



15 March 2018

Environmental Impact Statement briefings

KGL Limited (ASX: KGL) (KGL or the Company) advises that, as part of the Environmental Impact Statement (EIS) process for the Jervois Copper Project, a series of briefings and consultations with stakeholders on the social impact of the planned re-opening of the Jervois mine will be held over the next few days. A summary of the presentation to be used in the briefings is attached.

The Company is currently progressing towards project development. A drilling program aimed at updating the Resource at Jervois is under way, along with mining, metallurgical, processing, infrastructure and commercial studies.

The Company has been engaged in parallel studies to satisfy licensing requirements. The only significant outstanding approval required is the EIS, the preparation of which is well advanced.

For further information, contact:

Ms Kylie Anderson
Company Secretary
Phone: 07 3071 9003

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.

JERVOIS

BASE METAL PROJECT

FACT SHEET

KGL Resources is an Australian-based mineral exploration company listed on the Australian Securities Exchange. KGL Resources is focused on the reopening of the Jervois Base Metal Project, which it acquired in 2011.

About the Project

The Jervois Base Metal Project (the Project) is 380 kilometres north-east of Alice Springs in Central Australia, off the Plenty Highway. The nearest occupied communities are Bonya and Harts Range.

The Project contains a significant and high-grade copper resource, as well as silver, gold, lead and zinc in several deposits. The ore would be mined by open cut and underground methods and processed to a concentrate on site. The concentrate will be transported in enclosed containers by road into Alice Springs via the Plenty and Stuart Highways. Ore will then be loaded onto trains for transport to Darwin and/or Adelaide.

The Project footprint is estimated at 970 hectares of which a significant portion has been disturbed by historic mining activities. The Project will include stockpiles, a processing plant, tailings storage facilities, workshops, laydown areas, offices, operational buildings, access and haul roads, power generation and supply facilities, water storage and supply infrastructure and an accommodation camp.

The Project builds upon a unique history of mining and has the potential to make a significant positive economic impact to the region over the next decade. It has a potential mine life of 12 to 15 years, producing up to 150,000 tonnes of base metal concentrate per year*.

If approved, construction will commence in 2019, with mining and commissioning in 2020.

The Project area has a history of mining, having been used for exploration and mining activities since 1929. Some of the existing infrastructure will be repurposed for this project.



FACT SHEET

Key aspects of the Project

- Multi-mineral resource that is mainly copper, but also has silver, gold, lead and zinc
- Open pit and underground mining methods
- There will be mechanical and chemical processing on site
- The Project footprint is estimated at 970 hectares of which a significant portion has been disturbed by historic mining activities
- It has a potential mine life of 12 to 15 years, producing up to 150,000 tonnes of base metal concentrate per year*
- The concentrate will be transported to Darwin and/or Adelaide by rail
- If approved, construction will commence in 2019, with mining and commissioning in 2020.



Workforce

If approved, the Project could create 360 jobs during construction and 300 operational jobs during peak production. Operational jobs will include engineers, equipment operators, drillers, maintenance staff, geologists and administration staff, and there will be contracting opportunities for support services such as catering and cleaning. Some specialist roles are likely to be fly-in, fly-out to Bonya from locations like Alice Springs, Darwin or Townsville. KGL is committed to providing jobs to locals where possible and will develop a local participation plan with more detail on how this will be achieved.

Local participation

As the Project progresses, KGL will develop a local participation plan to ensure local businesses have the opportunity to benefit from the Project through provision of services and supplies.

Environmental approvals

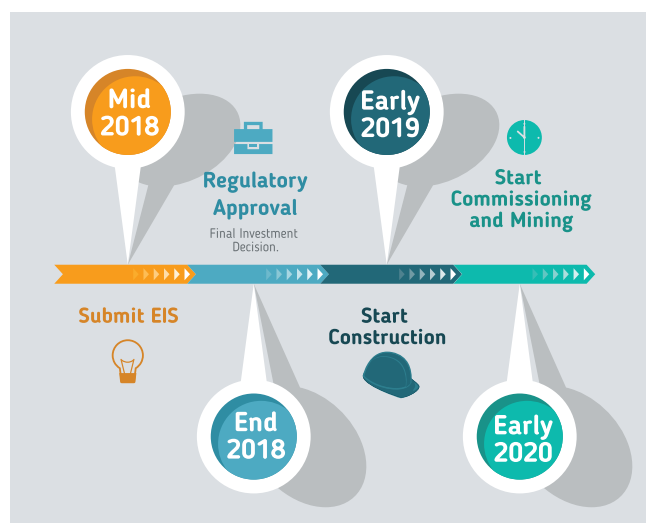
The Project has been referred for environmental assessment at the level of an Environmental Impact Statement (EIS).

Studies on several topics will inform the EIS including:

- biodiversity
- surface and groundwater
- historic and cultural heritage
- traffic and transport
- geochemistry
- air and noise
- human health and safety
- social and economic.

KGL Resources has engaged Nitro Solutions to complete the EIS and True North Strategic Communication to complete a Social Impact Assessment (SIA), which will form part of the EIS. The SIA will look at impacts on the community, infrastructure, demography, other industries, landholders and more.

Proposed timeline



More information

KGL Resources

P: 07 3071 9003

E: info@kglresources.com.au

W: kglresources.com.au/projects/2-jervois-base-metal/4-project-overview

True North Strategic Communication

Jo Madin

E: jo@truenorthcomm.com.au

P: 08 8981 6445

*This is not an indication of the Jervois Resource or Reserve. It is a statement for the purpose of the EIS process in anticipation of the potential growth of the Resource.