14 December 2017

JERVOIS COPPER PROJECT

High grade copper zones extended at Rockface Prospect

- **Continued validation of exploration model with every hole in the current drilling program intercepting copper mineralisation**
- **DHEM surveys under way with current results indicating Conductor 6 extends further to the east**

KGL Resources Limited (KGL:ASX) (KGL or the Company) announces drill results extending high grade copper mineralisation at the Rockface prospect, located at KGL's 100% owned Jervois Copper Project in the Northern Territory. Assays have now been received for several holes from the latest drilling program at Rockface, and others are pending.

KGL Executive Chairman Mr Denis Wood said:

> *"These are very good results. They extend areas of high grade copper significantly, reveal new broad copper zones closer to the surface and continue to confirm continuity of mineralisation in both the west and east.*
>
> *"The indication that conductor 6 continues further to the east is very positive news and testing this discovery will be included in next year's exploration program.*
>
> *"We are close to finalising our very successful exploration program for 2017. Drilling at Rockface will finish early next week with final results from DHEM and assays due early in the new year.*
>
> *"This recent program at Rockface continues to demonstrate success with our now well tested exploration strategy at Jervois. These results, along with those from Reward, will underpin our next resource estimate.*
>
> *"The results from both Rockface and Reward during this recent exploration program strongly support continued drilling and DHEM programs at both sites. The board and management look forward to a restart with two drilling rigs early next year."*

Rockface Prospect

Assay Results for Hole KJCD218

Hole KJCD218 was designed to test the up-dip extension of the eastern zone and is the shallowest hole yet drilled into Conductor 6.

Assay results confirm good copper grades, where like the rest of Conductor 6, the chalcopyrite-pyrite mineralisation is hosted in a brecciated, intensely altered massive magnetite. Although the width is narrowing the grades of copper silver and gold remain high.

- ***3.35m @ 5.27% Cu, 31.8g/t Ag, 0.47g/t Au from 421.15 m***

Photograph 1. Hole KJCD218 Zone of chalcopyrite dominated massive sulphide breccia matrix in massive magnetite host from 421.15 to 422.96m, corresponding to conductor C6.

Assay Results for Hole KJCD219

Hole KJCD219 was designed to test the eastern edge of Conductor 3 below KJCD182. It intersected a wide zone of low grade copper hosted within massive magnetite breccia, approximately 50m east of KJCD183 and 56m below KJCD182, assaying:

- ***29.24m @ 0.35% Cu, 2.1 g/t Ag, 0.06 g/t Au from 319.76m***

  including 1.25m @ 3.6% Cu, 12.3g/t Ag, 0.58g/t Au from 347.75m

Photograph 2. Hole KJCD219 Magnetite breccia zone

Assay Results for Hole KJCD221

Hole KJCD221 intersected a 26.68 m zone of massive magnetite with disseminated sulphides, including a 21.67 m zone of pervasive chalcopyrite and pyrite mineralisation (Photograph 3). The intercept corresponds with the location of Conductor 3 and is located close to the western edge.

The sulphides occur as disseminated foliations within the massive magnetite host. There are short intervals with semi-massive sulphides, which have brecciated magnetite and silica in places. Mineralisation is bounded by a proximal alteration assemblage of coarse garnets, chlorite and magnetite.

- ***21.67m @ 1.55% Cu, 8.8g/t Ag, 0.08g/t Au from 303.38m***
  including 5.46m @ 2.35% Cu, 14.2g/t Ag, 0.08g/t Au from 308.54m

Photograph 3. KJCD221. Zone of massive magnetite vein with foliated sulphides from 308.5-325m, corresponding to Conductor C3.

Hole KJCD222

Hole KJCD222 intersected a 10.7m interval of chalcopyrite-magnetite breccia corresponding to the modelled position of Conductor 3 and a further 6.45m wide zone of brecciated magnetite that intersected just above the modelled position of Conductor 5.

- ***10.7m @ 4.38% Cu, 20.1g/t Ag, 0.47g/t Au from 485.2m***
  including 4.9m @ 7.29% Cu, 33.9g/t Ag, 0.91g/t Au from 488.65m

Photograph 4. KJCD222 Chalcopyrite-magnetite breccia circa. 492m, corresponding to Conductor C3

Hole KJCD225

Hole KJCD225 intersected massive magnetite hosted base metal mineralisation at 362.55m. The mineralised zone contains foliated chalcopyrite + pyrite, and disseminated galena.

