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30 October 2017

Quarterly Activities Report
Period Ended 30 September 2017

- **Further high grade copper discoveries advance the Jervois Project**
  - **Scale of Rockface prospect increased**
  - **Significant extension of Rockface-like mineralisation found at Reward prospect**
  - **DHEM and gravity surveys continue to validate exploration model**

- **$12.4m equity raising to accelerate exploration program**
  - **Strong support from shareholders, directors and new investors**

Overview

During the quarter, KGL Resources Limited (ASX:KGL) (KGL or the Company) announced further high grade copper discoveries at the 100% owned Jervois Copper Project in the Northern Territory, representing significant progress towards the Company's objective of building a high quality mineral resource to support a significant copper focused multi-metal Project.

The scale of the Rockface prospect at Jervois was increased by further high grade drilling intersections and the discovery of new zones in the east, while in the west continuity of mineralisation was confirmed between high grade strikes.

At the Reward prospect, 5km along strike to the north-east, the exploration techniques learned at Rockface resulted in high grade intersections from drilling targeted at conductors identified by down hole electromagnetic (DHEM) surveying which continues to validate the Company's exploration model.

A gravity survey over the recently acquired Unca Creek tenement that surrounds Jervois highlighted further exploration potential, providing encouraging correlation between many anomalies revealed in the survey and zones of known mineralisation on both the newly acquired and longer held Jervois tenements.

On 13 September, KGL announced a $12.4 million equity raising, comprising a placement and a non-renounceable pro-rata entitlement offer, to accelerate the exploration program at Jervois. Long term shareholders and directors continued to provide the Company with strong support, and new investors were welcomed as shareholders.

Jervois Copper Project, Northern Territory (KGL 100%)

During the quarter, the Company announced high grade drilling results as well as the identification and confirmation of more conductor zones of mineralisation at both the Rockface and Reward prospects.

Rockface

The scale of Rockface continued to increase. Hole KJCD212 intersected several zones of high grade copper mineralisation, among the assays being:

- **9.62m @ 3.18% Cu, 26g/t Ag, 0.40g/t Au, from 678.98m (Conductor 8)**

  including 3.36m @ 5.43% Cu, 31g/t Ag, 0.87g/t Au, from 681.14m

KJCD212 was a large step-out designed to test the extent of Conductors 6 and 8. It intersected Conductor 8 approximately 140m below and 20m further to the east of a previous high-grade intersection (by KJCD205) at Conductor 6.

To the west at Rockface, drill results confirmed continuity of high grade copper across previously undrilled spaces. Hole KJCD215, designed to test the western edges of Conductor 3 and 5 in a 100m space between drill holes, delivered assay results that included:

- **8.24m @ 9.21% Cu, 0.19% Zn, 38.1g/t Ag, 0.29g/t Au from 587.5m (Conductor 3)**

  including 4.57m @ 14.00% Cu, 53.6g/t Ag, 0.34g/t Au from 588.48m

- **14.17m @ 4.74% Cu, 23.0g/t Ag, 0.28g/t Au from 610.09 m (Conductor 5)**

The results also confirmed the increase of copper grade with depth.

Hole KJCD214 improved understanding of the western edges of conductors 3 and 4 at Rockface, producing assays that included:

- **7.92m @ 1.65% Cu, 8.4g/t Ag, 0.12g/t Au from 405.54m (Conductor 3)**
- **5.04m @ 0.44% Cu, 4.62% Pb, 0.65% Zn, 68g/t Ag, 0.06g/t Au from 413.46m**
- **11.5m @ 1.73% Cu, 7.8g/t Ag, 0.06g/t Au from 420.5m (Conductor 4)**

  including 2.75m @ 4.47% Cu, 21.6g/t Ag, 0.18g/t Au from 420.5m

- **1.56m @ 1.32% Cu, 4.5g/t Ag, 0.05g/t Au from 439.2m**

DHEM surveying continued to prove valuable in locating conductor zones of potentially high value and in identifying drill targets. The drill results for Holes KJCD214 and KJCD215 corresponded with Conductors 3, 4 and 5 in the west of Rockface, while in the east DHEM surveying enabled Conductor 6 to be extended to the west, down dip and up dip of the previously modelled responses.

Reward

During the quarter, the Company announced that the first hole drilled at the Reward prospect for more than two years had discovered a significant extension of mineralisation. Hole KJD216 intersected the extension which assayed:

- **11.63m @ 4.2% Cu, 0.81% Pb, 1.07% Zn, 86g/t Ag, 0.65g/t Au from 636.1m**

  including 2.27m @ 11.14% Cu, 3.46% Pty, 4.75% Zn, 329.3g/t Ag, 1.33g/t Au from 644.4m.

KJD216 was targeting Conductors R1 and R3. The intersection corresponded to the expected position of Conductor R1 and is 95m below the deepest previous intercept of Conductor R1. Modelling also indicated the presence of a new strong Conductor R6 centred to the south and below KJD216.

DHEM surveys undertaken at Reward in late 2014 identified several conductors using the same technology that has been used successfully at the Rockface prospect. What was learned at Rockface about the style, controls on mineralisation, and geophysical response has now been applied at Reward.

Expanded Jervois area – Unca Creek Exploration Project

A gravity survey was completed over the Unca Creek tenement during the quarter to improve understanding of the area and to define and refine new and existing drill targets. The survey has highlighted the area's exploration potential, providing encouraging correlation between gravity anomalies apparent on the recently acquired tenement and known mineralisation on both the Jervois and Unca Creek tenements.

An inversion process has been applied to the survey data to provide estimates of how the density of areas may vary with depth, copper, lead and zinc being relatively dense and contrasting with surrounding rocks. This is producing a key dataset in the mapping program to be completed at Unca Creek and in identifying and prioritising drilling targets.

Northern Territory approvals – further mining lease and EIS Terms of Reference

During the quarter, the Northern Territory Government granted a further mining lease (ML30829) at Jervois, extending the area beyond the mining leases that the Company already held. KGL's approved mining leases now cover the total area necessary to proceed with all mining and mineral processing currently planned.

The Northern Territory Environment Protection Authority approved revised Terms of Reference for the Company to address in the Environmental Impact Statement (EIS) for the Jervois Project. The Company had sought revision of the Terms of Reference in order to be consistent with a mining project of larger scale than contemplated in the pre-feasibility study announced in 2015. Preparation of the EIS by the Company is well under way.

Capital raising

On 13 September, the Company announced a capital raising via a placement and a pro-rata non-renounceable entitlement offer to raise up to $12.4 million before expenses of approximately $200,000.

The funds raised will be used to finance further exploration and project development at Jervois and for working capital.

As reported above, the capital raising was strongly supported by shareholders, directors and new investors.

Under the placement, the Company issued 22.8 million new shares at 30 cents each to raise $6.9 million. Participants in the placement included RCF Opportunities, a fund in the global resource private equity fund Resource Capital Funds ($3 million), KGL's existing major shareholder KMP Investments Pte Ltd ($1.7 million), KGL's Executive Chairman, Mr Denis Wood ($1.2 million), and a non-executive director, Mr Ferdian Purnamasidi ($0.1 million). Shareholders approved the placement to Mr Wood and Mr Purnamasidi at an extraordinary general meeting on 23 October.

The non-renounceable pro-rata entitlement offered one new share at 30 cents each for every 11 shares currently held by eligible shareholders to raise up to $5.5 million from the issue of up to 18,489,247 shares. KMP Investments Pte Ltd, Mr Wood and institutional participants in the placement have taken up their full entitlements accounting for approximately $2.3 million. The entitlement offer was 92% subscribed, raising $5.1 million for which 17.1 million new shares have been issued. The Company subsequently placed the shortfall at a price of 30 cents per share.

Outlook

The Company is extending drilling activity with a new program that commenced late in the September quarter running into the current quarter to further evaluate Rockface and Reward where the highly successful DHEM surveying will continue to be utilised to locate mineralised zones and identify drilling targets.

High potential targets in the Unca Creek tenement will be prioritised from studies of the information from the recent gravity survey in conjunction with previously gathered information.

In parallel, technical and commercial studies for the Jervois Project will continue.

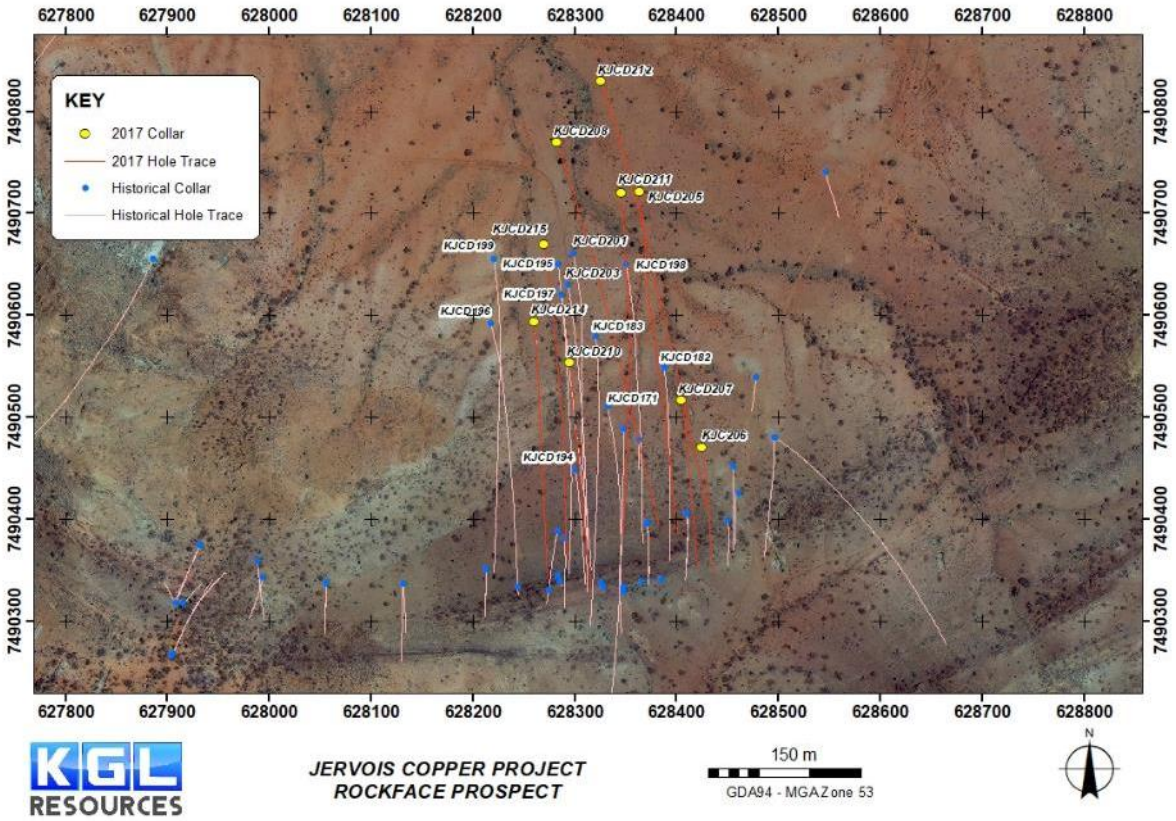

Figure 11 Planview of drilling at Rockface.

