1 February 2023

Yttrium-REE anomaly identified at West Tanami Project

(100% owned, Western Australia)

- **Elevated yttrium values returned from soil program, indicating close proximity to a rare earth mineral system.**
- **Three continuous surface yttrium anomalies have been generated at Fox, with yttrium always found in combination with rare-earth minerals.**
- **Soil results support the prospectivity for a hydrothermal REE mineral system in the Tanami.**
- **Yttrium anomalies associated with elevated levels of neodymium, dysprosium, ytterbium, terbium, europium, and gadolinium (REE's).**
- **A new additional REE target has been generated.**
- **Follow up exploration program planning underway to extend and test the anomalies.**

Killi Resources Limited ('Killi' or the 'Company') (ASX: KLI) is pleased to announce the soil results from the geochemical programs completed at the West Tanami Project, Kimberley region of Western Australia. A broad soil program was completed across regional trends potentially prospective for hydrothermal rare earth element systems. The results of the soil program have established multiple anomalous yttrium values at the Fox prospect, which the Company believes is indicative of a rare-earth mineral system at the prospect, Figure 1.

Killi CEO, Kathryn Cutler commented, *'The results indicate the potential for a heavy rare earth system at the Fox prospect. These are fantastic first pass yttrium results for the project, indicating we are in the right region and we plan to develop and drill test this REE target in the coming field season.'*