Significant assays included

- ***8.15m @ 1.28% Cu, 0.49% Pb, 0.36% Zn, 16.4g/t Ag, 0.07g/t Au from 362.55m***
- ***11.2m @ 0.66% Cu, 5.0% Pb, 2.17% Zn, 30.7g/t Ag, 0.05g/t Au from 371.5m***

The grade and nature of the base metal mineralisation recorded in hole KJCD225 is very similar to Hole KJCD214 previously reported. Both KJCD225 and KJCD214 correspond with the western edge of the both Conductors 3 and 5 at Rockface and both have a zone of lead/zinc mineralisation in the footwall to the copper mineralisation (Refer Figure 3). Preliminary structural interpretation shows that the mineralised intercepts in holes KJCD225 and KJCD214 are linked by a steeply north plunging shoot along the western edge of Conductor 3.

Photograph 5. KJCD225 Disseminated chalcopyrite in massive magnetite circa. 692-698.5m.

Hole KJCD226W1 (assays pending)

Hole KJD226W1 intersected a zone of mineralisation while targeting Conductor 6 at Rockface. The mineralised zone occurs within a pelitic host unit, which has pervasive magnetite alteration. Two distinct zones of massive sulphides are observed, a zone from 590.72 to 605.21m and a second, deeper zone from 607.57 to 630.79m. The upper portion of the first zone corresponds with the expected position of Conductor 6 and the upper portion of the second zone corresponds with Conductor 8.

Sulphides occur as a massive breccia matrix with magnetite (Photograph 6a) and vein hosted (Photograph 6b). The mineralised zone also contains pervasive carbonate and quartz veining throughout.

Photograph 6a. Massive sulphide zone showing a breccia matrix of chalcopyrite and pyrite

Photograph 6b. Pervasive vein-hosted sulphides within pelitic host unit.

Table 1 KJD226W1 Conductor 6 mineralized zone

From (m)	To (m)	Interval (m)	ETW (m)	Minerals	Nature	*Est % Total Sulphide	Alteration
590.72	593.3	2.58	1.7	Pyrite, Chalcopyrite	Disseminated	50%	Magnetite, Quartz veins
593.3	594.03	0.73	0.5	Pyrite, Chalcopyrite	Disseminated	5%	Magnetite, Quartz veins
594.03	594.75	0.72	0.5	Pyrite, Chalcopyrite	Disseminated	45%	Carbonate, hematite
594.75	595.53	0.78	0.5	Chalcopyrite, Pyrite	Disseminated foliation	30%	Carbonate, Hematite
595.53	597.34	1.81	1.2	Pyrite, Chalcopyrite	Disseminated foliation	15%	Magnetite, Carbonate
597.34	599.25	1.91	1.2	Pyrite, Chalcopyrite	Disseminated foliation	7%	Magnetite, Carbonate
599.25	605.21	5.96	3.9	Pyrite, Chalcopyrite	Disseminated foliation	3%	Magnetite, Carbonate

** Visual observations, Assays pending, ETW – Estimate of True Width*

Table 2 KJD226W1 Conductor 8 mineralised zone

From (m)	To (m)	Interval (m)	ETW (m)	Minerals	Nature	*Est % Total Sulphide	Alteration
607.57	608.9	1.33	0.9	Pyrite, Chalcopyrite	Disseminated pervasive	50	Carbonate
608.9	611.75	2.85	1.9	Chalcopyrite & pyrite	Disseminated foliation	3	Carbonate
620.52	623.45	2.93	2.0	Pyrite, Chalcopyrite	Disseminated foliation	1	Carbonate
629.48	630.47	0.99	0.7	Chalcopyrite & pyrite	Disseminated foliation	1	Carbonate, Hematite, Sericite
630.47	630.79	0.32	0.2	Pyrite, Chalcopyrite	Disseminated	15	Garnet, Biotite, Carbonate

**Visual observations, Assays pending, ETW – Estimate of True Width*

Hole KJCD227 (assays pending)

Hole KJD227 intersected a zone of chalcopyrite mineralisation while targeting conductor 8 at Rockface.