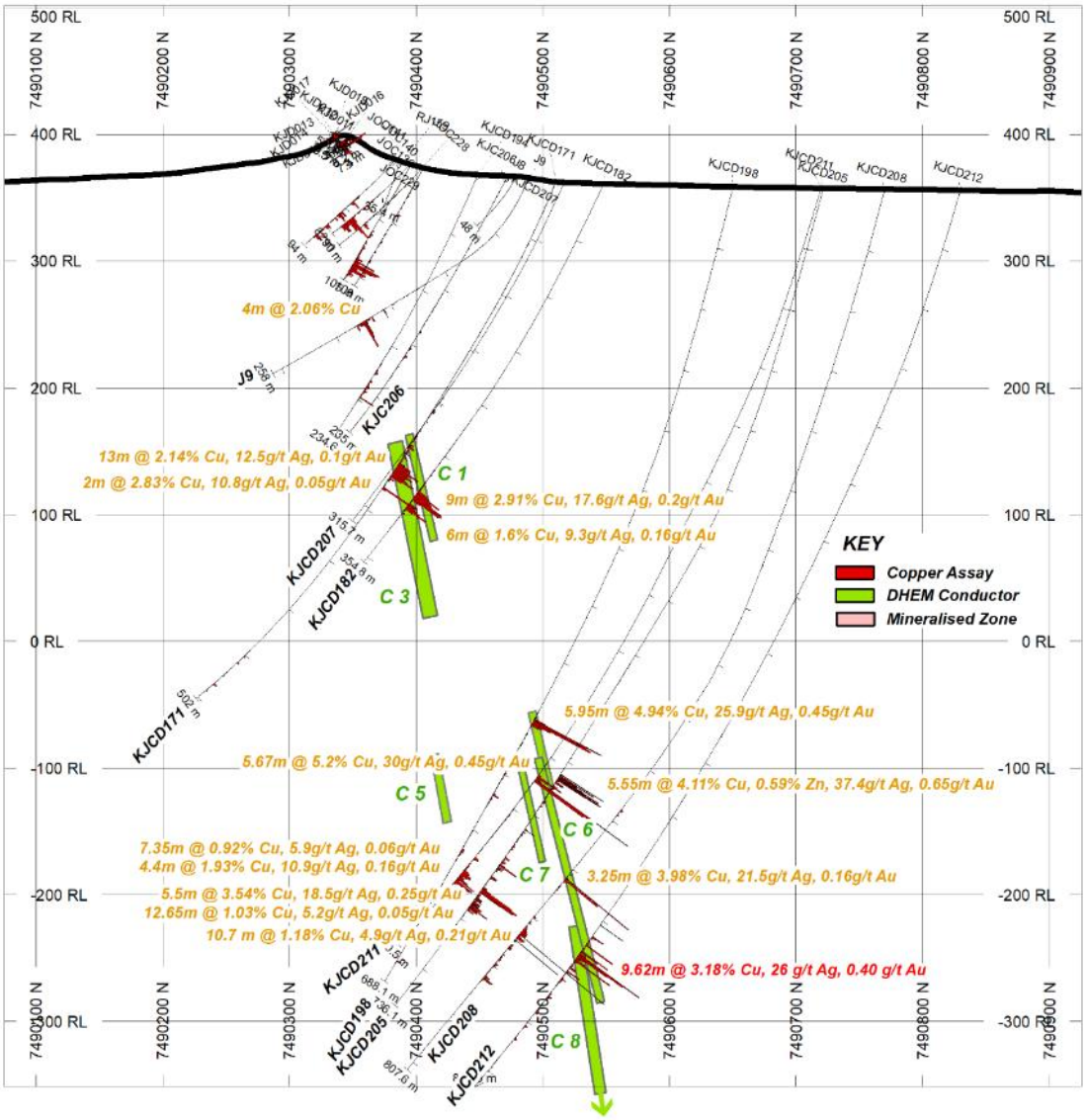

Figure 2 Rockface Section 628360E highlighting mineralised zone intersected in KJCD212

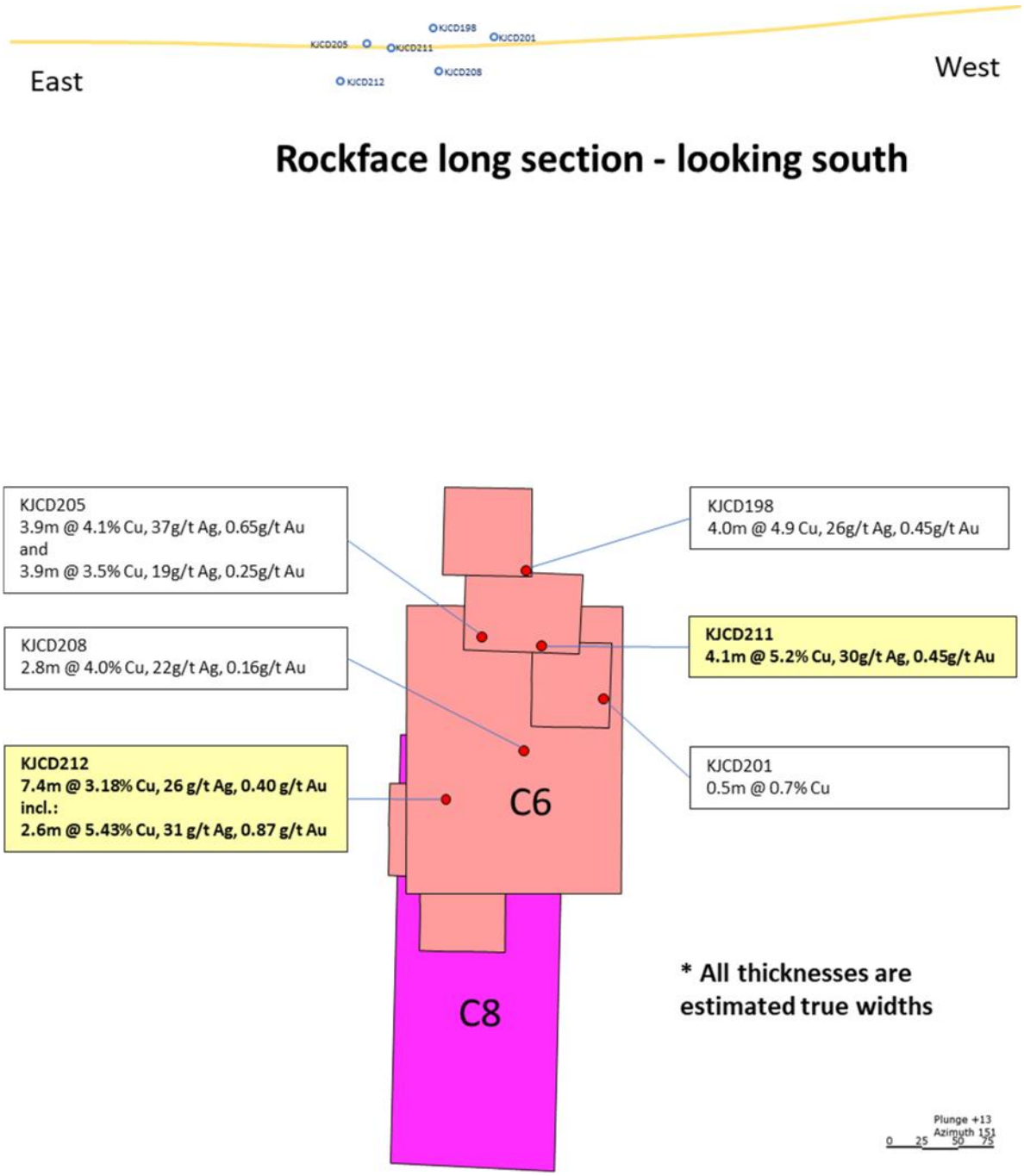

*Figure 3 Longitudinal section of DHEM survey conduc*tor plates C6 & C8 and corresponding drill hole intersections at Rockface, including KJCD212. *All w*idths are Estimated True Widths.

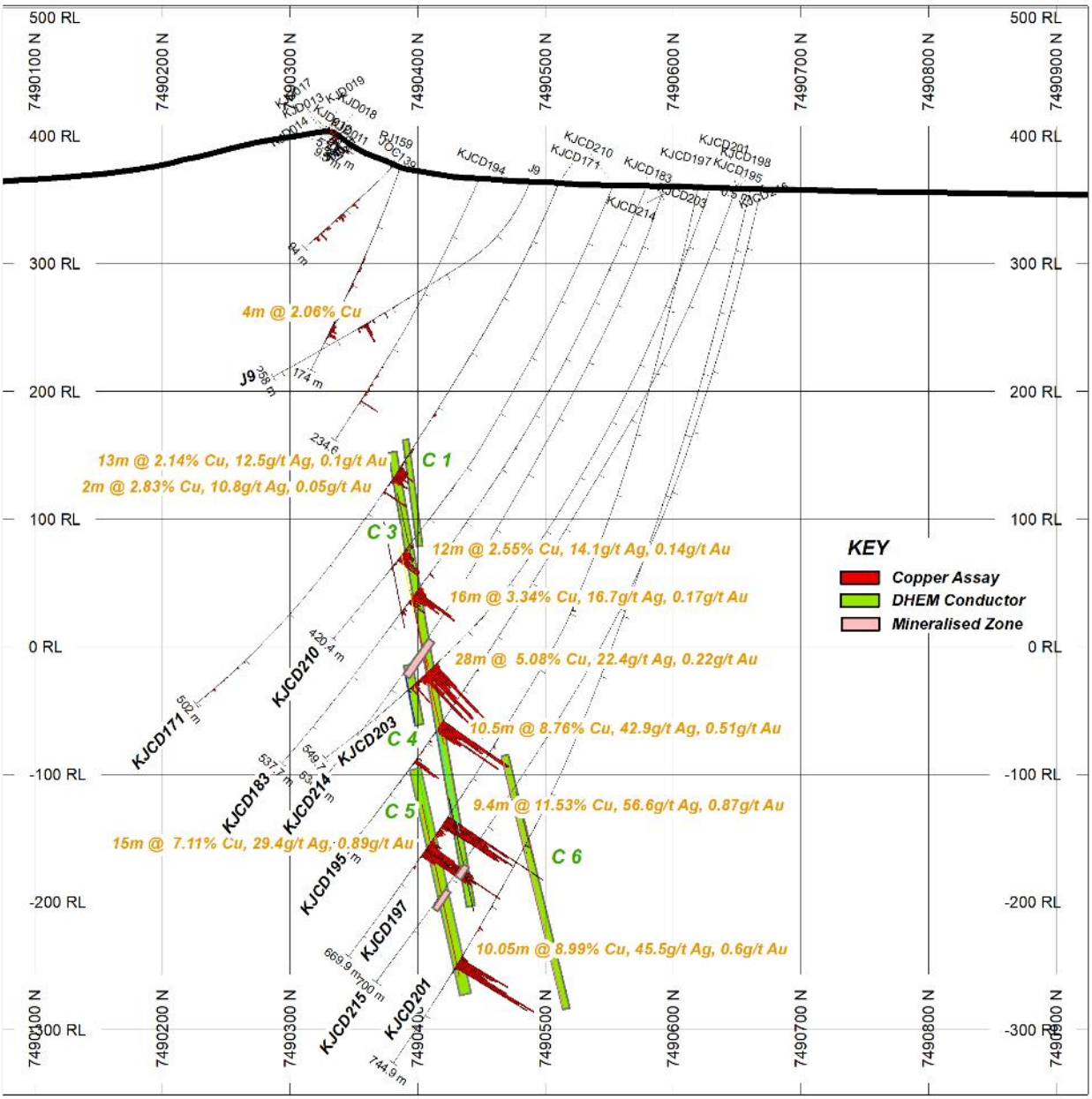

Figure 4 Rockface Section 628305E highlighting mineralised zone intersected in KJCD215