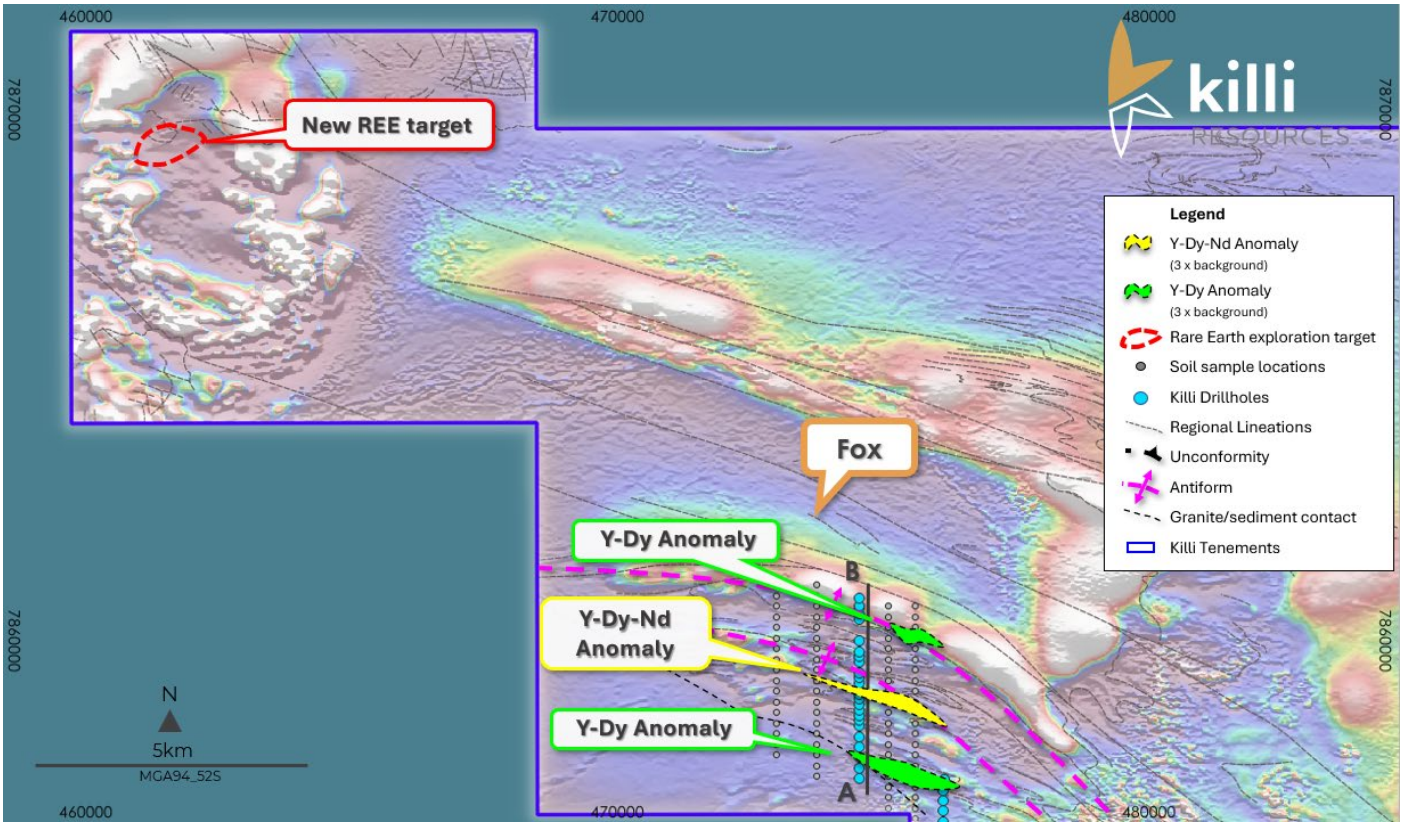

Figure 1. Location of Y-Nd-Dy (heavy rare earth) soil anomalies with major linear geological features and location of new additional REE target generated from the recent geophysical survey (plan view).

In addition to this surface anomaly a new rare earth target has been generated from the airborne magnetic & radiometric survey and the compilation of field mapping conducted in the 2022 field season.

Yttrium-REE anomaly at Fox

A total of 300 samples were collected across the project during the 2022 field season targeting both gold and rare earth element (REE) systems. The geochemical program was designed to target regional structures, which could be possible hydrothermal conduits.

In this area there is sporadic areas of outcrop/subcrop where soils are considered the best method to test for this style of REE mineralisation. The soil results returned greater than 3x background yttrium values at three separate locations, with yttrium (Y) one of the heavy rare earth elements, which is always associated and found in combination with rare earth minerals. The anomalies extend ~1.5km along strike to the basement sediments and are 400-500m in width (across-strike). The anomalies are stratigraphically aligned with regional features determined from surface mapping, airborne interpretation, and down hole logging, Figure 2.

In addition to anomalous yttrium there is associated elevation in neodymium (Nd), dysprosium (Dy), ytterbium (Yb), terbium (Tb), europium (Eu), and gadolinium (Gd) (REE's). The central anomaly is anomalous for Y-Dy-Nd (3x background values) and the two outer anomalies are anomalous for Y-Dy (3x background).

These are significant first pass results, where the Company plans to multi-element assay the downhole pulps from the aircore program, for holes which are adjacent the rare earth anomalies. The composite drill pulps from the aircore drilling have been analysed by pXRF, for a purely qualitative purpose and indicate the presence of hydrothermal alteration.