The mineralised zone occurs between 764.12 – 785.69 m within a psammopelitic host unit, which has pervasive magnetite alteration. Sulphides occur as a massive breccia matrix with magnetite (Photograph 7a) and disseminated within foliation (Photograph 7b).

Outside of these breccia zones, sulphides predominately occur as disseminated stringers. Mineralisation has been cross cut by late quartz and carbonate veins, resulting in remobilisation and concentration of sulphides in massive blebs within veins.

Photograph 7a. Massive sulphide and magnetite breccia (769.86 – 770.72 m).

Photograph 7b. Sulphides disseminated within foliation, featuring vein-related remobilisation.

Table 3 KJCD227 Summary Log

From (m)	To (m)	Interval (m)	ETW (m)	Minerals	Nature	*Est % Total Sulphide	Alteration
764.12	767.38	3.26	2.4	Pyrite, Chalcopyrite	Disseminated	3%	Magnetite, silica, carbonate
767.38	767.93	0.55	0.4	Pyrite, Chalcopyrite	Disseminated	50%	Magnetite, silica, carbonate
767.93	769.86	1.93	1.4	Pyrite, Chalcopyrite	Disseminated	10%	Sericite, biotite, magnetite
769.86	770.72	0.86	0.6	Pyrite, Chalcopyrite	Disseminated	70%	Sericite, biotite, magnetite
770.72	773.55	2.83	2.1	Pyrite, Chalcopyrite	Disseminated	20%	Sericite, biotite, magnetite
773.55	778.36	4.81	3.5	Chalcopyrite, Pyrite	Disseminated	2%	Magnetite, biotite + hematite, carbonate
778.36	785.35	6.99	5.1	Chalcopyrite, Pyrite	Disseminated	1%	Sericite, biotite, magnetite
785.35	785.69	0.34	0.2	Chalcopyrite, Pyrite	Vein hosted	2%	Magnetite, muscovite vein wallrock

**KJD227 Visual observations, Assays pending, ETW – Estimate of True Width*

Hole KJCD228 (assays pending)

Hole KJCD228 intersected chalcopyrite mineralisation while targeting conductors C3 and C5 at Rockface. The intersection is located between the projection of conductors C3 and C5.

The mineralisation occurs from 557.68 to 574.21m as stringer veins and disseminations within a quartzite host unit, with a small brecciated massive sulphide/magnetite interval from 571.68 to 572.2m (Photograph 8).

The hanging-wall portion of the mineralised quartzite unit from 557.83 to 562.63m is highly fractured and may be associated with a fault zone or tight fold hinge.

Photograph 8. Massive magnetite with breccia matrix of chalcopyrite, from 571.68 to 572.2m.

Table 4 KJCD228 Summary Log

From (m)	To (m)	Interval (m)	ETW (m)	Minerals	Nature	*Est % Total Sulphide	Alteration
557.83	562.63	4.8	3.6	Chalcopyrite, Pyrite	Disseminated, stringer veins in quartzite	6%	Magnetite
562.63	571.68	9.05	6.8	Chalcopyrite, Pyrite	Veins in quartzite	20%	Magnetite
571.68	572.2	0.52	0.4	Chalcopyrite, Pyrite	Breccia matrix in massive magnetite	60%	Magnetite
572.2	574.21	2.01	1.5	Chalcopyrite, Pyrite	Disseminated, stringer veins in quartzite	8%	Magnetite

**KJCD228 Visual observations, Assays pending, ETW – Estimate of True Width*

Down-hole Electromagnetics

DHEM surveying of holes at Rockface is currently underway with modelling of survey results from KJCD218 and KJD226W1 suggesting that Conductor 6 extends much further to the east than previously modelled. (Figure 4) This will be the target of resource extension drilling planned for the New Year.

Modelling of responses from the survey of KJCD219, 221, 222, 225 has fitted the existing conductive plates very well, requiring only minor changes to optimise the modelling.

DHEM survey results from KJD227 and KJCD228 are pending.

