5011207	630700	7497925	16	5	29	5011433	630650	7496825	16	7	50
5011208	630725	7497925	13	7	37	5011434	630675	7496825	17	6	47
5011209	630750	7497925	106	7	31	5011435	630700	7496825	100	6	57
5011210	630775	7497925	38	4	24	5011436	630725	7496825	350	10	46
5011211	630800	7497925	20	6	33	5011437	630750	7496825	124	8	33
5011212	630825	7497925	39	6	32	5011438	630775	7496825	26	4	19

SAMPLE	East m	North m	Cu ppm	Pb ppm	Zn ppm	SAMPLE	East m	North m	Cu ppm	Pb ppm	Zn ppm
5011213	630850	7497925	14	4	23	5011439	630800	7496825	35	5	24
5011225	630600	7498025	183	5	27	5011440	630825	7496825	26	4	38
5011226	630625	7498025	271	5	41	5011441	630850	7496825	24	4	34
5011227	630650	7498025	56	5	24	5011454	630600	7496725	12	6	26
5011228	630675	7498025	35	6	27	5011455	630625	7496725	11	4	26
5011229	630700	7498025	44	7	27	5011456	630650	7496725	11	5	33
5011230	630725	7498025	23	5	16	5011457	630675	7496725	15	5	21
5011231	630750	7498025	40	7	19	5011458	630700	7496725	36	6	24
5011232	630775	7498025	49	5	20	5011459	630725	7496725	37	5	21
5011233	630800	7498025	63	6	23	5011460	630750	7496725	47	5	21
5011234	630825	7498025	21	5	17	5011461	630775	7496725	32	5	17
5011235	630850	7498025	83	5	16	5011462	630800	7496725	39	4	21
5011248	630600	7498125	277	5	79	5011463	630825	7496725	15	4	16
5011249	630625	7498125	229	5	31	5011464	630850	7496725	18	4	18
5011254	630650	7498125	52	7	44	5011476	630600	7496625	10	7	26
5011255	630675	7498125	60	67	119	5011477	630625	7496625	10	7	27
5011256	630700	7498125	111	7	42	5011478	630650	7496625	10	7	30
5011257	630725	7498125	37	10	26	5011479	630675	7496625	13	9	35
5011258	630750	7498125	24	7	36	5011480	630700	7496625	11	6	23
5011259	630775	7498125	46	10	22	5011481	630725	7496625	362	31	156
5011260	630800	7498125	309	5	31	5011482	630750	7496625	288	29	103
5011261	630825	7498125	56	9	23	5011483	630775	7496625	75	10	50
5011262	630850	7498125	43	6	20	5011484	630800	7496625	35	8	45
5011274	630600	7498225	172	7	39	5011485	630825	7496625	34	5	24
5011275	630625	7498225	172	6	36	5011486	630850	7496625	32	5	29
5011276	630650	7498225	143	5	33	5011498	630600	7496525	26	6	66
5011277	630675	7498225	191	7	32	5011500	630625	7496525	26	14	147
5011278	630700	7498225	165	4	24	5011501	630650	7496525	17	13	69
5011279	630725	7498225	79	5	20	5011502	630675	7496525	40	25	79
5011280	630750	7498225	56	4	21	5011503	630700	7496525	51	8	46
5011281	630775	7498225	34	8	24	5011504	630725	7496525	188	7	73
5011282	630800	7498225	44	5	18	5011505	630750	7496525	246	46	132
5011283	630825	7498225	40	5	29	5011506	630775	7496525	22	7	34
5011284	630850	7498225	45	4	27	5011507	630800	7496525	20	6	32
5011297	630600	7498325	196	4	29	5011508	630825	7496525	12	4	25
5011298	630625	7498325	61	4	32	5011509	630850	7496525	10	3	27
5011299	630650	7498325	57	5	22	P13-221	630726	7496777	157	14	47
5011300	630675	7498325	43	3	19	P13-222	630729	7496727	35	6	23
5011301	630700	7498325	20	3	15	P13-223	630750	7496723	46	7	23
5011302	630725	7498325	14	3	28	P13-224	630774	7496724	39	6	22
5011303	630750	7498325	34	5	22	P13-225	630772	7496774	90	9	36
5011304	630775	7498325	16	5	21	P13-226	630751	7496776	67	8	29
5011305	630800	7498325	134	6	51						

For further information contact:

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About KGL Resources

KGL Resources Limited is an Australian mineral exploration company focussed on increasing the high-grade Resource at the Jervois Copper Project in the Northern Territory and developing it into a multi-metal mine.

Competent Person Statement

The Jervois Exploration data in this report is based on information compiled by Keith Mayes, a Fellow of the Geological Society of London and a full time employee of KGL Resources Limited.

Mr. Mayes has sufficient experience which is relevant to the style of the mineralisation and the type of deposit under consideration and to the activity to which he is undertaking, 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. Mayes has consented to the inclusion of this information in the form and context in which it appears in this report.

