

4 October, 2019

NT Environment Protection Authority recommends Government approval of KGL's Jervois Base Metal Project

KGL Resources Limited (ASX: KGL) (KGL or the Company) is pleased to advise that the Northern Territory Environment Protection Authority (NT EPA) has recommended that the NT Government approve KGL's 100% owned Jervois Copper Project.

The NT EPA has notified the Company that it has completed the environmental impact assessment of the project and has concluded that the project can proceed in an environmentally acceptable manner by implementing recommendations made in the assessment report.

The NT EPA has provided the report to the Minister for Environment and Natural Resources to guide the development of the conditions for the project's mining approval under the Mining Management Act.

KGL Chairman Denis Wood welcomed the positive outcome of the environmental assessment.

"This is a satisfying conclusion to the thorough assessment process and is the last major regulatory step before final government approval of the Mine Management Plan for the development of the Jervois Project," he said.

"As a result of all the hard work our team have done in preparing the environmental impact statement, the recommendations of the NT EPA as conditions for the project to proceed have been anticipated and will be incorporated into the project development planning and preparation of the Mine Management Plan now being undertaken.

"The Company is now firmly focussed on completing all preliminary processes to enable mine construction to start in the second quarter of 2020.

"To achieve this timetable, intensive drilling continues at Jervois. The drilling program is designed to increase and upgrade resources ahead of mining, and to support Macmahon Contractors in optimising the mine design and schedule which is aimed for completion by the end of this year. Currently, sterilisation drilling is being finalised, to ensure planned infrastructure is located away from any mineralised areas. Once that is concluded, a substantial geotechnical drilling program will be undertaken to allow the mine planners to complete detailed planning and costing of the mining processes.

"The mine plan forms the basis of the Mine Management Plan that should be completed by the end of the first quarter of 2020 and requires NT Government approval for the project to proceed.

"Other site planning is also under way in parallel with the mine plan, including the provision of power, the water pipeline, the mineral process plant and the village."

About KGL Resources

KGL Resources Limited is an Australian mineral exploration company focussed on increasing the high-grade resource at the Jervois Base Metal Project in the Northern Territory and developing it into a profitable and robust mine.