ASX Announcement

Jervois 2021 Exploration Program & Results

KGL RESOURCES
Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

1 March 2022

- Significant Induced Polarisation-Resistivity (IP) survey carried out over the J-Fold at Jervois;
- 10 holes drilled to test identified IP anomalies and provide basis for downhole electromagnetic (DHEM) surveys;
- DHEM surveys carried out in 16 holes;
- Cox's South discovery identified though IP, with a chalcopyrite-bornite-bearing mineralised zone encountered in drilling **KJCD482**:
  - **2.53m (Estimated True Width) @ 1.92% Cu and 14.7 g/t Ag from 523m**
- Subsequent DHEM from KJCD482 identified an associated large, low-conductance target;
- Geophysical methodology continues to be refined;
- Several highly prospective exploration targets identified for follow up.

Summary

The exploration program at Jervois was carried out in three defined phases:

1. IP Program

From June to September 2021 KGL undertook a large MIMDAS[1] Induced polarisation-resistivity (IP) survey, aimed at filling in gaps and improving data over the predominant geological feature at Jervois – the J-Fold. Figure 1 below shows the IP Survey layout over the J Fold.

2. Exploration Drilling

During 2021 10 holes were drilled, totalling 4,769.1metres, to test anomalies identified during the 2021 IP program, and additional targets that required follow up drilling. All the hole locations and prospect names are displayed on Figure 3 below.

3. Downhole Electromagnetics (DHEM) Surveys

A total of 16 holes were surveyed utilising holes drilled in 2021, and previously where access was available. This program included 2 surveys at Rockface after encountering the massive sulphides in the Rockface North lens at depth.

This staged methodology has been used previously at Jervois, most notably in the exploration and definition of the Rockface deposit. Each deposit so far discovered displays differing responses to the various geophysical techniques and needs continual review and remodelling to identify locations for targeted drilling.

[1] MIMDAS = MIM Distributed Acquisition System, which is an IP-Resitivity-Magnetotellurics system developed by Mount Isa Mines during the late 1990s and now operated by contractors GRS Pty Ltd

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

2021 IP Survey design and execution

In 2021 KGL undertook a MIMDAS IP survey consisting of 15.5km of true 3D IP and 64.2 km of 2D IP (Figure 1). The new survey covered 9 km of strike-length of the highly prospective Jervois J-fold which is a mega-structure hosting the Company's 3 principle mineral resources; Reward, Bellbird and Rockface, as well as numerous prospects, some of which are named in Figure 1.

The true 3D IP was designed to cover a highly prospective segment of the J-fold between the Rockface deposit and Cox's Find prospect, which is a substantial surface copper outcrop which had been drilled to shallow depth. North of Cox's Find, 8 lines of 2D were oriented NW-SE and covered ground previously not surveyed by modern IP. North of these lines the 2021 IP lines mostly interleaved with the earlier 2001 MIMDAS IP survey which refined the line spacing to approximately 200m, as well as some additional coverage to the east and west. This closer line spacing provided for more effective and accurate 3D inversion modelling of the IP data.

The choice of the MIMDAS method was based on a 2020 review of the historical geophysical data around Jervois. This highlighted that the Rockface Main lens, Bellbird lenses, Reward and Cox's deposits all produce strong chargeability anomalies. The absence of significant conductive overburden at Jervois enables MIMDAS a reach a deeper limit of investigation than is often available on other projects in Australia, and is used to define broad targets for further investigation.