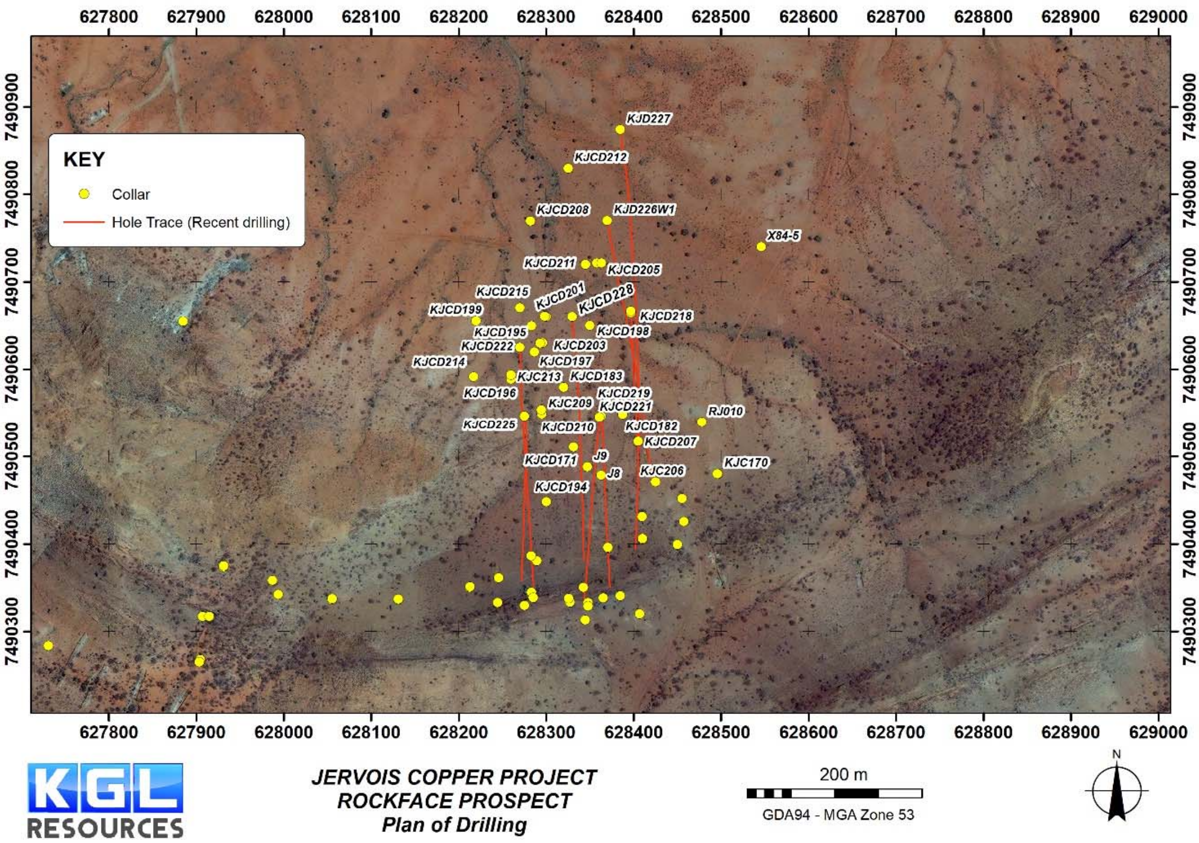

Figure 1 Plan view of drilling at Rockface prospect

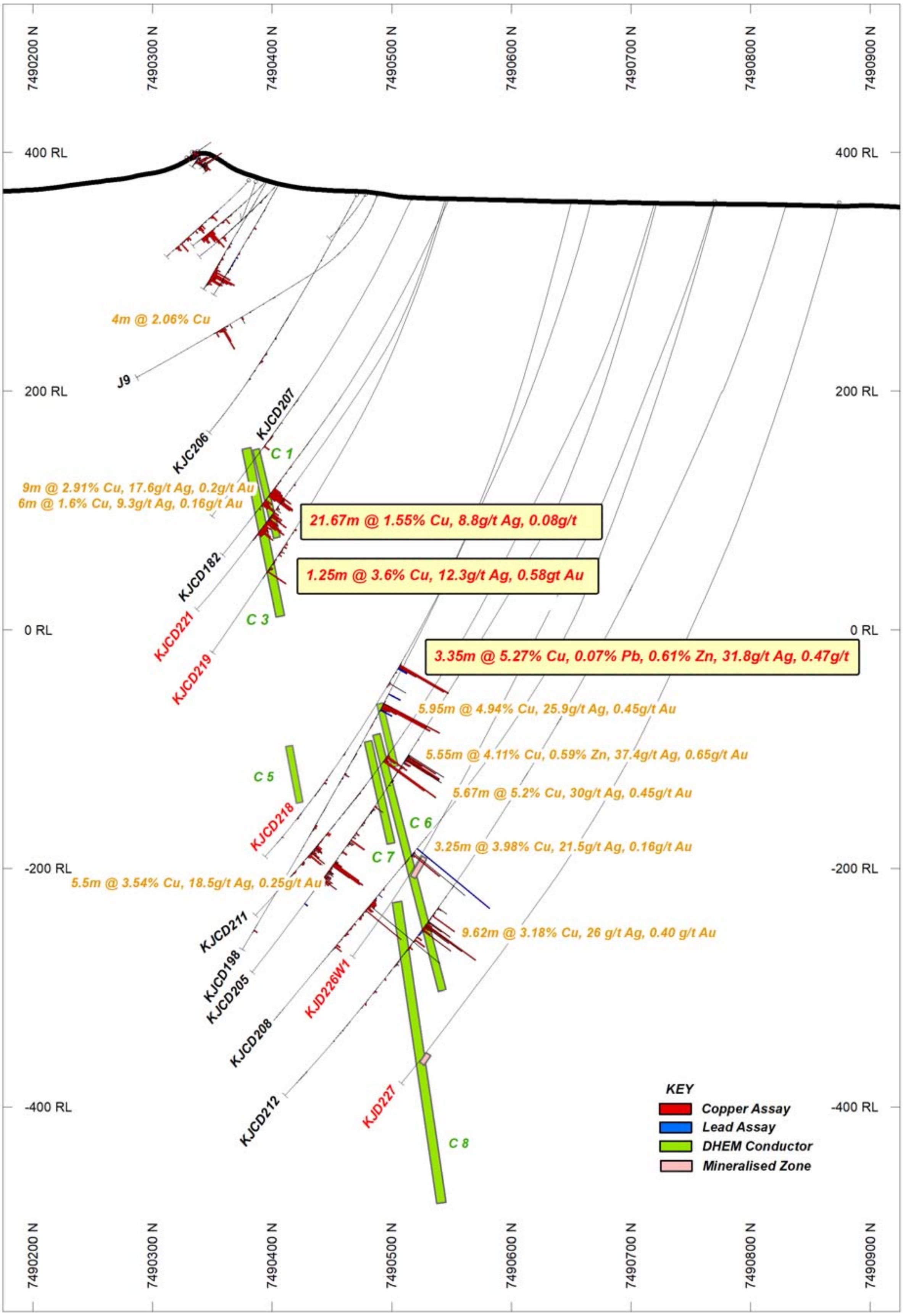

Figure 2. Rockface cross-section 628360E highlighting results and mineralised zones in KJCD218, KJCD219 and KJCD221