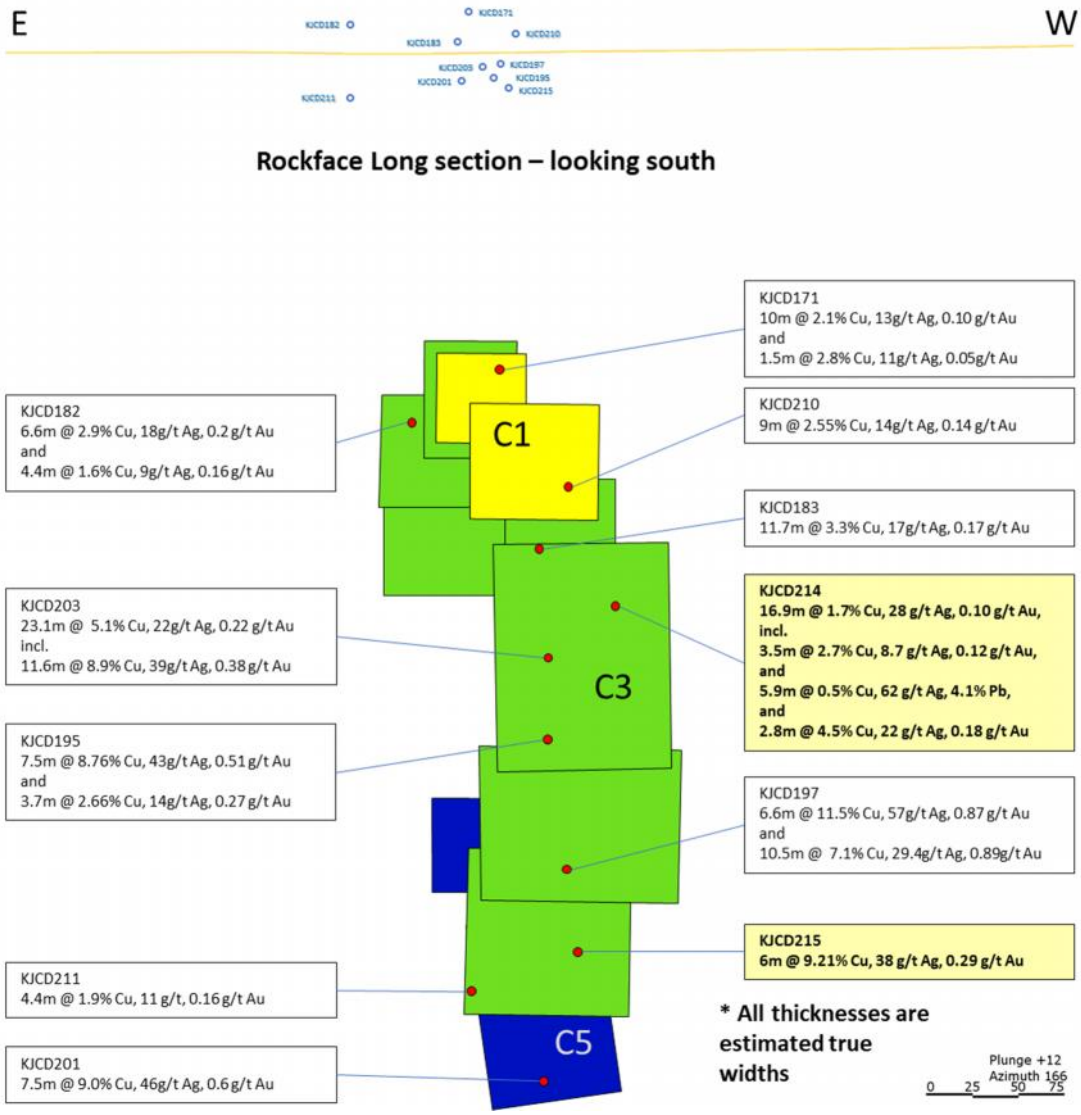

Figure 5. Longitudinal section of DHEM survey conductor plates C2, C3 & C5 and corresponding drill hole intersections at Rockface, including KJCD214 & KJCD215. All widths are Estimated True Widths.

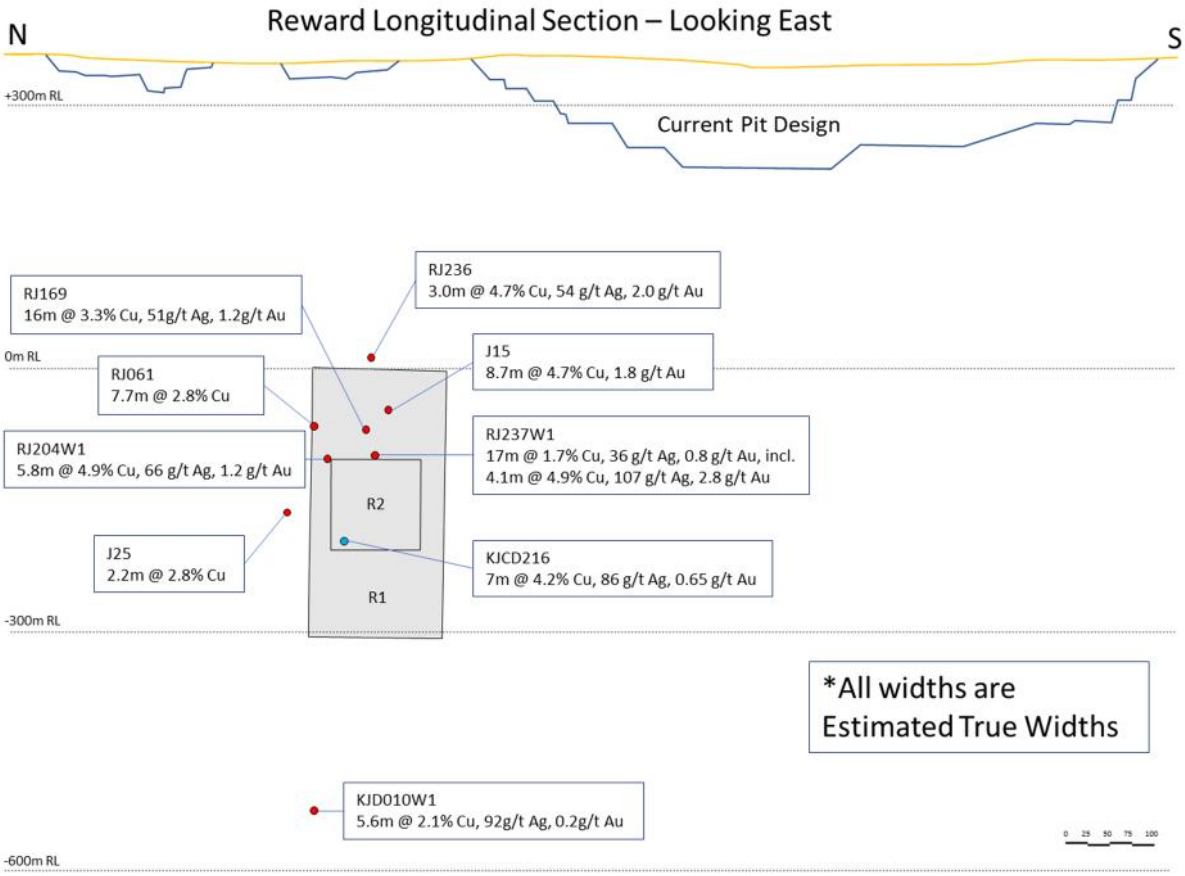

Figure 6. Longitudinal section of Conductor plates R1 & R2 and corresponding drill hole intersections at Reward. Blue dot is the pierce point of hole KJD216. Red dots are pierce points of previously announced intersections including the deep hole KJD010W1. All widths are Estimated True Widths.

Photograph 1. *KJCD212 - Massive sulphide zone comprised of pyrite + chalcopyrite, at 682-688.6m.*

Photograph 2. *Hole KJCD215 - Zone of semi-massive and breccia of magnetite + chalcopyrite (Conductor 5) circa 615.96 – 617.41 m.*

Photograph 3. *KJCD216 - Massive sulphide zone circa 645.27- 646.67 m.*

Table 1 Summary of significant results for KJCD212, KJCD214, KJCD215 & KJCD216

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
KJCD212	628325.3	7490829.8	356.6	-72.6	160.1	n/a	870	653.65	653.94	0.29	0.2	3.74	0	0.01	6.5	0
								664.61	665.96	1.35	1.1	1.26	0.01	0.06	9.3	0.09
								672.89	673.81	0.92	0.7	4.44	0.04	0.23	36.2	0.3
								678.98	**688.6**	**9.62**	**7.4**	**3.18**	**0.06**	**0.28**	**26**	**0.4**
							Including	**681.14**	**684.5**	**3.36**	**2.6**	**5.43**	**0.01**	**0.4**	**31.1**	**0.87**
								694.6	696.14	1.54	1.2	0.94	0.01	0.03	3.6	0.1
								698.3	699.1	0.8	0.6	1.98	0.02	0.04	7.7	0.25
KJCD214	628259.8	7490593.3	360.3	-70.52	175.23	n/a	550	405.54	413.46	7.92	5.7	1.65	0.11	0.15	8.4	0.12
								413.46	418.5	5.04	3.6	0.44	**4.62**	0.65	68	0.06
								420.5	432	11.5	8.3	1.73	0.1	0.11	7.8	0.06
							Including	420.5	423.25	2.75	2	4.47	0.24	0.2	21.6	0.18
								439.2	440.76	1.56	1.1	1.32	0.01	0.04	4.5	0.05
KJCD215	628270.2	7490670	358.8	-76.48	171.8	n/a	690.8	587.5	595.74	8.24	6	9.21	0.05	0.19	38.1	0.29
							Including	588.48	593.05	4.57	3.3	14	**0.03**	0.04	53.6	0.34
								597.41	597.82	0.41	0.3	1.21	0.01	0.05	2.5	0.06
								610.09	624.26	14.17	10.2	4.74	0.04	0.03	23	0.28
KJD216	630050.5	7495300.2	347.9	-65.6	81.8	n/a	732.8	636.1	647.73	11.63	7	4.2	**0.81**	1.07	86	0.65
							Including	644.4	646.67	2.27	1.4	11.14	3.46	4.75	329.3	1.33

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

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 Adriaan van Herk, a member of the Australian Institute of Geoscientists, Chief Geologist and a full-time employee of KGL Resources Limited.

Mr. van Herk 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. van Herk has consented to the inclusion of this information in the form and context in which it appears in this report.
The following drill holes were originally reported on the date indicated and using the JORC code specified in the table. Results reported under JORC 2004 have not been updated to comply with JORC 2012 on the basis that the information has not materially changed since it was last reported.

Hole	Date originally Reported	JORC Reported Under
J15	17/05/2011	2004
RJ236	02/10/2012	2004
KJCD043	20/03/2014	2012
RJ061	17/05/2011	2004
KJCD075	29/07/2014	2012
RJ169	20/10/2015	2012
RJ237	02/10/2012	2004
RJ237W1	02/10/2012	2004
RJ204	16/08/2012	2004
RJ204W1	16/08/2012	2004
J25	17/05/2011	2004
KJD010W1	15/01/2015	2012
KJCD171	22/10/2015	2012
KJCD183	26/04/2016	2012
KJCD195	02/08/2016	2012
KJCD197	19/09/2016	2012
KJCD201	09/02/2017	2012
KJCD203	09/02/2017	2012
KJCD210	29/06/2017	2012
KJCD211	29/06/2017	2012
J9	08/11/2013	2004
KJCD205	22/03/2017	2012
KJCD208	30/06/2017	2012
KJCD210	30/06/2017	2012
KJCD171	20/10/2015	2012
KJCD183	26/04/2016	2012
KJCD203	09/02/2017	2012
KJCD195	02/08/2016	2012
KJCD197	19/09/2016	2012
J9	17/05/2011	2004
KJCD207	17/05/2017	2012
KJCD182	09/05/2016	2012
KJCD198	10/11/2016	2012
KJCD201	09/02/2017	2012
KJCD203	09/02/2017	2012

Tenements

Tenement Number	Location	Beneficial Holding
ML 30180	Jervois Project, Northern Territory	100%
ML 30182	Jervois Project, Northern Territory	100%
ML30829	Jervois Project, Northern Territory	100%
EL 25429	Jervois Project, Northern Territory	100%
EL 30242	Jervois Project, Northern Territory	100%
E28340	Yambah, Northern Territory	100%
E28271	Yambah, Northern Territory	100%
EL28082	Unka Creek, Northern Territory	100%

Mining Tenements Acquired and Disposed during the quarter.*	Location	Beneficial Holding

Tenements subject to farm-in or farm-out agreements	Location	Beneficial Holding

Tenements subject to farm-in or farm-out agreements acquired or disposed of during the quarter	Location	Beneficial Holding

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.*	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

Criteria	JORC Code explanation	Commentary
	) *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.*	diamond saw and generally sampled at 1m intervals with shorter samples at geological 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 using the Logchief data acquisition software.) 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.) All drilling is conducted on the GDA94 MGA Zone 53 grid. All downhole surveys were converted to GDA94 MGA 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

Criteria	JORC Code explanation	Commentary
		on 80m spaced traverses with holes 10m apart
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.*	) Samples were stored in sealed polyweave bags on site and transported to the laboratory at regular intervals by KGL 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 Jervois project is within EL25429 and EL28082 100% owned by Jinka Minerals and operated by Kentor Minerals (NT), both wholly owned subsidiaries of KGL Resources.) The Jervois project is covered by Mining Leases and two Exploration licences 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 and Plenty River.
Geology	) *Deposit type, geological setting and style of mineralisation.*	) EL25429 and EL28082 lie on the Huckitta 1: 250 000 map sheet (SF 53-11). The tenement is located mainly within the Palaeo-Proterozoic Bonya Schist on the north-eastern 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.) The copper mineralisation is interpreted to be a later structurally controlled, mineralising event(s)
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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, Figures 1-6
Data aggregation methods	) *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg*	) Grades reported are uncut

Criteria	JORC Code explanation	Commentary
	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.*	
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 1-6
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 Tables 1
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 Figures 1-6, Photographs 1-3
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 1-6

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

KGL Resources

ABN	**Quarter ended ("current quarter")**
52 082 658 080	30 Sept 2017

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**	-	-
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(1,856)	(3,744)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(119)	(394)
	(e) administration and corporate costs	(230)	(475)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	17
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	1,618
1.8	Restructuring costs	-	-
1.9	**Net cash from / (used in) operating activities**	**(2,199)**	**(2,978)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(2)	(32)
	(b) tenements (see item 10)	-	(548)
	(c) investments	–	–
	(d) other non-current assets	–	–

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(2)**	**(580)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	5,550	9,031
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(22)	(24)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**5,528**	**9,007**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	**4,683**	**2,561**
4.2	Net cash from / (used in) operating activities (item 1.9 above)	**(2,199)**	**(2,978)**
4.3	Net cash from / (used in) investing activities (item 2.6 above)	**(2)**	**(580)**
4.4	Net cash from / (used in) financing activities (item 3.10 above)	**5,528**	**9,007**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**8,010**	**8,010**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	167	191
5.2	Call deposits	7,843	4,492
5.3	Trust	-	-
5.4	Bank overdrafts		
5.5	Other (provide details)		
5.6	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**8,010**	**4,683**

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	32
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Remuneration and expenses paid to non-executive directors for the quarter.