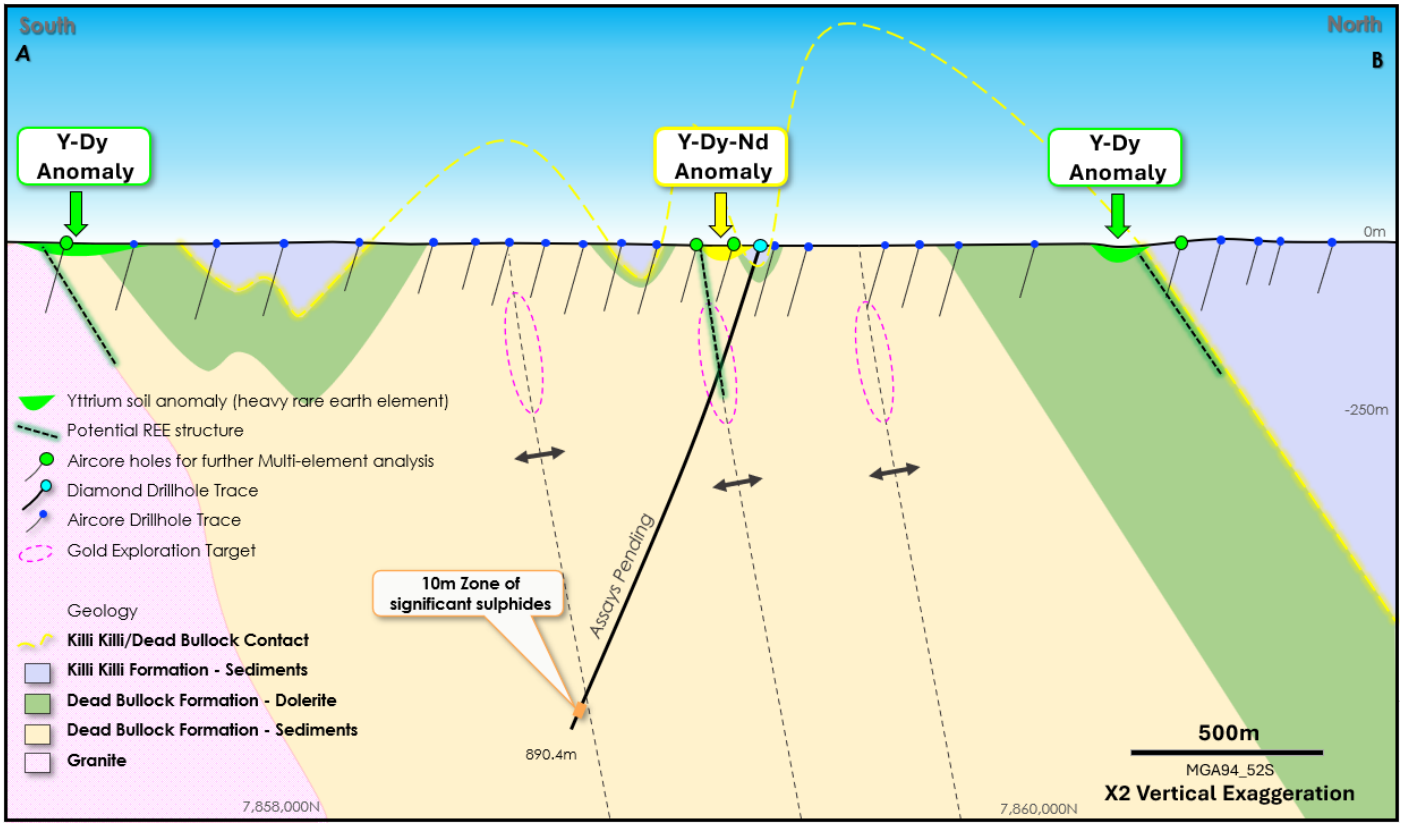

Figure 2. Cross-section of Fox prospect, including location of surface yttrium enrichment and interpreted geology from surface mapping and aircore logging.

Yttrium Overview

Yttrium is classified as a rare-earth element and is often found in combination with 'lanthanide' elements in rare-earth mineral systems. Elevated yttrium values are indicative of a potential rare-earth bearing mineral system, and in this instance, it will be used as a pathfinder element.

Yttrium is a transitional metal with a which variety of uses, most importantly in the use of LEDs and phosphors, electrodes, lasers, superconductors and was added to the United States list of Critical Minerals in 2022.

Rare Earth mineralisation of the Tanami Region

Regionally there are multiple occurrences of REE's in the Tanami district, with surface mineralisation in the form of rock chips at the Killi Killi East Project, 12.45% TREO's, and the Boulder Ridge Project, 12% TREO's to the east of Killi Resources tenure. The mineralisation style of both these projects is believed to be hydrothermal, unconformity related. Where REE-rich hydrothermal fluid moves through the rocks and deposits preferentially within a host lithology, which in this instance is the Pargee Sandstone.

The Browns Range REE Mine, owned by Northern Minerals Limited, is located 55km north of the Fox prospect. The deposit is currently not in operation, however, has a current resource of 9.28Mt @ 0.67% TREO's, Figure 3. The mineralisation style of this deposit is hydrothermal, with the individual localised REE deposits located around the margins of the Browns Range Dome.