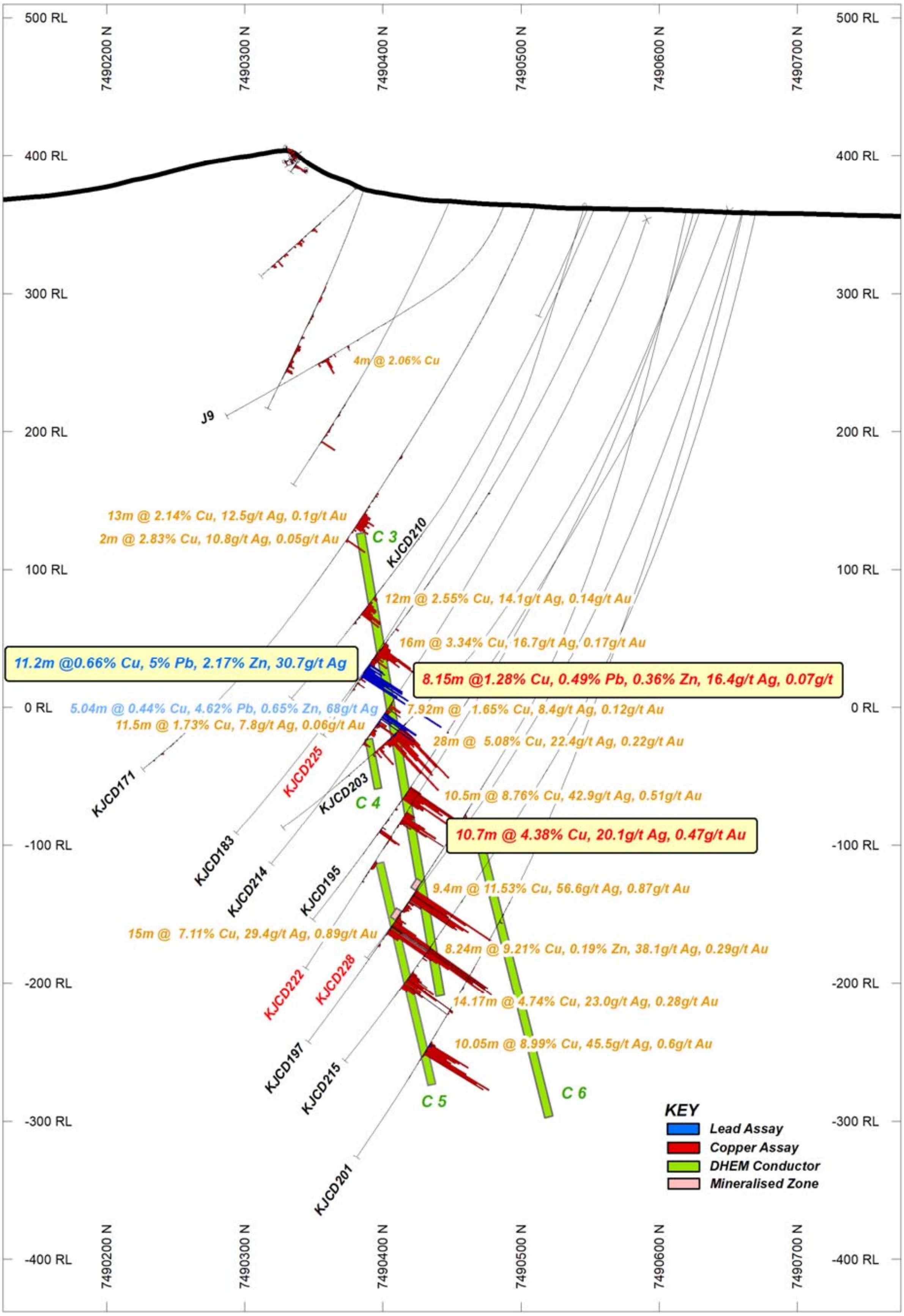

Figure 3. Rockface cross-section 628305E highlighting copper mineralisation in KJCD222 and the copper and the base metal mineralisation in KJCD225