7.	Payments to related entities of the entity and their associates	Current quarter $A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	**Estimated cash outflows / (inflows for next quarter**	**$A'000**
9.0	Equity Raising	(6,842)
9.1	Exploration and evaluation	2,171
9.2	Development	-
9.3	Production	-
9.4	Staff costs	118
9.5	Administration and corporate costs	161
9.6	Fixed Assets	8
9.7	**Total estimated cash outflows / (inflows)**	**(4,384)**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	ML30829	Mining Lease Granted	0%	100%

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: .... Date: .30 October 2017
(Director/Company secretary)

Print name: .....Kylie Anderson.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

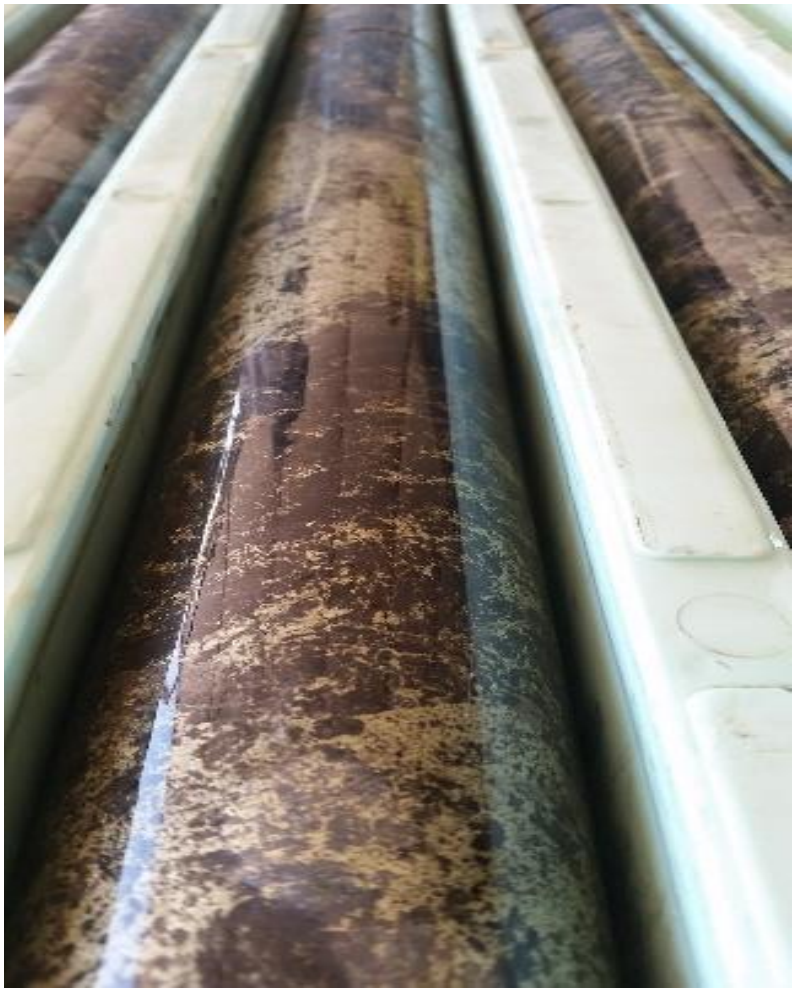
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

Investor Presentation

ASX Code: KGL

October 2017



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Financial data:

- All dollar values are in Australian dollars (A$) unless otherwise stated.

Forward-looking statements:

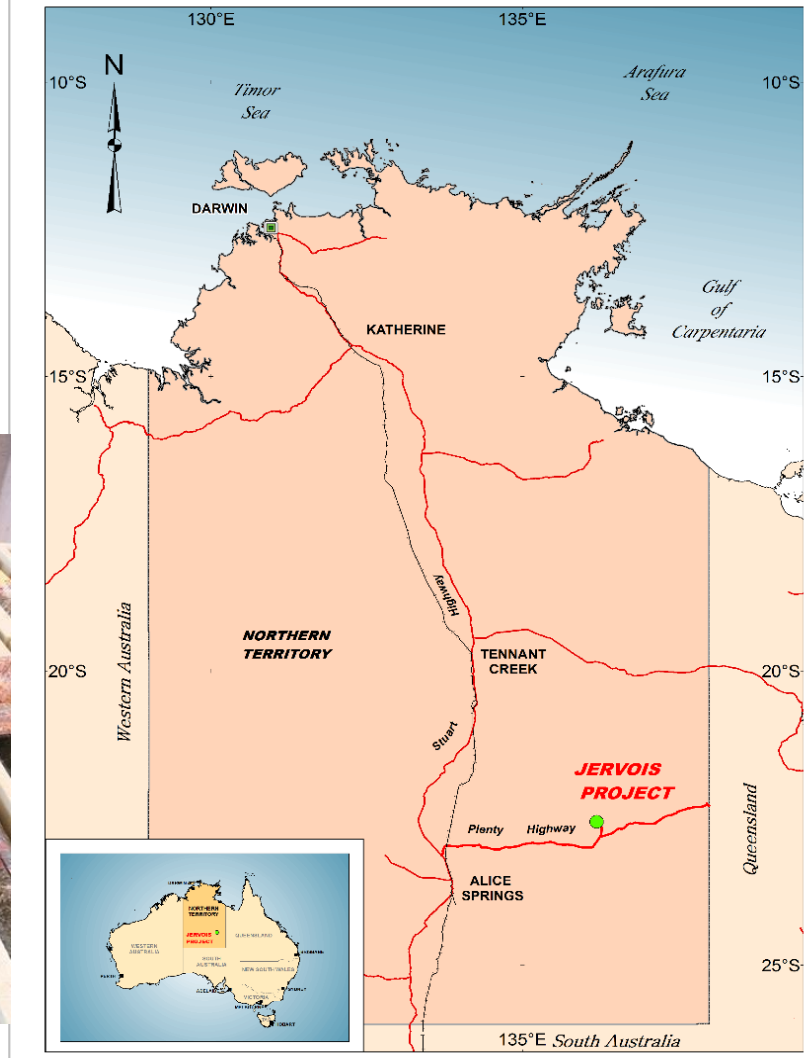
- This presentation includes certain forward-looking statements. The words "forecast", "estimate", "like", "anticipate", "project", "opinion", "should", "could", "may", "target" and other similar expressions are intended to identify forward looking statements. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding forecast cash flows and potential mineralisation, resources and reserves, exploration results and future expansion plans and development objectives of KGL are forward-looking statements that involve various risks and uncertainties. Although every effort has been made to verify such forward-looking statements, there can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. You should therefore not place undue reliance on such forward-looking statements.

Building a Quality Australian Copper Company

Jervois Copper Project – 100% Owned

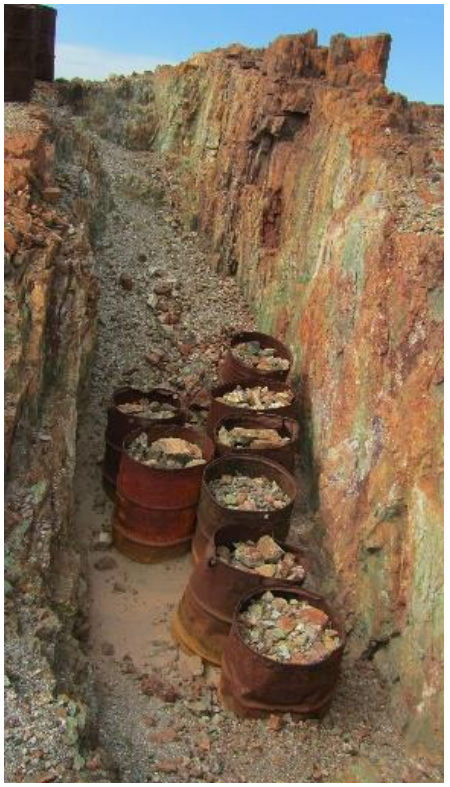
- Located 380km ENE of Alice Springs with access via Stuart and Plenty Highway
- Jervois Project Area 111km^2 - located on Pastoral Lease
- Mining Lease Approved
- Bonya Community 17km SW of project

Hole KJCD215 - Zone of semi-massive and breccia of magnetite + chalcopyrite (Conductor 3) circa 592.36 – 593.05 m.



Jervois Exploration

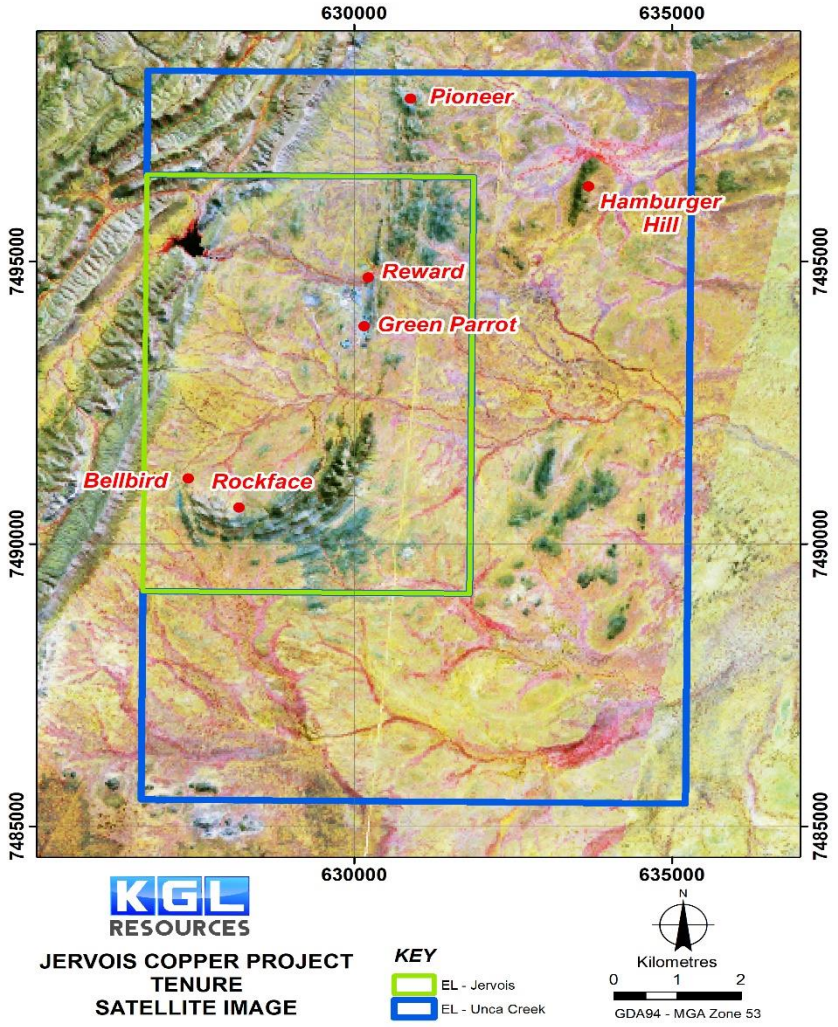
- Jervois discovered in 1929
- Numerous small scale prospecting and mining ventures
- **New Consolidated Goldfields** (Australasia) Pty Ltd 1961-1965;
- **Petrocarb Mineral Exploration** (SA) Pty Ltd (1969-1973)
- JV **Petrocarb** and **Union Corporation** (Australia) Pty Ltd (1973-1974)
- **Plenty River Mining** (1980-1983)
- JV **Plenty River Mining** and **Anaconda** (1983-1984)
- JV **Plenty River Mining** and **Normandy Poseidon** (1991-1996);
- **Britannia Gold NL** (1997-1999)
- JV **Britannia Gold NL** and **MIM Exploration** Pty Ltd (1999-2001)
- **Reward Minerals (**2004-2009) > **Jinka Minerals** (2010-2011)
- **KGL Resources** (2011 – Present)