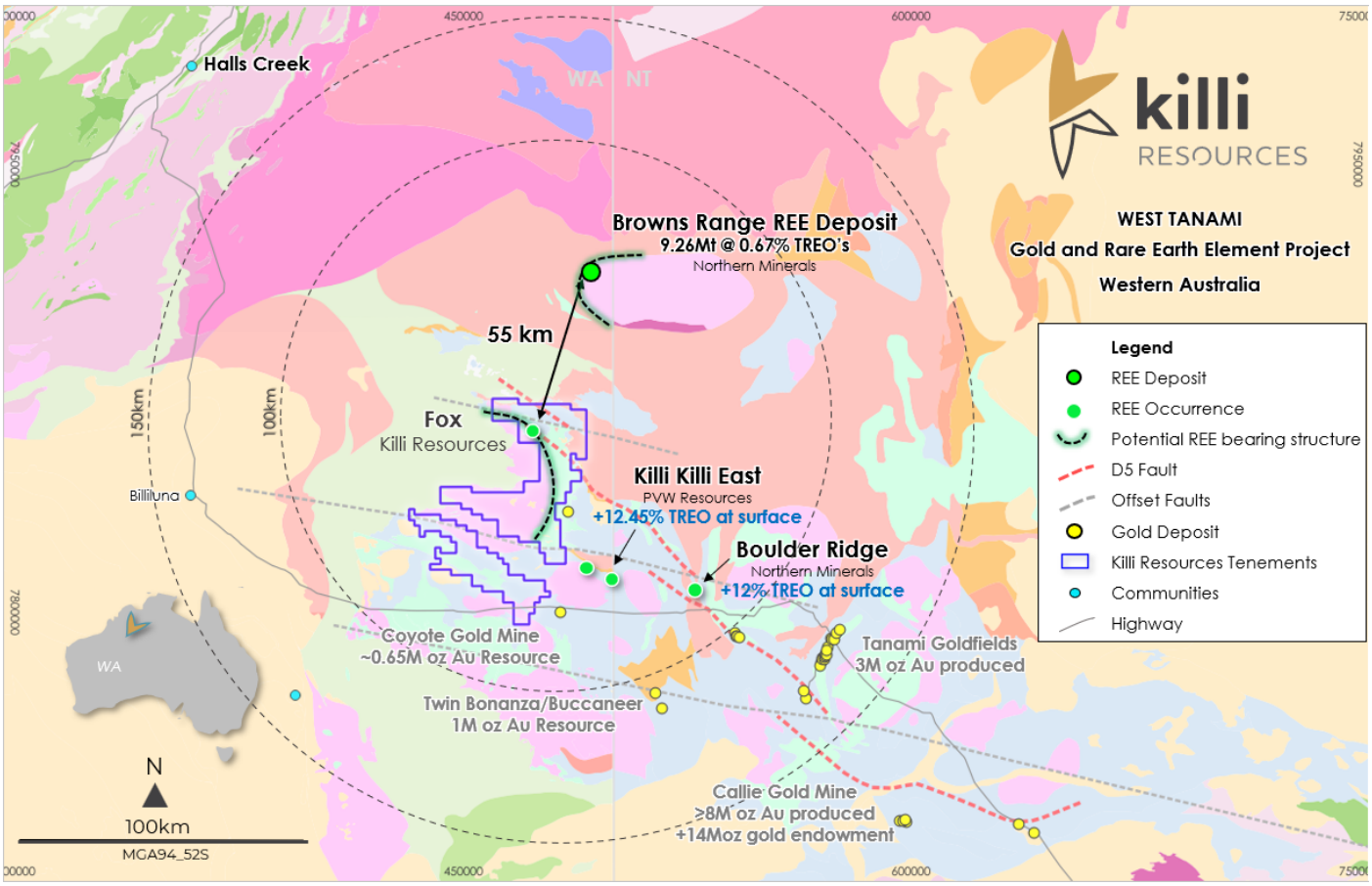

Figure 3. Location of the West Tanami Project in relation to gold and in particular Rare Earth element Mines/deposits and REE occurrences.

In addition to the geochemical results, the airborne magnetic and radiometric data has been interpreted, with an additional rare earth target generated. The radiometric data suggests a potential REE target may be present, with the magnetics highlighting a zone of demagnetisation, potentially indicating hydrothermal alteration. This was compared with the recently compiled surface mapping, which had recorded the prospective Pargee Sandstone at this location. Within the region REE mineralisation has been associated with the sandstone as it provides a suitable lithology for the deposition of mineralised hydrothermal fluids.

Currently there are no rock chips, soils or drillholes at this new target location. The Company plans to ground truth the area in the first quarter of 2023.

Upcoming Exploration results

Ravenswood North - Results of the RC Drilling at the Rocky prospect remain pending.

West Tanami - Results remain pending for the ~2,500m of AC drilling, ~890m of diamond drilling, and rock chip samples taken across the project.

Authorised for release by the Board of Killi Resources Limited.