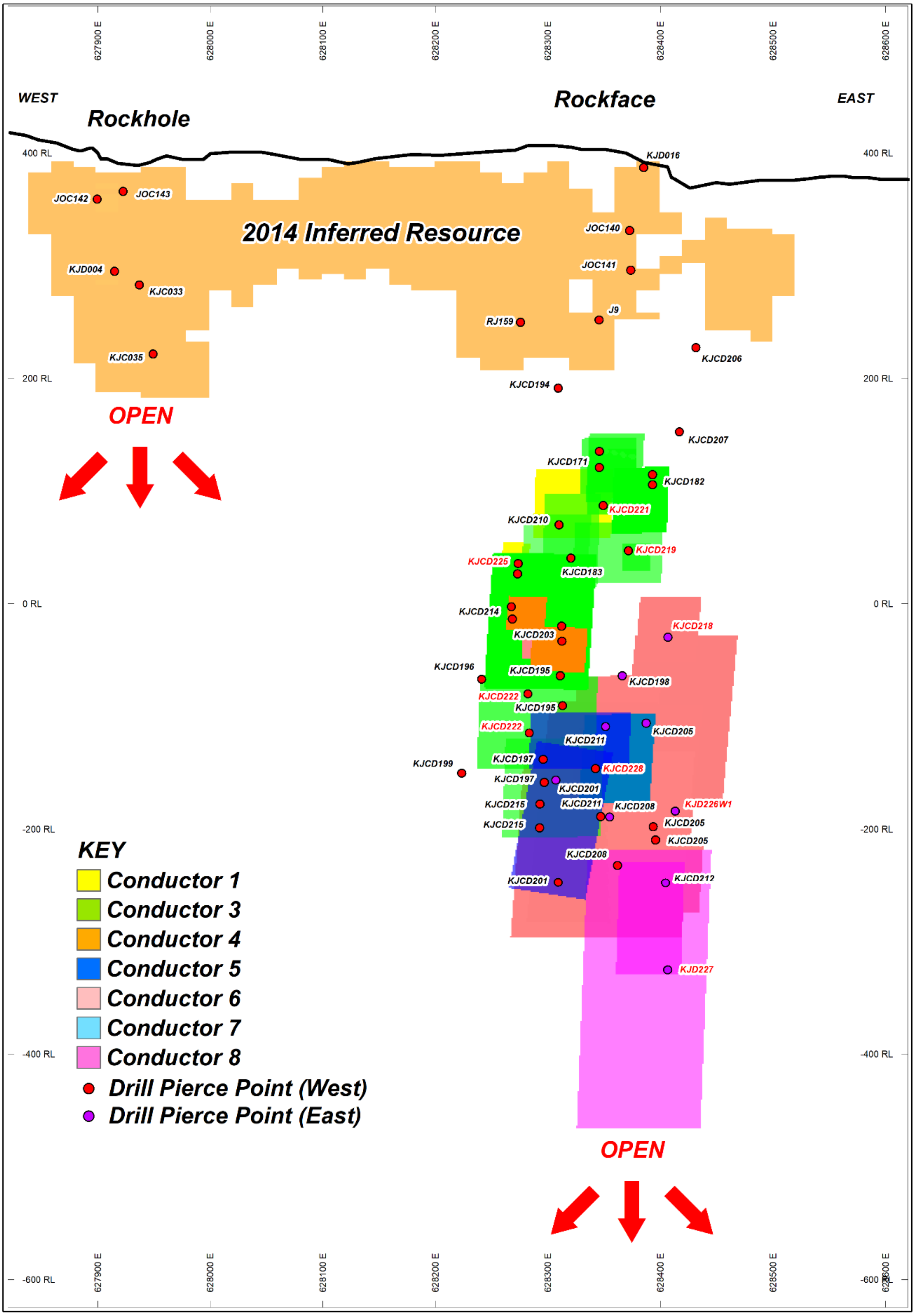

Figure 4 Rockface long-section highlighting drill hole mineralisation pierce points