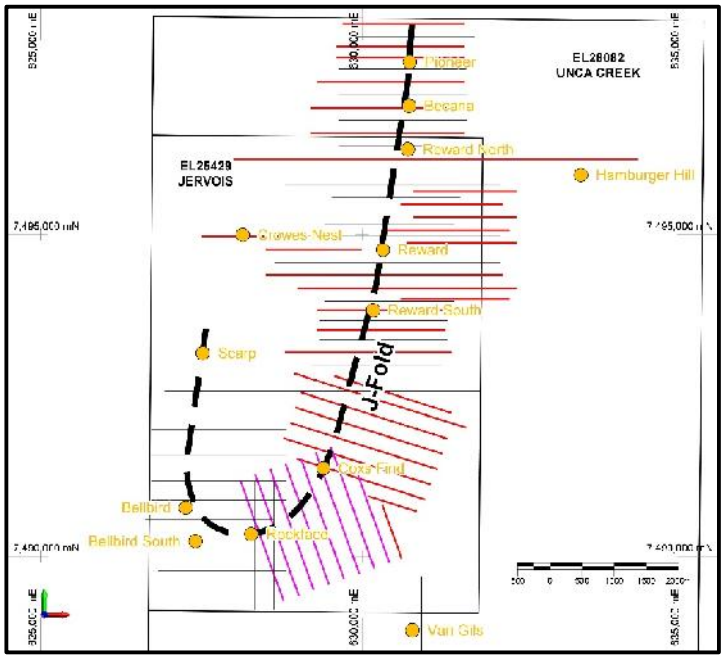


Figure 1: Jervois Project IP survey layout. Magenta: 2021 3D MIMDAS IP, Red: 2021 2D MIMDAS IP, Blue: 2001 2D MIMDAS IP, Yellow dots 2014 Orion 3D IP.

Results of MIMDAS IP Survey

Figure 2 shows a depth slice at 250m below surface of the IP chargeability model. The model incorporates the historical MIMDAS data from 2001 and the new data from 2021. Also displayed is the same depth slice through the Orion model from 2014. The combined surveys now adequately cover 11km of strike length of the Jervois J-fold.

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

The IP modelling and interpretation define strong anomalies coincident with the known deposits of Reward, Rockface and Bellbird. Several other significant IP anomalies are evident, which were un-tested, or inadequately tested, by drilling. These anomalies include Cox's Find South, Reward North/Becana/Pioneer, Reward South, and Bellbird South.