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Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Ms Kathryn Cutler. Ms Cutler is a Member of The Australasian Institute of Mining and Metallurgy. Ms Cutler has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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. Ms Cutler consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Table 1. Details of soil samples reported at Fox prospect (MGA94_52S).

Sample ID	Easting	Northing	Y (ppm)	Dy (ppm)	Nd (ppm)	Sample ID	Easting	Northing	Y (ppm)	Dy (ppm)	Nd (ppm)
WTS0193	473000	7857851	12.08	2.88	22.5	**WTS0233**	475100	7857649	23.84	5.44	27.9
WTS0194	473000	7858052	13.14	3.59	33.4	**WTS0234**	475100	7857849	15.35	3.52	25.4
WTS0195	473001	7858250	25.87	5.21	31.2	**WTS0235**	475100	7858050	11.24	2.59	16.8
WTS0196	473001	7858451	17.2	3.77	23.5	**WTS0236**	475100	7858251	10.29	2.44	14.5
WTS0197	472999	7858650	13.88	3.08	23.1	**WTS0237**	475102	7858450	15.05	3.46	18.8
WTS0198	473000	7858849	12.39	2.92	20.6	**WTS0238**	475101	7858651	10.98	2.45	17.7
WTS0199	473000	7859050	14.24	3.1	20.8	**WTS0239**	475101	7858850	9.66	2.46	17.1
WTS0200	473000	7859250	17.16	3.89	32.9	**WTS0240**	475102	7859050	19.71	4.66	36.3
WTS0201	473001	7859451	21.73	4.8	30.4	**WTS0241**	475100	7859250	18.63	4.28	24.3
WTS0202	473001	7859649	26.03	5.59	38.1	**WTS0242**	475101	7859449	16.98	3.83	22
WTS0203	473000	7859851	21.28	4.85	36.3	**WTS0243**	475100	7859650	11.46	2.48	13.5
WTS0204	473000	7860050	22.41	5.01	35.6	**WTS0244**	475101	7859851	12.16	2.71	14.1
WTS0205	472999	7860251	18.49	4.05	30.4	**WTS0245**	475102	7860049	13.78	3.08	18.6
WTS0206	472999	7860450	21.67	4.57	31.1	**WTS0246**	475100	7860251	9.36	2.24	14.8
WTS0207	473001	7860651	9.76	2.52	19.3	**WTS0247**	475098	7860449	9.66	2.17	13.7
WTS0208	472999	7860850	9.54	2.14	17.8	**WTS0248**	475100	7860650	7.74	1.74	11.8
WTS0209	473000	7861050	12.05	2.65	18.4	**WTS0249**	475601	7856051	8.53	1.98	13
WTS0210	473749	7857450	10.45	2.23	17.5	**WTS0250**	475600	7856250	8.64	1.95	12.2
WTS0211	473749	7857650	12.35	2.64	18.6	**WTS0251**	475600	7856450	8.59	2	13.6
WTS0212	473750	7857851	9.95	1.95	15.8	**WTS0252**	475600	7856651	8.02	1.93	12.1
WTS0213	473749	7858050	13.39	3.14	28	**WTS0253**	475600	7856850	7.35	1.64	10.1
WTS0214	473750	7858250	11.57	2.79	23.2	**WTS0254**	475599	7857051	8.64	2.04	13.1
WTS0215	473751	7858450	16.46	3.52	27.4	**WTS0255**	475599	7857251	14.09	2.88	14.9
WTS0216	473752	7858650	18.84	3.83	28.5	**WTS0256**	475601	7857449	18.45	4.16	24.6
WTS0217	473750	7858850	17.06	3.91	28.3	**WTS0257**	475600	7857649	17.78	4.37	29.6
WTS0218	473751	7859050	16.02	3.49	28.7	**WTS0258**	475602	7857851	11.63	2.54	15.9
WTS0219	473751	7859249	17.19	4.34	35.7	**WTS0259**	475600	7858051	12.14	3	24.7
WTS0220	473752	7859451	17.11	3.75	25.8	**WTS0260**	475599	7858250	10.77	2.56	17.3
WTS0221	473751	7859650	11.72	2.85	21.7	**WTS0261**	475600	7858451	21.35	4.72	30.4
WTS0222	473751	7859851	9.21	2.07	15.8	**WTS0262**	475600	7858650	9.95	2.39	14.2
WTS0223	473753	7860051	13.53	3.06	18.5	**WTS0263**	475601	7858850	11.88	2.69	19
WTS0224	473751	7860250	12.12	2.85	19	**WTS0264**	475602	7859050	17.64	4.13	29.9
WTS0225	473752	7860450	14.03	3.14	21.3	**WTS0265**	475599	7859251	18.94	4.33	26.4
WTS0226	473752	7860650	9.18	2.39	15.5	**WTS0266**	475601	7859449	16.83	3.68	16.9
WTS0227	473751	7860852	11.88	2.64	20	**WTS0267**	475601	7859649	13.82	2.9	13
WTS0228	473749	7861050	8.81	2.04	14.3	**WTS0268**	475599	7859850	31.25	6.42	29.8
WTS0229	475101	7856850	8.63	1.98	13.4	**WTS0269**	475600	7860051	9.61	1.89	12.4
WTS0230	475101	7857049	7.77	1.68	10.6	**WTS0270**	475601	7860252	9.19	1.85	12.6
WTS0231	475099	7857250	7.36	1.7	10.5	**WTS0271**	475600	7860449	9.95	2.01	14.1
WTS0232	475101	7857448	11.61	2.53	15.6	**WTS0272**	475601	7860651	8.61	1.76	13.3