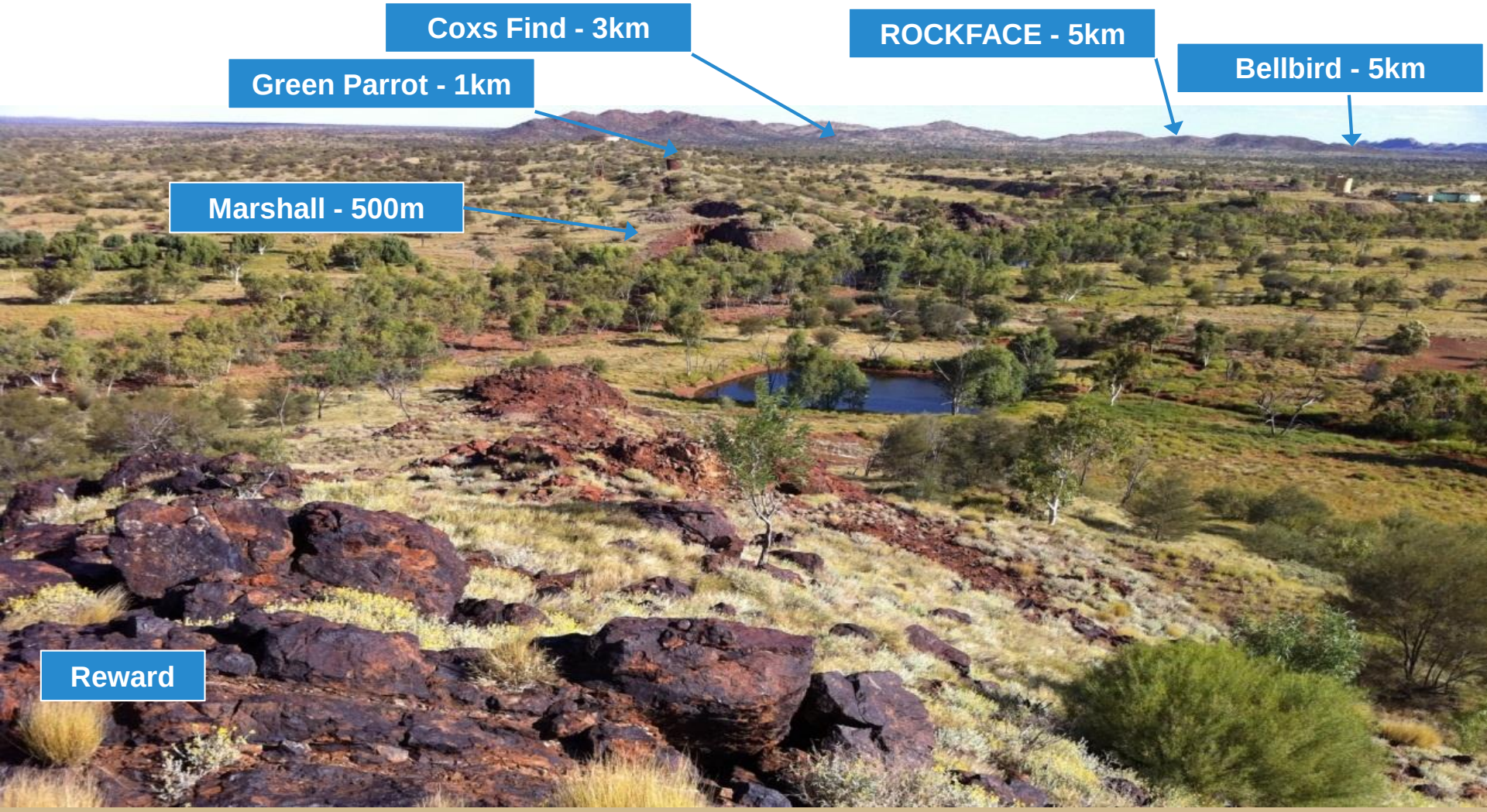
Jervois and Unca Creek Tenements

- High-grade Jervois Copper Project located in highly prospective geological setting
- Unka Creek Exploration Project (EL28082) acquired in March 2017
  - Offers multiple walk-up drill targets in an area that is relatively under-explored.
- Current Mineral Resource (July 2015)
  - 327,000 tonnes of copper
  - 22.6 million ounces of silver
  - 143,000 tonnes of lead
  - 47,000 tonnes of zinc
  - 113,000 ounces of gold

- KGL is well-funded with aggressive $10.9 million exploration and development program planned over the next 12 months



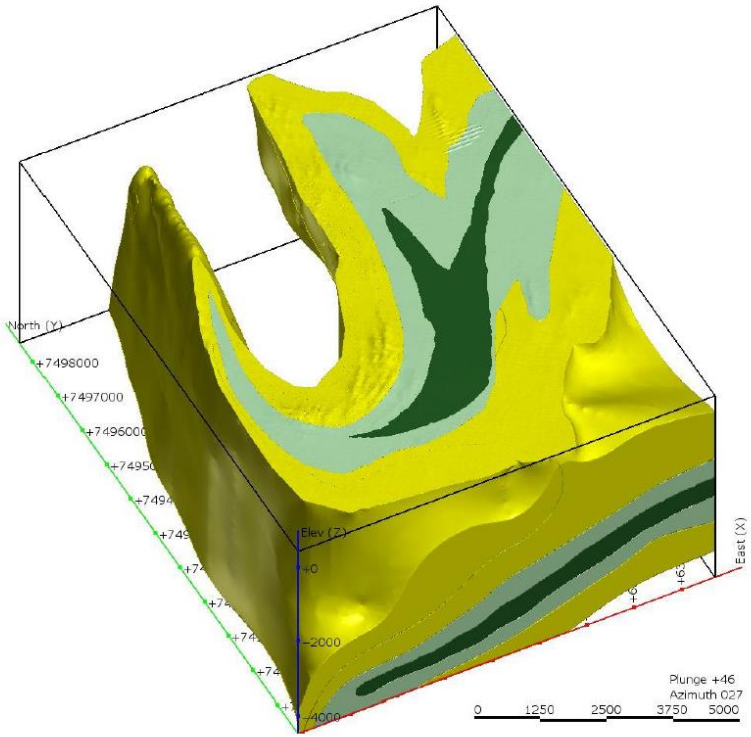
Jervois – Establishing a Mining District

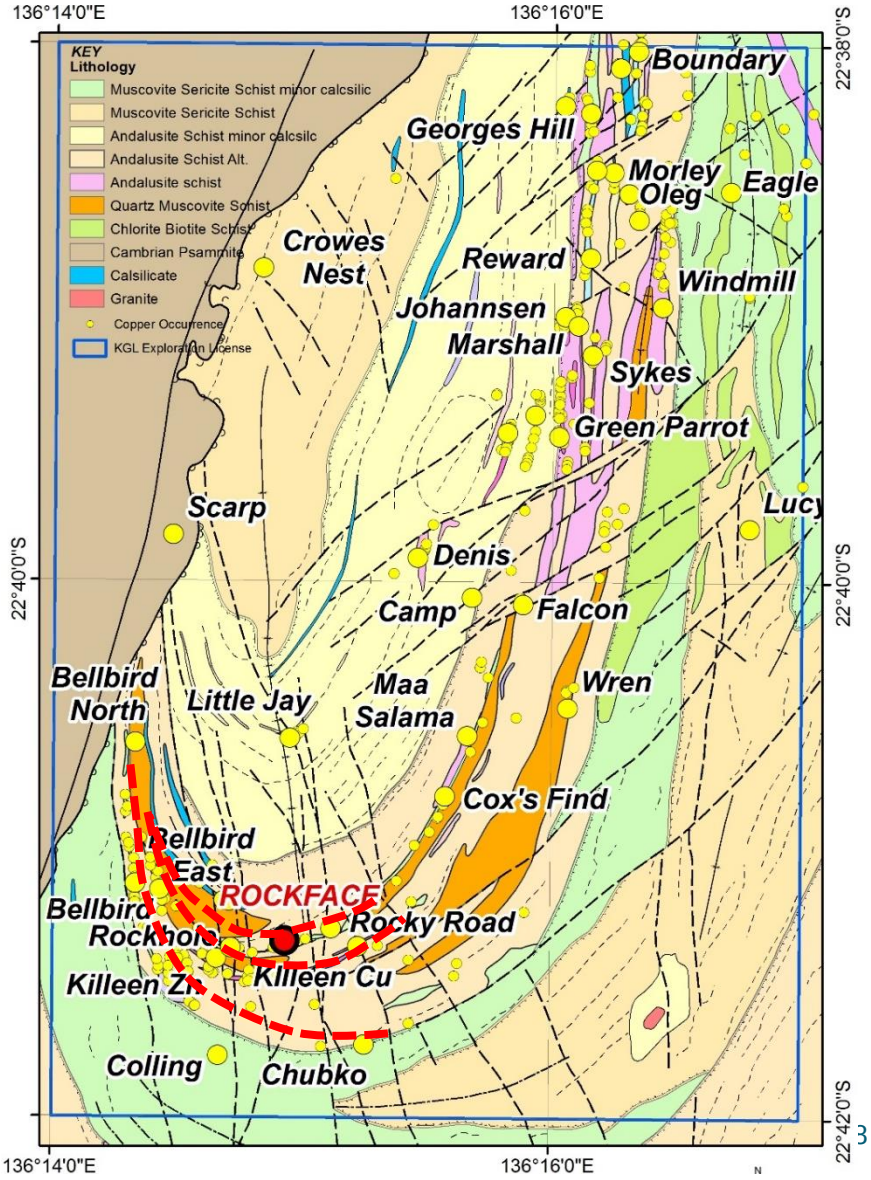


Outcropping Copper Mineralisation

Highly Prospective Geological Setting

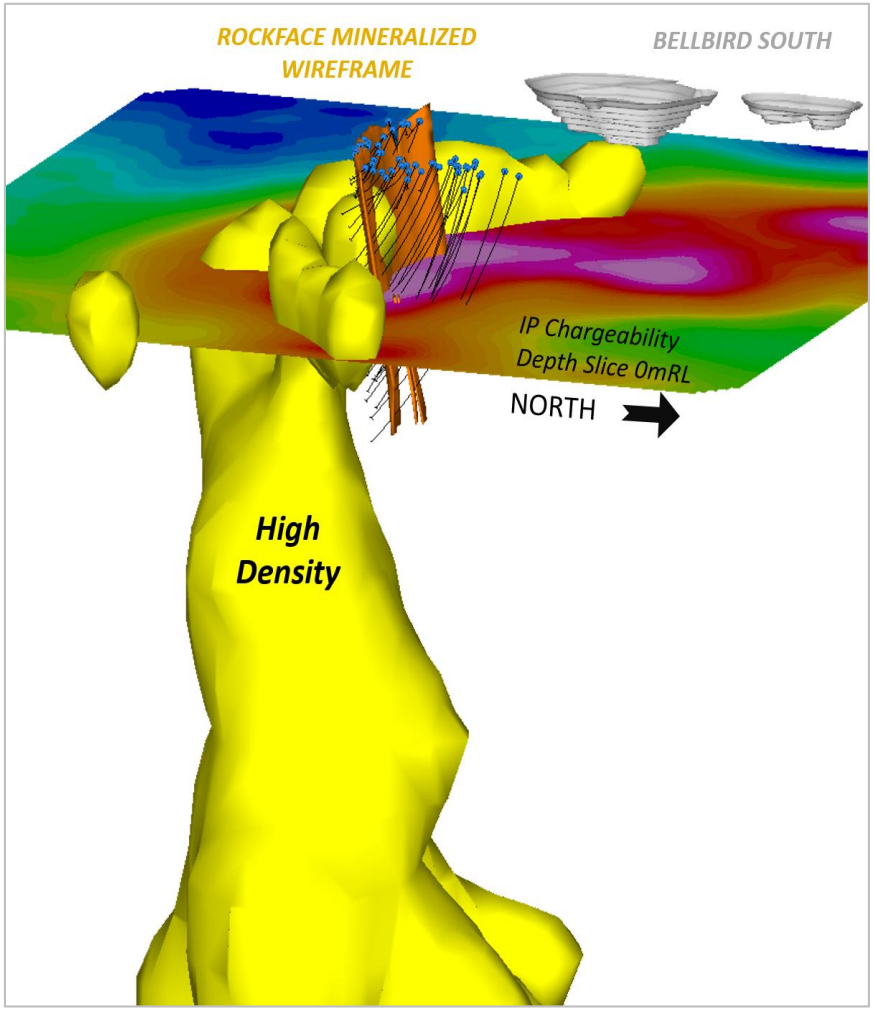
- Hosted by Bonya Metamorphics in Eastern Arunta
- High T - Low P metamorphism
- Dominated by Quartz Muscovite Schist
- Stratabound mineralisation
- Hybrid SEDEX-VMS IOCG?