1.1 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• Diamond drilling and reverse circulation (RC) drilling were used to obtain samples for geological logging and assaying. • RC drill holes are sampled at 1m intervals and split using a cone splitter attached to the cyclone to generate a split of ~3kg. • Diamond core was quartered with a diamond saw and generally sampled at 1m intervals with shorter samples at geological contacts. • Field duplicate samples were taken to determine representivity of the primary sample. • RC samples are routinely scanned with a Niton XRF. Samples assaying greater than 0.1% Cu, Pb or Zn are submitted for analysis at a commercial laboratory.
Drilling techniques	• *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).*	• RC drilling was conducted using a reverse circulation rig with a 5.25" face-sampling bit. Diamond drilling was either in NQ2 or HQ3 drill diameters. Metallurgical diamond drilling (JMET holes) were PQ
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 recoveries are determined by orientating core and measuring the recovered core between drill intervals provided by the drilling company. Any core loss is recorded as a percentage of the interval. • At the start of each RC drill program the bulk sample residue (drill cuttings) for 2-3 holes were weighed and compared to the theoretical weight of sample based on the interval length (1m) and the bit diameter. The ratio between the split and the bulk residue is calculated to ensure the split is representative applying Gy's sample theory (~1:15). • Drill rigs with high air pressure and CFM are utilised to ensure samples are dry and sample recovery is maximised. • Drill intervals with suspected sample loss are recorded on the drill log. • RC holes are twinned with diamond holes to determine if there is a sampling bias from loss of fines.
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.*	• All RC and diamond core samples are geologically logged with fields including lithology, alteration, mineralisation and structural fabric. • Representative samples of core were submitted for petrology and a logging atlas created to standardize geological logging. • Diamond core is orientated and logged for geotechnical information including recovery, RQD and structural fabric. • RC drilling is logged in 1m intervals. • Diamond core is logged in intervals based on the lithology, alteration and mineralisation.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core 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.*	• RC drill holes are sampled at 1m intervals and split using a cone splitter attached to the cyclone to generate a split of ~3kg. • Diamond core was quartered with a diamond saw and generally sampled at 1m intervals with shorter samples at geological

Criteria	JORC Code explanation	Commentary
	• *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.*	contacts. • RC sample splits (~3kg) are pulverized to 85% passing 75 microns. • Diamond core samples are crushed to 70% passing 2mm and then pulverized to 85% passing 75 microns. • Sample preparation has been designed to ensure compliance with Gy's sample theory. • RC duplicates are collected as an additional split from the cone splitter on the drill rig. • Diamond core duplicates are a second interval of quarter core.
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The QA/QC procedure includes standards, blanks, duplicates and laboratory checks. In ore zones Standards are added at a ratio of 1:10 and duplicates and blanks 1:20. • Basemetal samples are assayed using a four acid (total) digest with an ICP AES finish. Gold samples are assayed by Aqua Regia with an ICP MS finish. Samples over 1ppm Au are re-assayed by Fire Assay with an AAS finish. • An umpire laboratory is used to check ~1% of samples analysed. • QA/QC data is assessed on a monthly basis to assess precision and accuracy of sample assays. Variances in the assay value of standards of greater than 10% (~3 standard deviations) triggers reanalysis of the sample batch. • XRF analyses are only used to prescan samples. Samples with greater than 0.1% Cu, Pb or Zn are then submitted for analysis at a commercial laboratory.
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.*	• Data is validated on entry into the Datashed database. • Further validation is conducted by a geologist when data is imported into Vulcan. • Validation of drill results at each resource was aided by twinning selected holes with variances investigated to determine the source of sampling or assaying error.
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.*	• Surface collar surveys were picked up using a Trimble DGPS. • A selection of drill collars were periodically checked by a surveyor. • Downhole surveys were taken during drilling with a Reflex MEMS gyro or a Reflex EZ gyro,. Reflex EZ shot. • All drilling is conducted on the MGA 94 Zone 53 grid. All downhole surveys were converted to MGA 94 Z53 grid. • A DTM has been generated from a close spaced grid of sample points using a DGPS. Additional sample points have been added is areas with steep or rugged topography.
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.*	• Drilling for Inferred resources has been conducted at a spacing of 50m along strike and 80m within the plane of the mineralized zone. Closer spaced 50m by 40m drilling was used for Indicated resources. • Shallow oxide RC drilling was conducted on 80m spaced traverses with holes 10m apart

Criteria	JORC Code explanation	Commentary
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.*	• Holes were drilled perpendicular to the strike of the mineralization at a default angle of -60 degrees but holes vary from -45 to -80. • The orientation of drill holes relative to the mineralised structures is not thought to have generated any significant sample bias.
Sample security	• *The measures taken to ensure sample security.*	• The NRE samples were stored in sealed polyweave bags on site and transported to the laboratory at regular intervals by NRE staff or a transport contractor.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The sampling techniques are regularly reviewed.

1.2

1.3 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 licence to operate in the area.*	• The Unca Creek project is within EL28082 100% owned by Jinka Minerals and operated by Kentor Minerals (NT), both wholly owned subsidiaries of KGL Resources. • The adjacent Jervois project is covered by Mineral leases and an Exploration licence EL30242 owned by KGL Resources subsidiary Jinka Minerals.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration has primarily been conducted by Reward Minerals, MIM, Normandy Poseidon, Natural Resources Exploration and Plenty River.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• EL30242 and EL28082 lies on the Huckitta 1: 250 000 map sheet (SF 53-11). The tenement is located mainly within the Palaeo-Proterozoic Bonya Schist on the northeastern boundary of the Arunta Orogenic Domain. The Arunta Orogenic Domain in the north western part of the tenement is overlain unconformably by Neo-Proterozoic sediments of the Georgina Basin. • The copper-lead-zinc mineralisation is interpreted to be stratabound in nature, probably relating to the discharge of base metal-rich fluids in association with volcanism or metamorphism or dewatering of the underlying rocks at a particular time in the geological history of the area.

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 why this is the case.*
		• Table 1

Data aggregation methods	• *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.* • *Where aggregate intercepts incorporate short lengths of high*	•

Criteria	JORC Code explanation	Commentary
	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.*	
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.* • *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').*	• Refer Table 1
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.*	• Refer Figures 4,5 &6
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.*	• Refer Table 1, 2 & 3
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.*	• Refer Figure 3, 4, 5 & 6
Further work	• *The nature and scale of planned further work (eg 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.*	• Refer Figures 3, 4, 5 & 6