Killi Resources Limited

Killi Resources (ASX: KLI) is a gold, copper and rare earth explorer with four wholly owned assets in Australia, with a focus on the Tanami region of Western Australia, Figure 4. The Company is focussed on underexplored provinces with the potential for a large-scale new discovery. Exploration has focussed on the West Tanami and Ravenswood North Projects since the Company listed in February 2022.

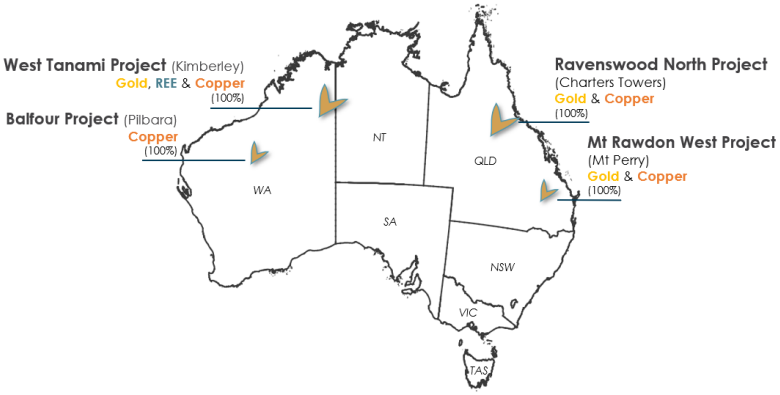

Figure 4. Location of Killi Resources Limited gold, copper and rare earth projects in Australia.

This announcement relates to the West Tanami Project in Western Australia

The Company owns 100% of the West Tanami Gold Project in the north-east of Western Australian. The land holding totals 1,634km^2 of granted tenure over 100km strike of the major gold corridor, Tanami Fault System, with existing gold endowment of the Tanami Gold Province greater than 19M oz Au. Within the district there are multiple gold deposits which include Callie Gold Mine (Newmont, ~13Moz Au), the Tanami Goldfields (3M oz Au), Buccaneer (0.5M oz Au) and the Coyote and Kookaburra mines (Black Cat Syndicate, ~1M oz Au), Figure 4.

Aside from gold, recent work completed by explorers in the area have highlighted the potential for hydrothermal Rare Earth systems, within the district. Within 50kms of Killi ground the Browns Range REE mine has recently expanded its deposit to 9.26M tonnes at 0.67% Total Rare Earth Oxides (TREO's). The potential for rare earth elements on the land holding exposing the Company to critical minerals and metals needed for the 'green energy' industry.