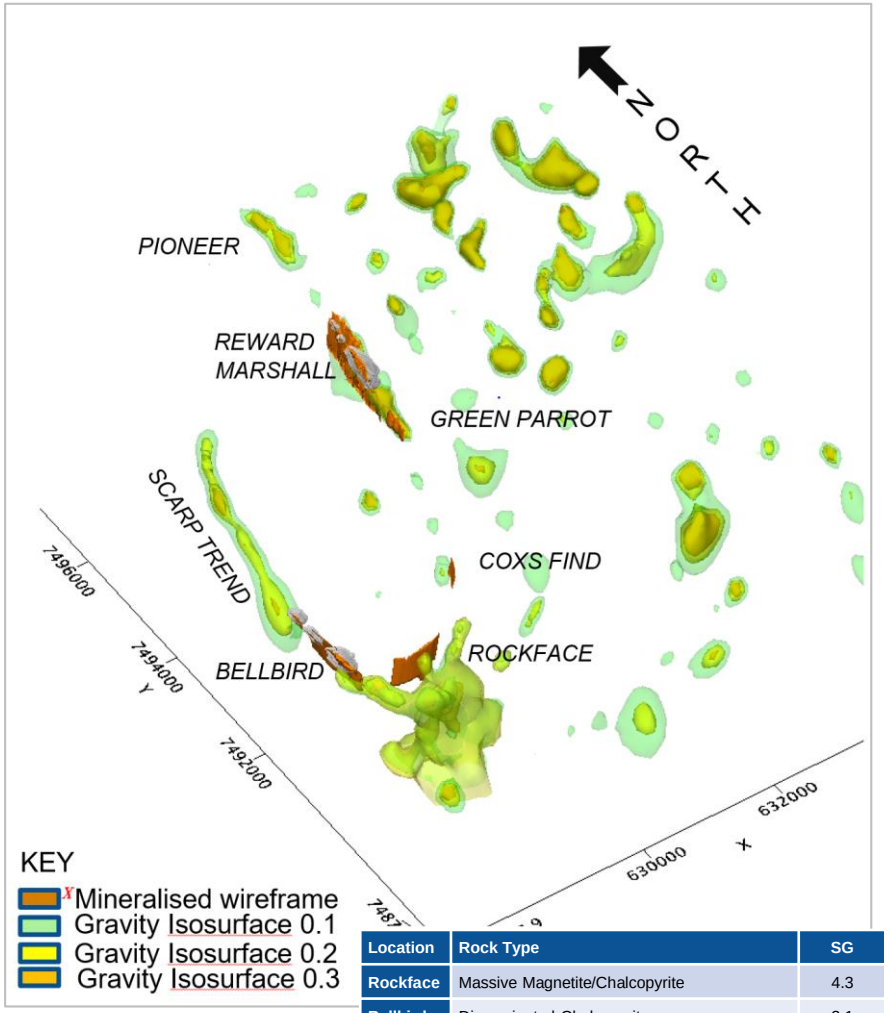


Gravity Inversion - Geological Structure / Stratigraphy

Gravity Inversion – Bellbird and Rockface region



Gravity Inversion – Jervois and Unca Creek



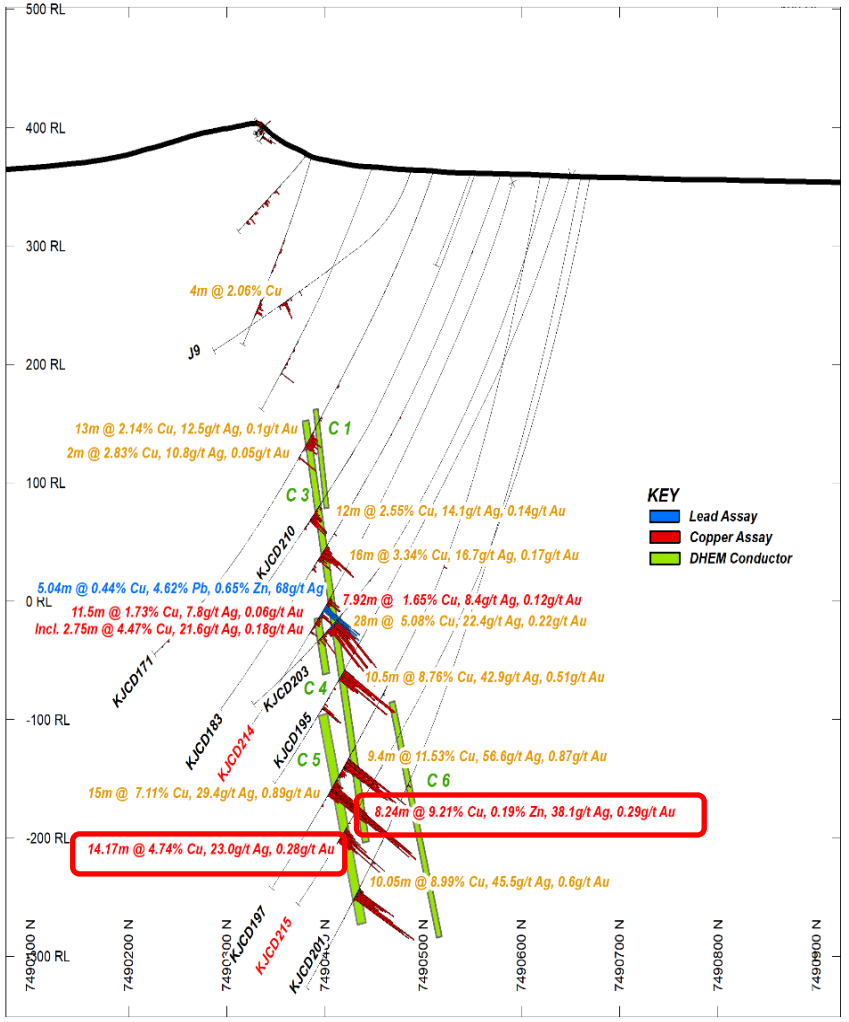
Location	Rock Type	SG
Rockface	Massive Magnetite/Chalcopyrite	4.3
Bellbird	Disseminated Chalcopyrite	3.1
Reward	High-grade Chalcopyrite/ Garnet Magnetite	3.4
Jervois	Metasediments	2.8 – 2.9

Rockface Prospect

- Latest assays confirm continuity of high-grade copper at Rockface[1]
- Multiple parallel lenses, dipping north at -80 degrees
- Strike for Conductor 6,7 and 8 swinging to the north
- Recent drilling confirmed good continuity of the high-grade copper mineralisation across large previously undrilled spaces at Rockface - *Refer Appendix 1 for further information*
- Results include hole KJCD215:
  - **8.24m** @ **9.21% Cu**, 0.19% Zn, 38.1g/t Ag, 0.29g/t Au from 587.5m

    including **4.57m** @ **14.00% Cu**, 53.6g/t Ag, 0.34g/t Au from 588.48m
  - **14.17m** @ **4.74% Cu**, 23.0g/t Ag, 0.28g/t Au from 610.09m
- Confirms grade increasing with depth
- Down hole electromagnetic (DHEM) surveying has consistently identified new drilling targets

Rockface cross-section 628305E



[1] *Refer ASX Announcement "Further High-Grade Copper Discovered at Rockface" released on 4 September 2017*

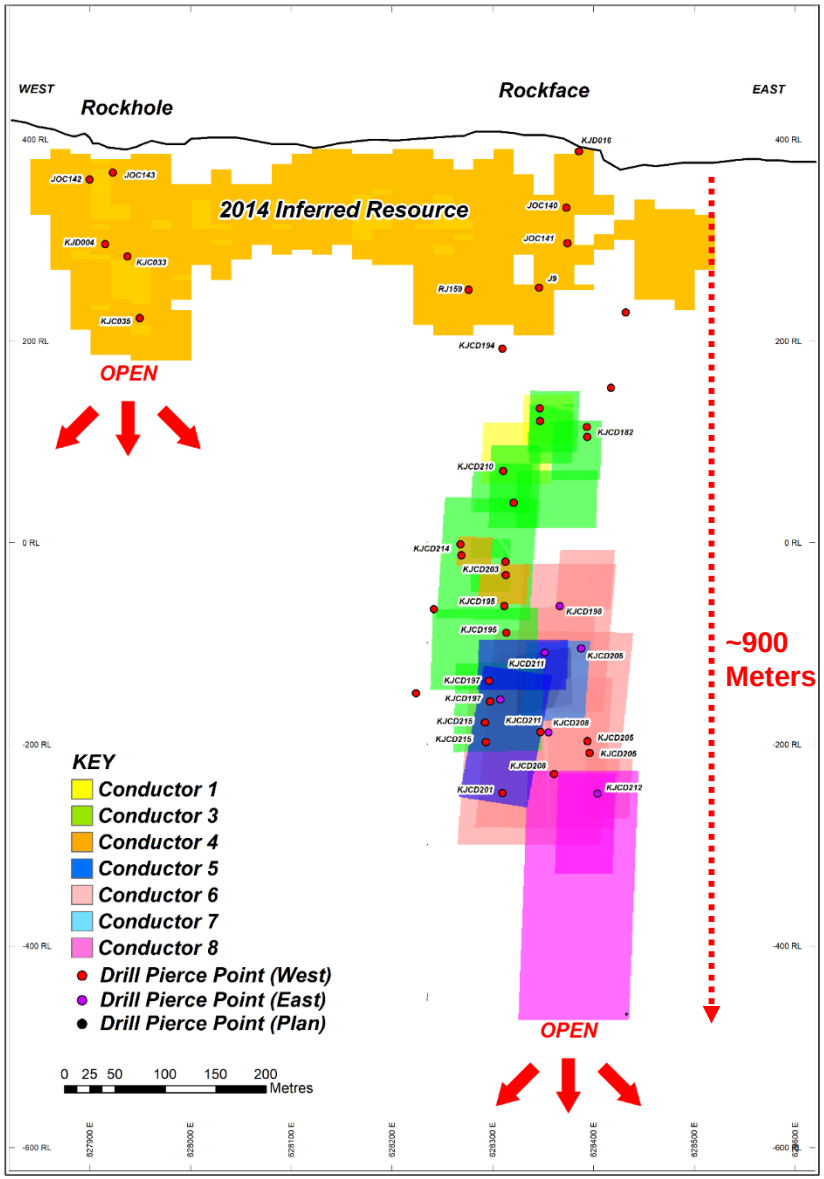
Rockface Priorities

- Resource definition drilling identified zones of high-grade mineralisation in preparation for a Resource upgrade
- Resource extension drilling to the east and down dip, guided by DHEM surveying
- Test potential of Conductor 8