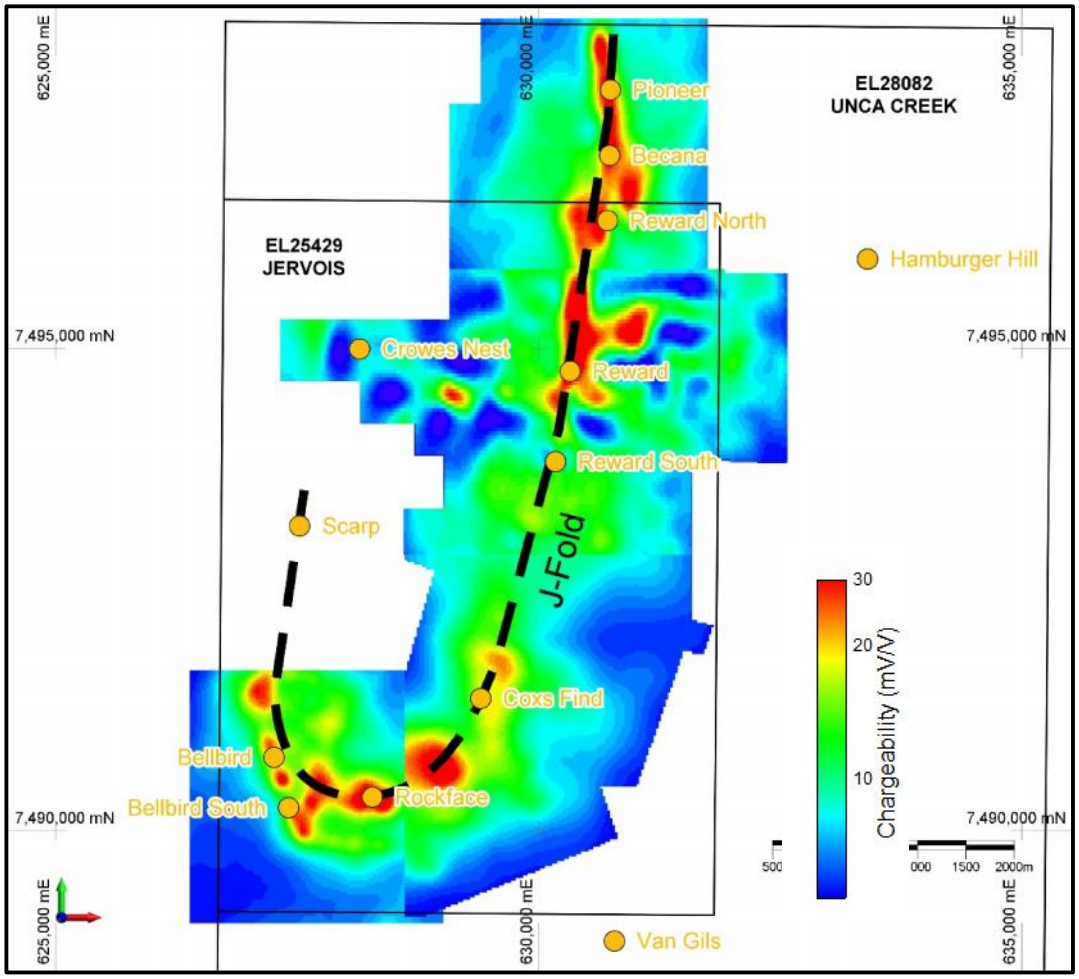


Figure 2: IP Chargeability depth slice at 100m RL (approximately 250m below surface). Warmer colours indicate higher chargeability

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

2021 Exploration Drilling Program

During 2021 10 exploration holes were drilled (see Figure 3):

- Bellbird South - 4 holes
- Cox's Find vicinity – 4 holes
- Reward South – 1 hole
- Rocky Road – 1 hole

The following table lists exploration holes completed during the 2021 drilling program including the most significant assay results. The collar positions of the holes are shown in Figure 3. All holes listed were surveyed using DHEM.

Prospect	Hole ID	Depth (m)	Copper Intersections			
			From (m)	To (m)	Drilled Width (m)	Cu (%)
Reward South	**KJCD423X**	**429.7**	395.0	397.0	2.0	1.45
Bellbird South	**KJD443**	**351.9**	114.2	115.7	1.5	0.56
Bellbird South	**KJD445**	**360.7**	No significant intersection			
Cox's Find	***KJC461**	**310.0**	234.0	235.0	1.0	1.54
Cox's Find	***KJC462**	**328.0**	167.0	168.0	1.0	1.05
			260.0	262.0	2.0	1.62
			264.0	265.0	1.0	1.25
Cox's Find South	***KJCD482**	**784.2**	523.0	526.0	3.0	1.92
Cox's Find AZ	***KJCD483**	**691.2**	234.1	235.3	1.1	2.53
Bellbird South	**KJCD484**	**490.2**	97.0	98.0	1.0	0.59
			254.8	255.5	0.7	1.44
Rocky Road	**KJCD485**	**568.2**	No significant intersection			
Bellbird South	**KJD486**	**455.0**	140.6	141.6	1.0	0.56
			345.0	346.0	1.0	1.56

Table 1 Exploration holes and significant copper intersections for 2021 drilling program. (results previously reported)*

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

Downhole EM

A DHEM program was also completed during the latter part of 2021. A total of 16 holes were surveyed (Table 2). Significant DHEM conductors having known association with copper mineralisation, were detected at Cox's Find South IP anomaly, Rockface and Reward South Silver prospect.