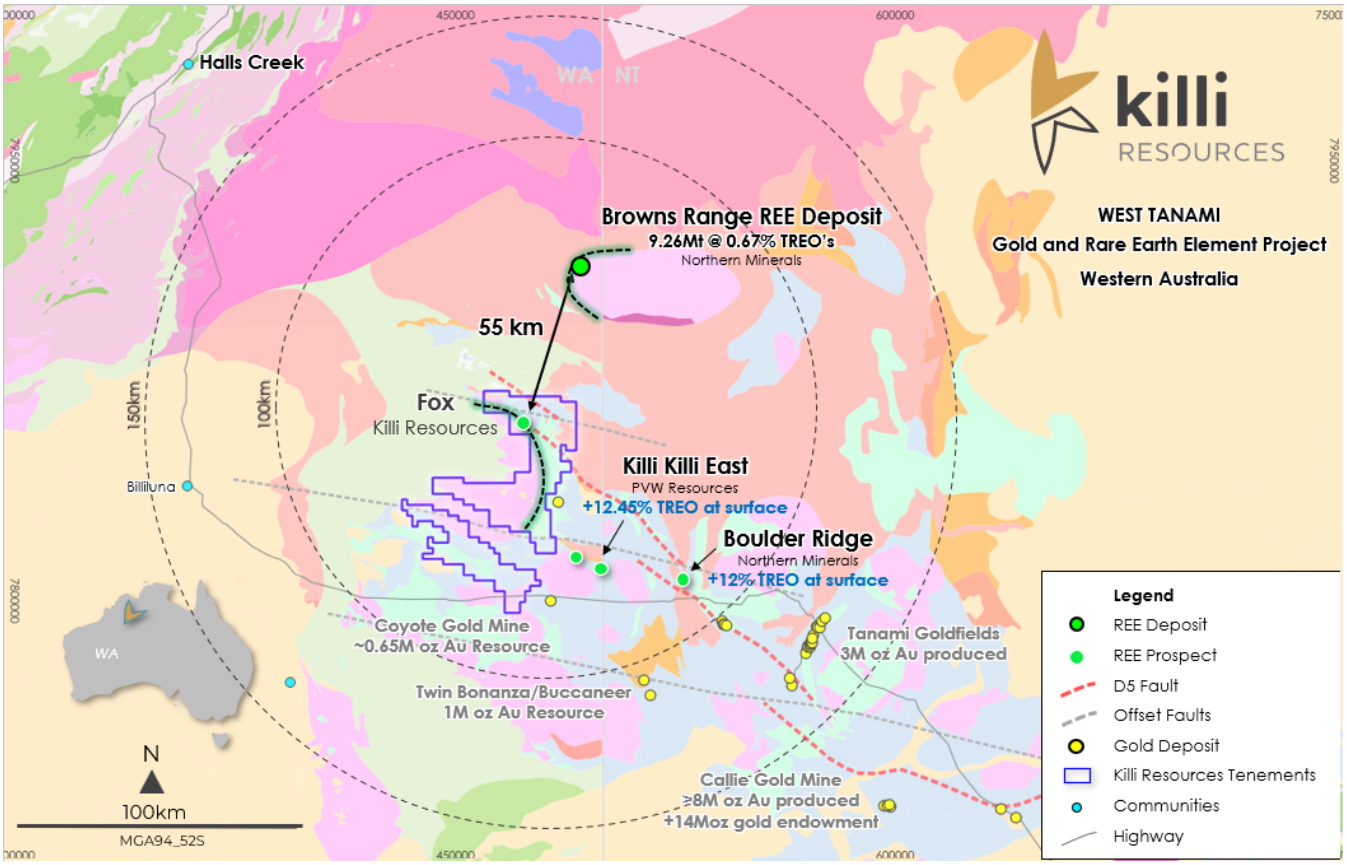

Figure 4. Location of West Tanami Project in relation to existing rare earth element and gold deposits of the Tanami area.

Section 1 Sampling Techniques and Data

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.*	At Fox prospect soil samples were taken on a 200m x 750m and 200m x 500m grid spacing targeting areas which have not been tested. Soil samples were taken using a shovel and a sieve approximately 15 – 25 cm below the surface, within the B or C soil horizon. Soil was sieved using a 180 µm mesh and 150 - 200 g of sample was collected in a numbered paper sample bag. Soil sample locations were recorded using a handheld GPS, which has an estimated accuracy or +/-6m. pXRF – a portable XRF instrument was used on a purely qualitative basis, to confirm visual observations, using a handheld Olympus Vanta – M series. Portable XRF solutions provided certified standard reference materials, used to calibrate the handlheld XRF instrument, which was completed each morning prior to use. Where all standard results were returned within two standard deviations of the standard material value. The readings generated by the pXRF were used as an indicator and are not reported in this announcement.
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).*	N/A
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.*	N/A
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.*	Soil samples were logged for soil horizon, moisture content, colour intensity, colour, and comments in relation to topographic features.
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*	Soil samples were dry sieved using a 180 µm mesh, and a sample of weight 150 - 200 g was collected in a paper soil sample bag. Where the soil was too wet, a 2-3 kg sample was collected in a calico bag, to be dried and sieved at the laboratory. Standards (OREAS47) and duplicates were inserted approximately every 30 samples through a batch and one blank (OREAS46) at the beginning of each batch during the field program.