- Rockhole is part of the same mineralised system as Rockface and significant potential exists below limited historic drilling
- No drilling since discovery in 2014
- 3DIP chargeability and conductivity displays similar response to Rockface at depth

- Magnetic anomalies likely due to magnetite alteration as observed at Rockface will be targeted.
  - Along strike to the east of Rockface at Rockyroad Target
  - Parallel to and south of Rockface on the Killeen Copper trend at Amigo Target

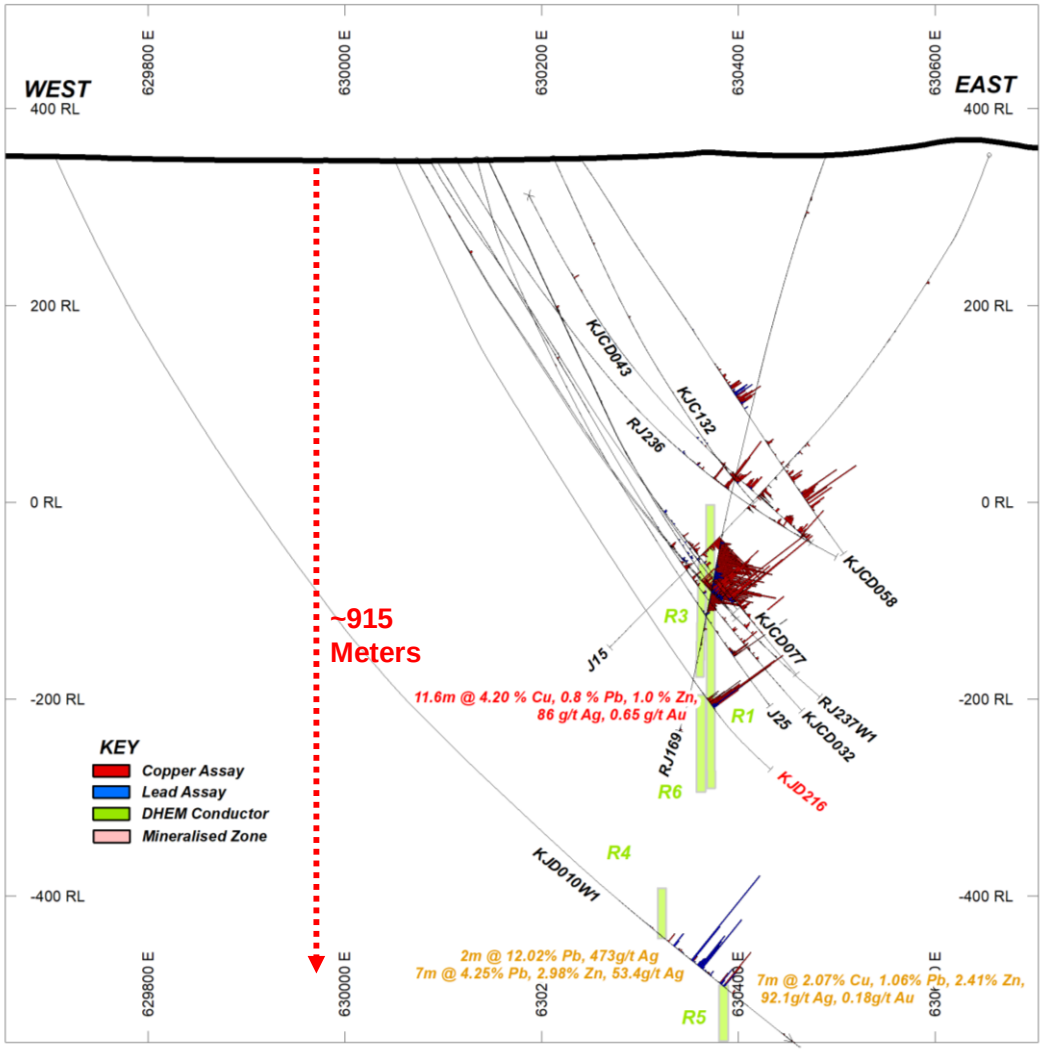
Rockface long-section 628220E



Reward Prospect

- Recent drilling confirms significant discovery at Reward[1]
- Significant extension of mineralisation at Reward
  - Conductor R1 intersected 95m below the previous deepest intercept
  - Visible chalcopyrite plus pyrite mineralisation – similar to Rockface
  - Conductor R1 extends to -300mRL
- KJD216 was designed to intersect an off-hole electromagnetic response identified from previous DHEM surveys.
  - **11.63m @ 4.2% Cu, 0.81% Pb, 1.07% Zn, 86g/t Ag, 0.65g/t Au from 636.1 m**
  - Including 2.27m @ 11.14% Cu, 3.46% Pb, 4.75% Zn, 329.3g/t Ag, 1.33g/t Au from 644.4 m
- Drilling success validates KGL's DHEM targeting methodology
- Several DHEM conductors remain untested to the north of this deeper drilling

Reward Cross-Section 7495275N

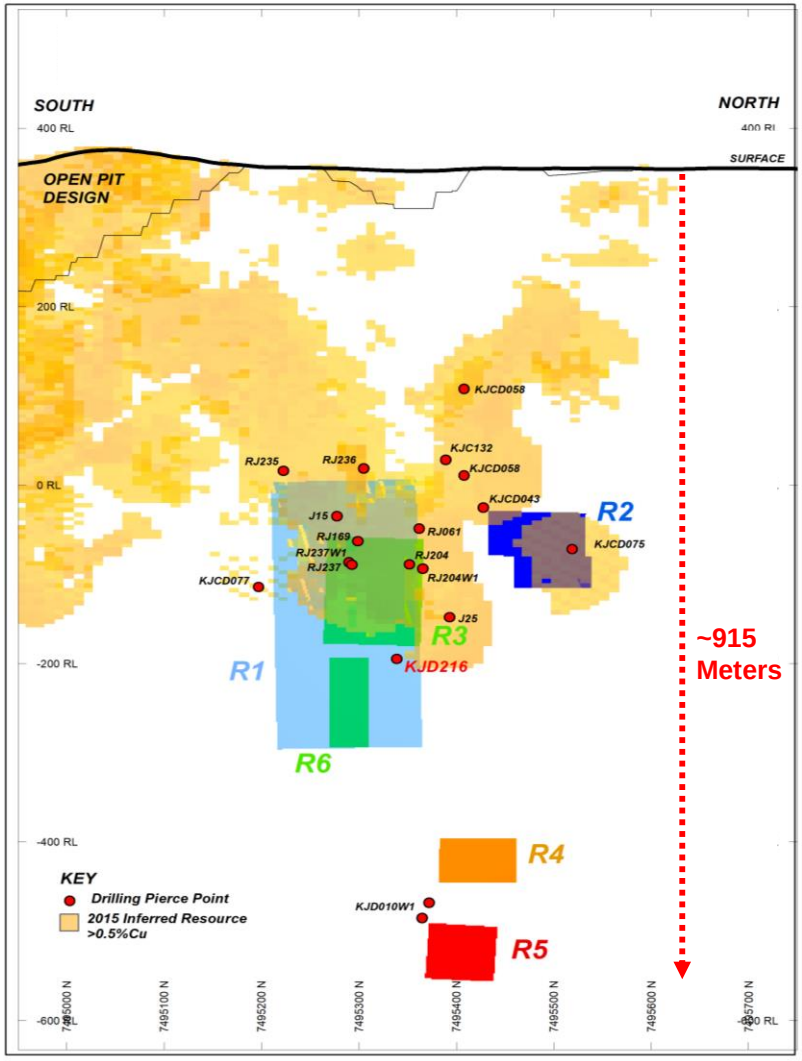


[1] *Refer ASX Announcement released on 30 August 2017 and 25 September 2017*
Refer Appendix 1 for further information

Reward Prospect - DHEM

- DHEM surveying of KJD216 has confirmed that the hole intersected Conductor R1 ~25m inside the northern edge and ~90m above the bottom edge[1]
- Updated modelling, positions the bottom edge of Conductor R3 approximately 20m above hole KJD216
- The DHEM survey also identified a strong conductor R6, modelled in the hanging wall of Conductor R1
- Further drilling will be required to determine whether this represents a larger zone of conductivity rather than two discrete conductors
- The northern end of Reward includes several other conductors that were identified in DHEM surveys undertaken in late 2014[2]
- Further drilling will be required to evaluate these conductors

Reward Longitudinal Section – Looking West



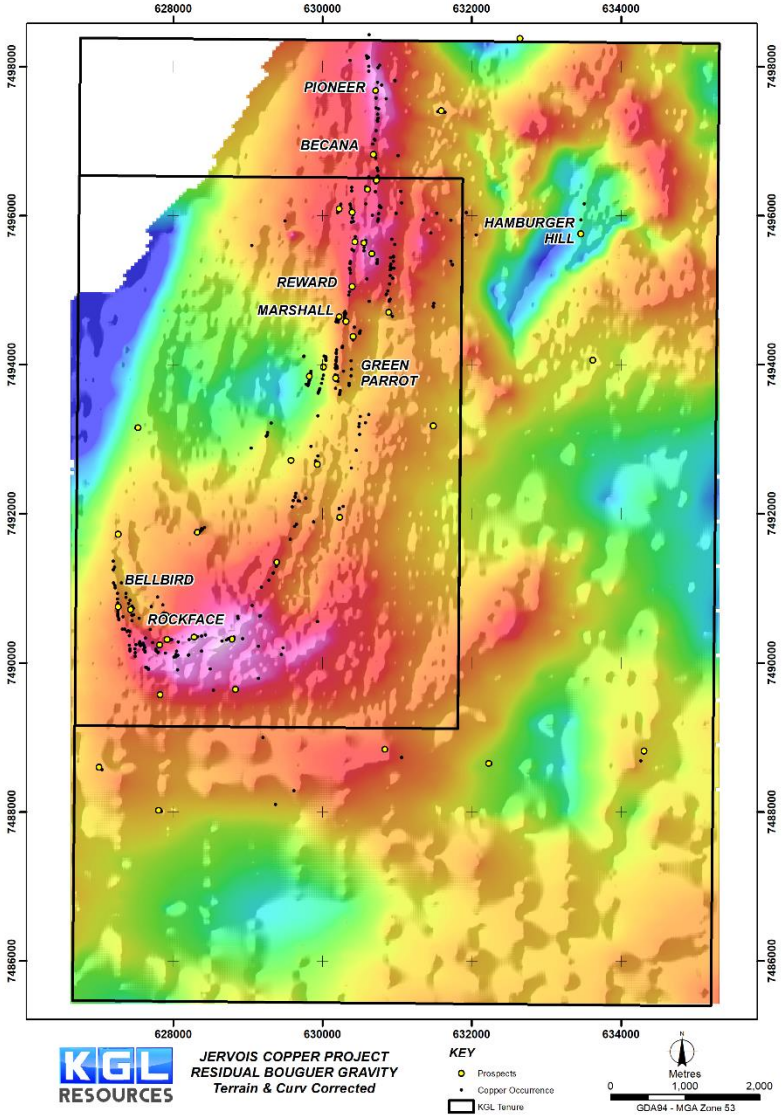
[1] *Refer ASX Announcement "Jervois Copper Project - DHEM & Gravity Surveys continue to validate exploration model" released on 12 September 2017*
[2] *Refer ASX Announcements "Geophysics Identifies New Targets at Jervois" released on 21 November 2014 and "High Grade Zones Intersected in Deep Drilling at Jervois" released on 15 January 2015. Photos are from hole KJD216 – refer ASX announcement "Jervois Copper Project – High Grades Confirmed in Reward Driilling" released on 25 September 2017*

Greater Jervois Project

- KGL considers the acquisition of exploration tenement EL28082, known as the Unca Creek Exploration Project, to have considerable strategic value*
- Jervois Project Area expanded to 111km^2
- Within the Bonya Metamorphics
- Already surveyed with SAM
- Soils geochemistry survey completed

- Multiple walk-up drill targets
- Marshall-Reward-Morley trend
  - Becana
  - Pioneer
- North-east of Reward
  - Hamburger Hill

Residual Bouguer Gravity highlighting deeper gravity anomalies (Gravity high- White/Red, Gravity low – Blue/Green)