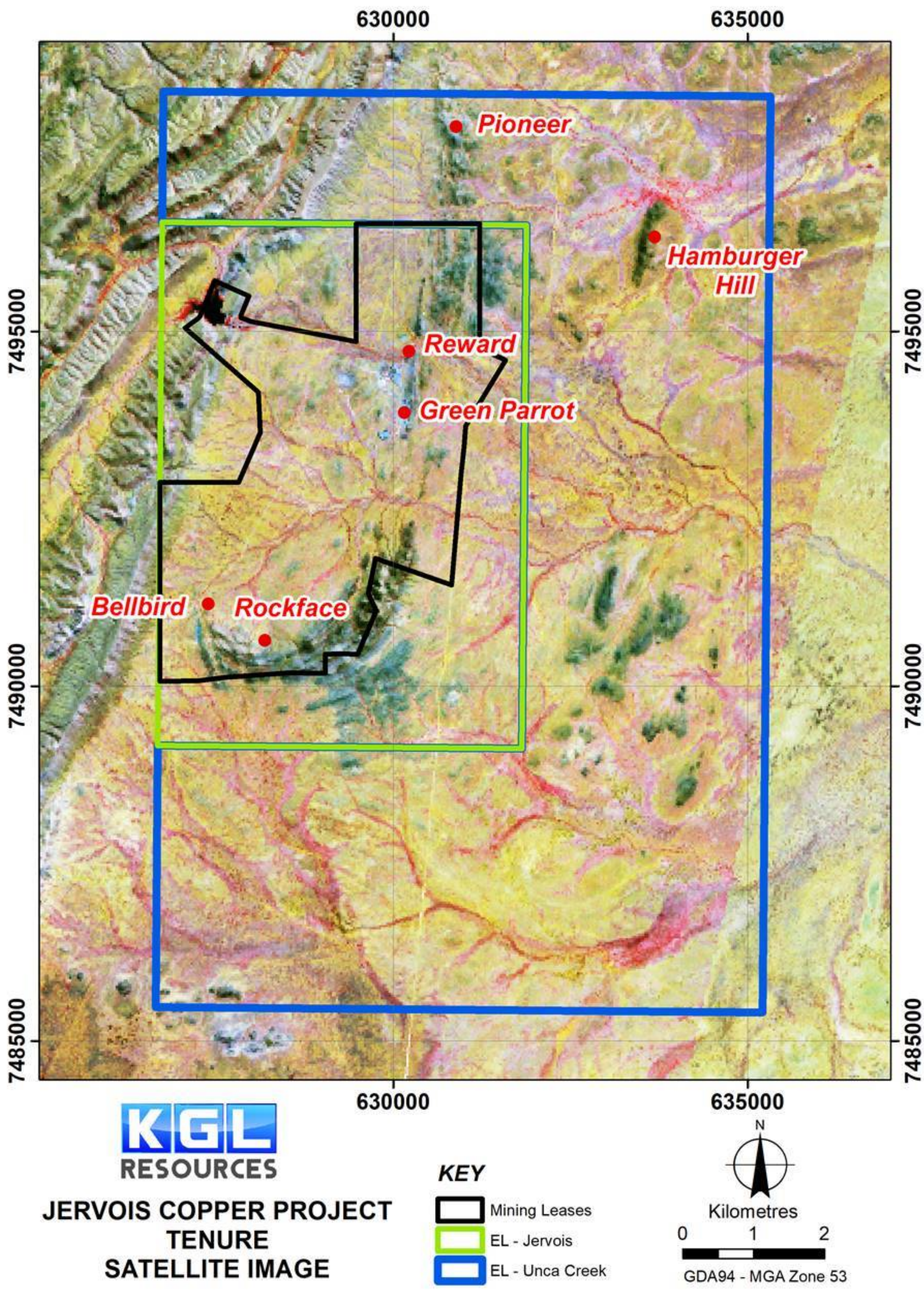

Figure 5 Location Diagram for the Jervois Copper Project

Table 5 Summary 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[1] (m)	Cu %	Pb %	Zn %	Ag g/t	Au g/t
KJCD218	628396.8	7490666.6	359.0	-75.84	172.34	n/a	618	421.15	424.5	3.35	2.25	5.27	0.07	0.61	31.8	0.47
								439.1	439.3	0.2	0.15	3.16	0.01	0.1	12.5	0.19
KJCD219	628363.0	7490546.0	361.4	-73.87	170.18	n/a	430.4	319.76	347.75	27.99	19.6	0.21	0	0.03	1.4	0.03
								347.75	349	1.25	0.9	3.6	0.02	0.11	12.3	0.58
KJCD221	628361.1	7490544.7	361.5	-73.28	180.86	n/a	406	299.17	299.53	0.36	0.3	0.96	0.01	0.09	6	0.05
								303.38	325.05	21.67	15.8	1.55	0.03	0.07	8.8	0.08
							including	308.54	314	5.46	4.0	2.35	0.07	0.07	14.2	0.08
KJCD222	628270.2	7490624.8	359.8	-75.19	174	n/a	577.4	485.2	495.9	10.7	7.2	4.38	0.02	0.05	20.1	0.47
							including	488.65	493.55	4.9	3.3	7.29	0.02	0.04	33.9	0.91
								527.82	534.27	6.45	4.3	0.59	0.03	0.12	2.4	0.01
KJCD225	628276.0	7490545.8	361.8	-73.52	172.42	n/a	431	362.55	370.7	8.15	5.6	1.28	0.49	0.36	16.4	0.07
								371.5	382.7	11.2	7.6	0.66	5.00	2.17	30.7	0.05
								385.08	386.32	1.24	0.8	1.29	0.03	0.03	6.2	0.05

[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
KJCD212	01/08/2017	2012
KJCD214	04/09/2017	2012

1 JORC Code, 2012 Edition – Table 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	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• RC drill holes are sampled at 1m intervals and split using a cone splitter attached to

Criteria	JORC Code explanation	Commentary
sample preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	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. • 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.

Criteria	JORC Code explanation	Commentary
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
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.

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 within magnetite bearing units is interpreted to be later, structurally controlled, and possibly hydrothermal-related.

Criteria	JORC Code explanation	Commentary
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.*	• Refer Table 5
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 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.*	• Grades reported are uncut
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 Tables 1-5
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 1-5
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 5
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 1-5 Photograph 1-8
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 - 5