Criteria	JORC Code explanation	Commentary
	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.*	
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.*	Soil samples were hand delivered for analysis to SGS Perth, Western Australia for specific analysis. Soil samples were analysed for multi element via GE_ICP40Q20 method. Samples were analysed for: Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Hf, Ho, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Nd, Ni, P, Pb, Pr, Rb, S, Sb, Sc, Se, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, and Zr. A total of 2 blanks and 2 standards were included within the soil sample batch that was submitted to the laboratory, as part of the company's QAQC procedures. As part of the labs internal QAQC procedures, the laboratory completed 14 blanks, 46 duplicates and 31 standards within the soil sample batch. pXRF – a portable XRF instrument was used on a purely qualitative basis, to confirm visual observations, using a handheld Olympus Vanta – M series. The pXRF used a 30 second , 3 beam spot reding on drill pulps, to assist with identifying alteration systems. Portable XRF solutions provided certified standard reference materials, used to calibrate the handlheld XRF instrument, which was completed each morning prior to use. Where all standard results were returned within two standard deviations of the standard material value. The readings generated by the pXRF were used as an indicator and are not reported in this announcement.
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.*	Field data was collected by two contract field assistant. The data was collected and reconciled by comparison of field notes and GPS co-ordinates taken during the program. Assays were interrogated to demine anomalism of elements from background, which have been reported in Table 1 in the main text of the document. All assays have been loaded into the Company's Azeva database and QAQC passes internal procedures. No adjustments have been applied to the assay data.
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.*	The location of the soil samples was recorded using a hand-held GPS. With waypoints recorded at each location, within the MGA94_52S grid-system, and reconciled with the database.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of*	Soil samples were collected on a 200 m (sample spacing) x 750 m (line spacing) and 200 m (sample spacing) x 500 m (line spacing) soil grids.

Criteria	JORC Code explanation	Commentary
	geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • *Whether sample compositing has been applied.*	
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.*	N/A
Sample security	• *The measures taken to ensure sample security.*	Soil samples were delivered to SGS Perth, Western Australia by a contracted freight company, directly from the field.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	The company has completed an internal audit on the data to confirm the Company QAQC guidelines are followed.

Section 2 Reporting of Exploration Results

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 tenements relating to this announcement are held within Iron Bull Bangemall Pty Ltd, which is a wholly owned subsidiary of Killi Resources limited. The results in this announcement are on Iron Bull Bangemall Pty Ltd tenure. Tenements E80/5100 - E80/5103 are granted. At this point the company is not aware of any reasons that inhibit the company to operate on the tenement in the future.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration has taken place on the tenement by Tanami Gold, Acacia Resources, Geographe Resources Limited, Barrick Gold of Australia Limited, Anglogold Australia Limited, Tanami Exploration NL, Afmeco Mining and Exploration Pty Ltd, Uranio Limited, Baracus Pty Ltd, Northern Minerals Limited, Hemisphere Resources Limited.
Geology	*Deposit type, geological setting and style of mineralisation.*	Tenements E80/5101, E80/5102, E80/5100, E80/5103 are prospective for hydrothermal sediment hosted gold deposits. These tenements are along strike and adjacent the Kookburra, Coyote, Old Pirate, and Callie gold mines. In Western Australia and the Northern Territory.
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:* *(i) easting and northing of the drill hole collar* *(ii) elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *(iii) dip and azimuth of the hole*	Completed in Table 1.

Criteria	JORC Code explanation	Commentary
	(iv) down hole length and interception depth *(v) 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.*	
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.*	N/A no weighting applied.
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').	N/A.
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.	Diagrams have been provided within the text of the announcement to provide context and location of the soil results in relation to the tenement boundaries and nearby deposits.
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.	All results can be found in Table 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.	N/A
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.	Killi Resources plans to carry out further exploration work programs on the tenement, including further geochemical and drilling programs.