Prospect Name	Holes Surveyed by DHEM
Reward South Silver	KJCD422* KJCD423X* KJCD424*
Cox's Find	KJC461 KJC462
Cox's South IP anomaly	KJCD482*
Cox's Find AZ IP anomaly	KJCD483
Rockface	KJCD481D3* KJCD481D4*
Rocky Road	KJCD485**
Bellbird	KJCD479 KJCD480
Bellbird South	KJD443 KJD445 KJCD484 KJCD486

*Table 2: List of holes surveyed by DHEM during 2021. *Significant DHEM conductors. **Detected Rockface conductors*

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

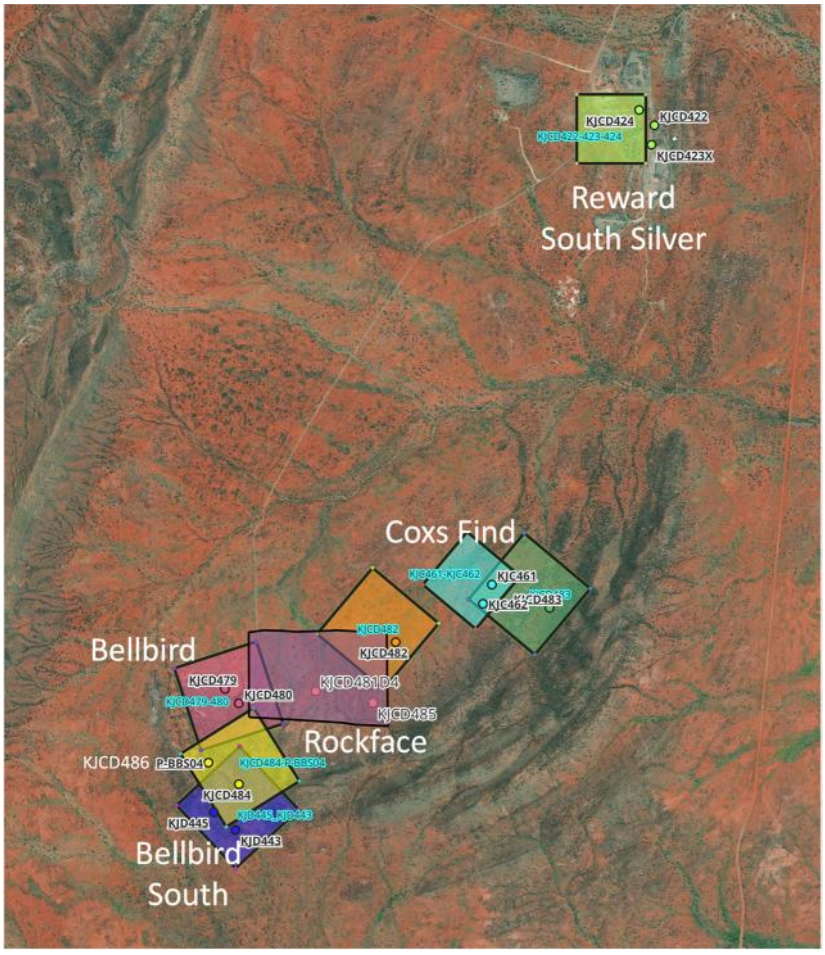


Figure 3: Relative position of transmitter loops and collars of exploration holes included in the 2021 DHEM survey at Jervois (Not to scale, North to the top of the page)

Specific Prospect Commentary – Cox's Find South

Four holes were drilled and subsequently surveyed by DHEM near Cox's Find. A significant exploration target was defined at Cox's Find South and was reported in an ASX release on 21 December 2021. **KJCD482** was drilled into a large IP anomaly and intersected chalcopyrite, pyrite and bornite mineralisation which assayed:

- **2.53m (Estimated True Width) @ 1.92% Cu and 14.7 g/t Ag from 523m downhole**

DHEM results from KJCD482 showed a large (700x500m), low conductance target correlated with the copper mineralisation at this depth.

Cox's Find South target is in close proximity to the planned underground mine at Rockface (Figure 4).