** Refer ASX Announcement "KGL expands Jervois Project" released on 27 March 2017*

Summary and Outlook

- Jervois Copper Project, one of Australia's most promising new copper mineral discoveries
- KGL finalising A$12.4m equity raising
- KGL is well funded for exploration and development activities
  - Environmental and project approvals process proceeding
  - Mining Lease approved
  - Metallurgical test work underway
  - Preliminary mine planning and geotechnical work progressing
  - Update to Mineral Resource for both Reward and Rockface planned
  - Update development studies
- KGL is on track to building a quality Australian copper company with strong and supportive major shareholders

Appendix 1 - Western Zone

HoleID	Interval	C	ETW (m)	RL (m)	SG (t/m^3)
KJCD171	13m @ 2.14% Cu, 12.5g/t Ag, 0.10g/t Au from 255m 2m @ 2.83% Cu, 10.8g/t Ag, 0.05g/t Au from 278 m	3 3	10.0 1.5	140.6 121.5	4.33 2.95
KJCD182	9m @ 2.91% Cu, 17.6g/t Ag, 0.2g/t Au from 284m 6m @ 1.6% Cu, 9.3g/t Ag, 0.16g/t Au from 296 m	3 3	6.6 4.4	118.3 108.7	3.65 4.46
KJCD210	2m @ 0.71% Cu, 3.7g/t Ag, 0.03g/t Au from 325m 12m @ 2.55% Cu, 14.1g/t Ag, 0.14g/t Au from 329m	1 3	1.5 9.0	80 76	3.64 4.22
KJCD183	16m @ 3.34% Cu, 16.7g/t Ag, 0.17g/t Au from 362m	3	11.7	46.6	3.84
KJCD214	7.92m @ 1.65% Cu, 8.4g/t Ag, 0.12g/t Au from 405.54 m 11.5m @ 1.73% Cu, 7.8g/t Ag, 0.06g/t Au from 420.5 m	3 4	5.7 8.3	2.0 -10.3	3.93 3.80
KJCD203	28m @ 5.08% Cu, 22.4g/t Ag, 0.22g/t Au from 435m Incl. 14m @ 8.89% Cu, 38.5g/t Ag, 0.38g/t Au from 436m	3	23.2 11.6	-13.5 -14.2	4.02 4.28
KJCD195	10.5m @ 8.76% Cu, 42.9g/t Ag, 0.51g/t Au from 478.4m 5.1m @ 2.66% Cu, 13.8g/t Ag, 0.27g/t Au from 513.6 m	3 (5)	7.5 3.7	-58.6 -87.0	4.42 3.38
KJCD197	9.4m @ 11.53% Cu, 56.6g/t Ag, 0.87g/t Au from 535.4m 8.9m @ 1.00% Cu, 7.3g/t Ag, 0.09g/t Au from 544.8 m 15m @ 7.11% Cu, 29.4g/t Ag, 0.89g/t Au from 558 m	3 5 5	6.6 6.2 10.5	-133.2 -141.3 -152.2	4.03 3.94 3.59
KJCD215	8.24m @ 9.21% Cu, 0.19% Zn, 38.1g/t Ag, 0.29g/t Au from 587.5 m 14.17m @ 4.74% Cu, 23.0g/t Ag, 0.28g/t Au from 610.09 m	3 5	6 10.2	-174.0 -192.3	3.73 3.45
KJCD201	10.05m @ 8.99% Cu, 45.5g/t Ag, 0.6g/t Au from 645.65m	5	7.5	-243	3.90

ETW – Estimated True Width RL – Height above MSL at the start of the interval
SG – Specific Gravity (density)

Appendix 1 - Eastern Zone

HoleID	Interval	C	ETW (m)	RL (m)	SG (t/m^3)
KJCD198	5.95m @ 4.94% Cu, 25.9g/t Ag, 0.45g/t Au from 449.85m	6	4.0	-61.4	3.90
KJCD205	5.55m @ 4.11% Cu, 0.59% Zn, 37.4g/t Ag, 0.65g/t Au from 511.11m 5.5m @ 3.54% Cu, 18.5g/t Ag, 0.25g/t Au from 619m 12.65m @ 1.03% Cu, 5.2g/t Ag, 0.05g/t Au from 629 m	6 (5) -	3.9 3.9 8.9	-104.8 -193.8 -201.8	3.56 2.82 2.61
KJCD211	5.67m @ 5.2% Cu, 0.2% Zn, 30g/t Ag, 0.45g/t Au from 517.38 m 7.35m @ 0.92% Cu, 5.9g/t Ag, 0.06g/t Au from 611.6 m 4.4m @ 1.93% Cu, 0.12% Zn, 10.9g/t Ag, 0.16g/t Au from 618.95 m	6 - 5	4.1 5.7 3.4	-105.2 -179.4 -185.1	4.45 3.14 3.66
KJCD208	3.25m @ 3.98% Cu, 0.88% Zn, 21.5g/t Ag, 0.16g/t Au from 608.75m 10.7m @ 1.18% Cu, 4.9g/t Ag, 0.21g/t Au from 662m	6 -	2.5 7.25	-186 -224	3.24 2.73
KJCD212	9.62m @ 3.18% Cu, 26g/t Ag, 0.40g/t Au, from 678.98m	6,8	7.4	244.6	3.86

ETW – Estimated True Width RL – Height above MSL at the start of the interval
SG – Specific Gravity (density)

Appendix 1 - Reward North

HoleID	Interval	C	ETW (m)	RL (m)	SG (t/m^3)
J15	11m @ 4.73% Cu, 1.84g/t Au from 512	R1	8.7	-35.5	-
RJ236	3.7m @ 4.68% Cu, 54g/t Ag, 1.96g/t Au from 433 m	-	3.0	15.6	3.29
KJCD043	7m @ 1.36% Cu, 25g/t Ag, 0.5g/t Au from 413 7m @1.28%Cu, 20.1g/t Ag, 0.06g/t Au from 483m	- -	5.6 5.6	17.2 -29	2.96 3.04
RJ061	22.4m @ 2.84% Cu from 408 m	R1	7.7	-43.3	-
KJCD075	7m @ 5.07% Pb, 0.29% Zn, 106.6g/t Ag from 498m	R2	5.2	-73.6	3.54
RJ169	72m @ 3.27% Cu, 51.3g/t Ag, 1.16g/t Au from 414m	R1 R3	16	-40.6	3.33
RJ237	23.6m @1.82% Cu, 23.9g/t Ag. 0.27g/t Au from 521.7	R1 R3	16.1	-81.8	-
RJ237W1	25m @ 1.74%Cu, 35.9g/t Ag, 0.82g/t Au from 518m	R1 R3	17	-79.9	3.29
RJ204	8m @ 4.8% Cu, 62.1g/t Ag, 0.35g/t Au from 502m	R1 R3	5.0	-94	3.30
RJ204W1	9.05m @ 4.9%Cu, 66.2g/t Ag, 1.22g/t Au from 509m	R1 R3	5.8	-95.8	3.20
J25	3.64m @ 2.79% Cu from 570.4 m	-	2.2	-154	-
KJCD216	11.63m @ 4.2% Cu, 0.81% Pb, 1.07% Zn, 86g/t Ag, 0.65g/t Au from 636.1 m	R1	7.0	-200	3.24
KJD010W1	2m @ 12.02% Pb, 473g/t Ag from 1062m 7m @ 4.25% Pb, 2.98% Zn, 53.4g/t Ag from 1070m 7m @ 2.07% Cu, 1.06% Pb, 2.41% Zn, 92g/t Ag, 0.18g/t Au from 1100m	R4 R4 R5	1.6 5.6 5.6	-465.3 -470.2 -488.7	3.87 3.11 3.17

ETW – Estimated True Width RL – Height above MSL at the start of the interval
SG – Specific Gravity (density)

Appendix 2: Jervois – Mineral Resource

Copper Resources	Category	Mt	Cu %	Ag g/t	Pb %	Zn %	Copper kt	Silver Moz	Lead kt	Zinc kt	Cut-off Cu%
Marshall *Copper*	Indicated	1.4	1.45	35.6	-	-	20.1	1.6	-	-	0.5
	Inferred	0.3	0.90	20.2	-	-	2.5	0.2	-	-	0.5
Reward *Copper*	Indicated	5.0	1.14	25.3	-	-	57.1	4.1	-	-	0.5
	Inferred	7.6	1.02	22.2	-	-	78.0	5.4	-	-	0.5
East Reward	Inferred	2.6	0.92	8.2	-	-	24.1	0.7	-	-	0.5
Bellbird	Indicated	4.1	1.22	7.7	-	-	49.9	1.0	-	-	0.5
	Inferred	4.3	1.29	8.5	-	-	55.9	1.2	-	-	0.5
Cox's Find	Inferred	0.7	0.87	2.8	-	-	6.0	0.1	-	-	0.5
Rock Face	Inferred	0.7	0.82	3.1	-	-	6.0	0.1	-	-	0.5
TOTAL	Indicated	10.5	1.21	19.8	-	-	127.0	6.7	-	-	-
	Inferred	16.2	1.06	14.6	-	-	172.1	7.6	-	-	-
	TOTAL	**26.7**	**1.12**	**16.6**	**-**	**-**	**299.1**	**14.3**	**-**	**-**	**-**

Lead/Zinc Resources	Category	Mt	Cu %	Ag g/t	Pb %	Zn %	Copper kt	Silver Moz	Lead kt	Zinc kt	Cut-off Cu%
Reward *Lead/Zinc*	Indicated	0.5	0.74	70.7	6.8	0.9	3.6	1.1	33.6	4.4	None
	Inferred	0.8	0.51	90.9	8.6	1.2	4.1	2.3	69.4	9.4	None
Green Parrot *Lead/Zinc*	Indicated	0.5	0.99	64.0	0.9	0.6	5.1	1.1	4.7	3.2	0.3
	Inferred	1.4	0.81	78.0	1.8	0.9	11.1	3.4	24.4	12.8	0.3
Bellbird North	Inferred	0.7	0.57	17.9	1.7	2.5	3.8	0.4	11.3	16.7	0.2
TOTAL	Indicated	1.0	0.87	67.3	3.8	0.8	8.7	2.2	38.3	7.6	-
	Inferred	2.8	0.67	67.6	3.7	1.4	19.0	6.2	105.1	38.9	-
	TOTAL	**3.8**	**0.72**	**67.5**	**3.7**	**1.2**	**27.7**	**8.4**	**143.4**	**46.5**	**-**
2015 Combined	**TOTAL**	**30.5**					**327.0**	**22.6**	**143**	**47**	

Gold Resources	Category	Mt	Au g/t	Au Koz	Cut-off Cu%
Marshall-Reward	Inferred	13.9	0.19	85	0.5
Bellbird	Inferred	7.5	0.12	28	0.5
2014 Combined	Inferred	**21.4**	**0.16**	**113**	

Appendix 2: Jervois – Mineral Resource

Competent Person Statement

- The data in this report that relates to Mineral Resource Estimates is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 (the "JORC Code"). Mr Tear is a Director of H&S Consultants Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.
- The following drill holes were originally reported on the date indicated and using the JORC code specified in the table. Results reported under JORC 2004 have not been updated to comply with JORC 2012 on the basis that the information has not materially changed since it was last reported.

Hole	Date originally Reported	JORC Reported Under
J15	17/05/2011	2004
RJ236	02/10/2012	2004
KJCD043	20/03/2014	2004
RJ061	17/05/2011	2004
KJCD075	21/07/2014	2012
RJ169	22/10/2015	2012
RJ237	02/10/2012	2004
RJ237W1	29/05/2014	2012
RJ204	24/10/2014	2012
RJ204W1	24/10/2014	2012
J25	17/05/2011	2004
KJCD216	17/11/2014	2012
KJD010W1	15/01/2015	2012

- See ASX announcement dated 29 July 2015
- See ASX announcement dated 15 September 2014 in relation to gold Mineral Resource

Competent Person Statement

- The Jervois Exploration data in this report is based on information compiled by Adriaan van Herk, a member of the Australian Institute of Geoscientists, Chief Geologist and a full-time employee of KGL Resources Limited.
- Mr. van Herk 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. van Herk has consented to the inclusion of this information in the form and context in which it appears in this report.