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

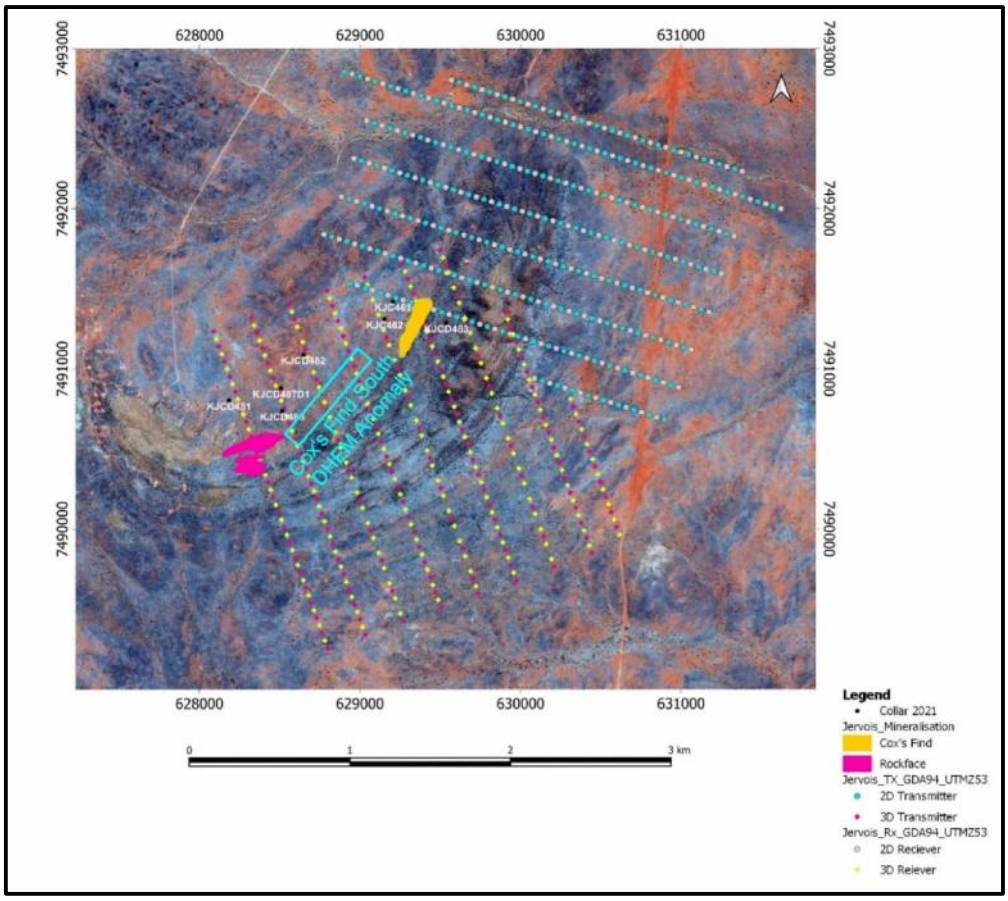


Figure 4: Cox's Find South DHEM target is in close proximity to Rockface deposit and planned mine

Specific Prospect Commentary – Reward South Silver

At Reward South Silver, one hole, KJCD423X was extended and, along with 2 other nearby holes, surveyed by DHEM. Modelling and analysis of the DHEM defined strong conductors associated with intense silver and polymetallic base metal sulphide mineralisation in KJCD415 and KJCD416. The EM modelling indicates that the mineralisation may extend further up dip.

Previously reported intersections[2] at Reward South Silver include:

- **KJD415: 285 g/t Ag, 0.36 g/t Au, 0.98% Cu, 1.35% Pb, 0.74% Zn over 30.98m ETW[3] from 242.23m**
  - **Incl.: 612 g/t Ag, 0.82 g/t Au, 1.88% Cu, 3.69% Pb, 0.64% Zn over 10.26m ETW from 270.17m**
- **KJCD416: 731 g/t Ag, 0.43 g/t Au, 0.99% Cu, 7.20% Pb, 5.01% Zn over 27.31m ETW from 223.79m**
  - **Incl.: 2,683 g/t Ag, 1.30 g/t Au, 3.91% Cu, 17.99% Pb, 3.73% Zn over 3.36m ETW from 256.85m**

[2] ASX Announcements 17 March 2020 (KJD415) and 14 April 2020 (KJCD416)
[3] ETW = Estimated True Width

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

Specific Prospect Commentary – Reward North (including Becana and Pioneer)

In this area IP has defined a linear anomaly extending over 2km north of the Reward deposit. The sparse drilling in this area has all been too shallow to test the IP anomalies. This IP target is considered highly prospective.

Specific Prospect Commentary – Reward South

South of Reward, the IP response is very deep and consequently the strength of the anomaly is attenuated. This deep target has never been drilled but deeper intersections in the south end of Reward in KJCD434 lend encouragement to the prospectivity of this target. Notably in KJCD434 where **3.31% Cu and 13.7 g/t Ag over 3.65m ETW from 495.13m** was encountered[4].

Specific Prospect Commentary – Bellbird South

At Bellbird South four exploration holes (including two deep holes KJCD484 and KJCD486) were drilled targeting Orion and MIMDAS (2001) IP anomalies. Zones of disseminated pyrite and occasional chalcopyrite intersected in the drilling are considered sufficient to explain the IP responses. Assay results are summarised in Table 1. The four holes were surveyed by DHEM, but no significant conductors were detected. The results of this work program downgrades the ranking of the Bellbird South target.

KGL's Managing Director, Simon Finnis comments: "Mineral exploration is generally understood to be a high-risk endeavour, holding the promise of even higher-rewards. KGL's systematic application of modern geophysical techniques such as MIMDAS IP and DHEM this year has resulted in the discovery of 500m deep blind copper mineralisation at Cox's Find South. This is technical success with potential to translate into a commercial success.

The three-stage approach with IP first to identify broad targets, followed by drilling to test for mineralisation and to provide sites for DHEM surveys to assess for conductors, is proven at Jervois. While we see different responses in different areas this approach is bearing fruit and continues to be our favoured geophysical technique.

> "It is the Company's intention to continue exploration to evaluate the Cox's Find South discovery, as well as explore the prospective IP targets both north and south of Reward, with the aims of increasing copper metal inventories, increasing mine life and building shareholder value."

This announcement has been approved by the directors of KGL Resources Limited.

[4] ASX announcement 13 May, 2021

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

Competent Person Statement

The information in this announcement that relates to Exploration Results is based on data compiled by John Levings BSc, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Levings is Principal Geologist for the Company. Mr Levings has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which is being undertaking to qualify as a Competent Person as defined in the 2012 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Levings consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The following drill holes were originally reported on the date indicated and using the JORC code specified in the table.

Hole		Date originally Reported	JORC Reported Under
KJCD	481D3	11/10/2021	2012
KJCD	481D4	4/11/2021	2012
KJCD	434	13/5/2021	2012
KJD	415	17/03/2020	2012
KJCD	416	14/04/2020	2012
KJC	461	21/12/2021	2012
KJC	462	21/12/2021	2012
KJCD	482	21/12/2021	2012
KJCD	483	21/12/2021	2012
KJCD	479	21/10/2021	2012
KJCD	480	21/10/2021	2012

Forward Looking statements

This release 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.

Statements regarding plans with respect to the Company's mineral properties may contain forward looking statements. Statements in relation to future matters can only be made where the Company has a reasonable basis for making those statements.

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

JORC Code, 2012 Edition – Table

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 (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• At Reward diamond drilling and reverse circulation (RC) drilling were used to obtain samples for geological logging and assaying. The core samples comprised a mixture of sawn HQ quarter core, sawn NQ half core and possibly BQ half core (historical drilling only). Sample lengths are generally 1m, but at times length were adjusted to take into account geological variations. RC sample intervals are predominantly 1m intervals with some 2 and 4m compositing (historical holes only).. • RC samples are routinely scanned by KGL Resources with a Niton XRF. Samples assaying greater than 0.1% Cu, Pb or Zn are submitted for analysis at a commercial laboratory. • Mineralisation at all deposits is characterized by disseminations, veinlets and large masses of chalcopyrite, associated with magnetite-rich alteration within a psammite. The mineralisation has textures indicative of structural emplacement within specific strata i.e. the mineral appears stratabound. • Documentation of the historical drilling (pre-2011) for Reward is variable.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	• The KGL and previous Jinka-Minerals RC drilling was conducted using a reverse circulation rig with a 5.25-inch face-sampling bit. Diamond drilling was either in NQ2 or HQ3 drill diameters. Metallurgical diamond drilling (JMET holes) were PQ • There is no documentation for the historic drilling techniques. • Diamond drilling was generally cored from surface with some of the deeper holes at Rockface and Reward utilizing RC pre-collars. • Oriented core has been measured for the recent KGL drilling.
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.*	• The KGL RC samples were not weighed on a regular basis but when completed no sample recovery issues were encountered during the drilling program. • Jinka Minerals and KGL split the rare overweight samples (>3kg) for assay. Since overweight samples were rarely reported no sample bias was established between sample recovery and grade.

Criteria	JORC Code explanation	Commentary
		) Core recovery for recent drilling is >95% with the mineral zones having virtually 100% recovery.) No evidence has been found for any relationship between sample recovery and copper grade and there are no biases in the sampling with respect to copper grade and recovery.
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 KGL RC and diamond core samples are geologically logged. Logging in conjunction with multi-element assays is appropriate for mineral resource estimation.) Core samples are also orientated and logged for geotechnical information.) All logging has been converted to quantitative and qualitative codes in the KGL Access database.) All relevant intersections were logged.) Paper logs existed for the historical drilling. There is very little historical core available for inspection.
Sub-sampling techniques and sample preparation	) *If core, whether cut or sawn and whether quarter, half or all core taken.*) *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*) *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*) *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 following describes the recent KGL sampling and assaying process: – RC drill holes are sampled at 1m intervals and split using a cone splitter attached to the cyclone to generate a split of ~3kg; – RC sample splits (~3kg) are pulverized to 85% passing 75 microns. – Diamond core was quartered with a diamond saw and generally sampled at 1m intervals with samples lengths adjusted at geological contacts; – Diamond core samples are crushed to 70% passing 2mm and then pulverized to 85% passing 75 microns. – Two quarter core field duplicates were taken for every 20m samples by Jinka Minerals and KGL Resources. – All sampling methods and sample sizes are deemed appropriate for mineral resource estimation) Details for the historical sampling are not available.
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	) The KGL drilling has QAQC data that includes standards, duplicates and laboratory checks. In ore zones standards are added at a ratio of 1:10 and duplicates and blanks 1:20.) Base metal samples are assayed using a four-acid 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.) There are no details of the historic drill sample assaying or any QAQC.

Criteria	JORC Code explanation	Commentary
		) All assay methods were deemed appropriate at the time of undertaking.
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 MS Access database, using Database check queries and Maxwell's DataShed.) Further validation is conducted when data is imported into Micromine and Leapfrog Geo software) Hole twinning was occasionally conducted at Reward with mixed results. This may be due to inaccuracies with historic hole locations rather than mineral continuity issues.) For the resource estimation below detection values were converted to half the lower detection limit.
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.*	) For the KGL drilling surface collar surveys were picked up using a Trimble DGPS, with accuracy to 1 cm or better.) Downhole surveys were taken during drilling with a Ranger or Reflex survey tool at 30m intervals) All drilling by Jinka Minerals and KGL is referenced on the MGA 94 Zone 53 grid. All downhole magnetic surveys were converted to MGA 94 grid.) For Reward there are concerns about the accuracy of some of the historic drillhole collars. There are virtually no preserved historic collars for checking.) There is no documentation for the downhole survey method for the historic drilling.) Topography was mapped using Trimble DGPS and LIDAR
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 at Rockface was on nominal 50m centres with downhole sampling on 1m intervals.) Drilling at Reward was on 25m spaced sections in the upper part of the mineralisation extending to 50m centres with depth and ultimately reaching 100m spacing on the periphery of mineralisation.) For Reward shallow oxide RC drilling was conducted on 80m spaced traverses with holes 10m apart.) The drill spacing for all areas is appropriate for resource estimation and the relevant classifications applied.) A small amount of sample compositing has been applied to some of the near surface historic drilling.
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*	) Holes were drilled perpendicular to the strike of the mineralization; the default angle is -60 degrees, but holes vary from -45 to -80.

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

Criteria	JORC Code explanation	Commentary
	orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	) Drilling orientations are considered appropriate and no obvious sampling bias was detected.
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 internally and by external consultants.

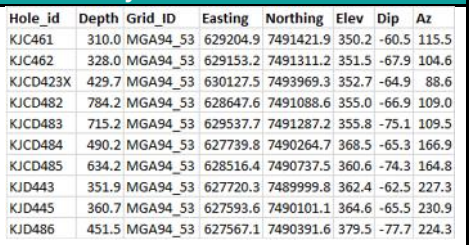
1.2 Section 2 Reporting of Exploration Results

(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 Mineral Claims and an Exploration licence 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 northeastern boundary of the Arunta Orogenic Domain. The Arunta Orogenic Domain in the north western part of the tenement is overlain unconformably by Neo-Proterozoic sediments of the Georgina Basin.) The stratabound mineralisation for the project consists of a series of complex, narrow, structurally controlled, sub-vertical sulphide/magnetite-rich deposits hosted by Proterozoic-aged, amphibolite grade metamorphosed sediments of the Arunta Inlier.) Mineralisation is characterised by veinlets and disseminations of chalcopyrite in association with magnetite. In the oxide zone which is vertically limited malachite, azurite, chalcocite are the main Cu-minerals.) Massive to semi-massive galena in association with sphalerite occur locally in high grade lenses of limited extent with oxide equivalents including cerussite and anglesite in the oxide zone. Generally, these lenses are associated with more carbonate-rich host rocks occurring at Green Parrot, Reward and Bellbird North.

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

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.*	 Hole_id Depth Grid_ID Easting Northing Elev Dip Az KJC461 310.0 MGA94_53 629204.9 7491421.9 350.2 -60.5 115.5 KJC462 328.0 MGA94_53 629153.2 7491311.2 351.5 -67.9 104.6 KJCD423X 429.7 MGA94_53 630127.5 7493969.3 352.7 -64.9 88.6 KJCD482 784.2 MGA94_53 628647.6 7491088.6 355.0 -66.9 109.0 KJCD483 715.2 MGA94_53 629537.7 7491287.2 355.8 -75.1 109.5 KJCD484 490.2 MGA94_53 627739.8 7490264.7 368.5 -65.3 166.9 KJCD485 634.2 MGA94_53 628516.4 7490737.5 360.6 -74.3 164.8 KJD443 351.9 MGA94_53 627720.3 7489999.8 362.4 -62.5 227.3 KJD445 360.7 MGA94_53 627593.6 7490101.1 364.6 -65.5 230.9 KJD486 451.5 MGA94_53 627567.1 7490391.6 379.5 -77.7 224.3 For intercept depths please see Tables in the body of the report
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.*	) Minimum grade truncation 0.5%Cu for intercepts above 200m RL) Minimum grade truncation 1.0%Cu for intercepts below 200m RL) Aggregate intercepts use length-weighting) No top-cuts are applied nor considered necessary) No metal equivalents are used
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').*	) In the main deposit areas, the geometry of the lodes is well known and is used to estimate true widths, which are quoted in the report
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 Figure 1 in the report
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.*	) Results for all holes are reported according to the Data Aggregation Methods stated above
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.*	) Outcrop mapping of exploration targets using Real time DGPS.) IP, Magnetics, Gravity, Downhole EM are all used for targeting) Metallurgical studies are well advanced including recovery of the payable metals including Cu, Ag and Au.) Deleterious elements such as Pb Zn Bi and F are modelled
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.*	) The current report relates to infill and mineral resource confirmatory drilling and is ongoing) Brownfields and greenfield drilling has also commenced) Additional IP and DHEM surveys are planned