

27 March 2023

## Balfour Project Update

(Western Australia)

- Killi agrees to sell its Balfour Project for staged share consideration of up to \$500,000.
- Killi will retain the copper mineral rights with no annual tenement expenditure or rent commitments.

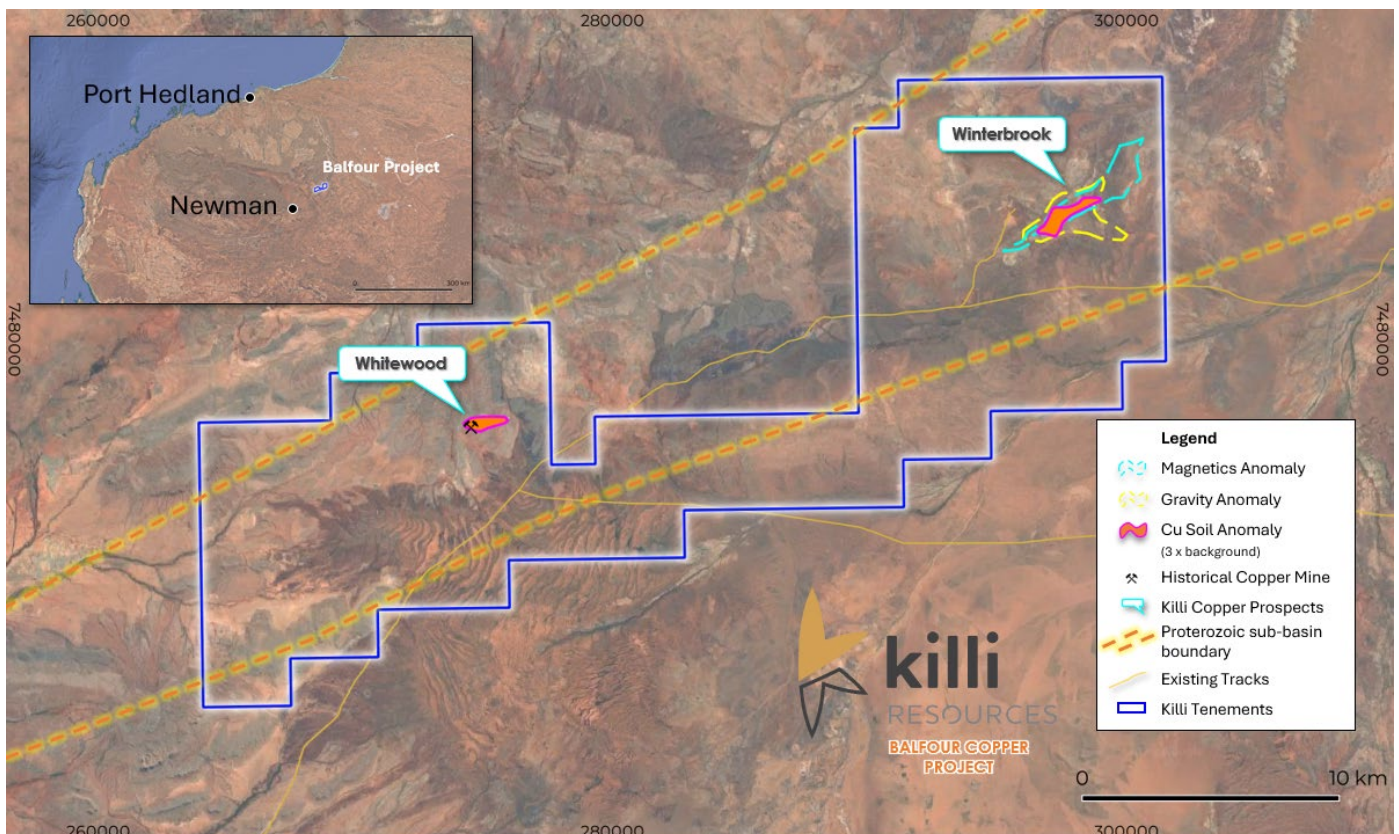
Killi Resources Limited ('Killi' or the 'Company') (ASX: KLI) advises that it has entered into a tenement sale agreement to sell its Balfour Project in the Pilbara region of Western Australia, to Black Canyon Limited (ASX: BCA; **Black Canyon** or **BCA**) for a staged share consideration value of up to \$500,000.

The agreement will see the change of ownership of the 351km<sup>2</sup> Balfour tenement, from Killi to Black Canyon, with copper mineral and exploration rights remaining with Killi. Importantly, the Company will have no annual rent or expenditure commitments on the Project going forward.

The retention of the copper rights will allow the Company to conduct exploration in the future. The tenement was pegged for its prospectivity for sedimentary hosted copper systems, within the Proterozoic sub-basin, with an existing historical copper mine and copper soil anomalies on the project.

Recently, the region has seen increased exploration for manganese, with this region now host to multiple manganese deposits.

**Killi CEO Kathryn Cutler commented,** *'This is a great outcome for Killi, we have retained the copper mineral rights to the project which we plan to explore in the coming years, as well as the Company now being leveraged to Black Canyon's manganese resources and success within the Balfour Manganese Field. It's the best of both worlds for the Company and shareholders, as we continue to progress this project along with our Queensland and Kimberley assets.'*



**Figure 1.** Location of Balfour Project, with existing copper targets.

## Agreement details

Killi has entered into a Tenement Sale Agreement with Black Canyon, pursuant to which Black Canyon will acquire 100% of E46/1383 for the following consideration:

- the issue of \$200,000 worth of BCA Shares at settlement (**Consideration Shares**), with the number of BCA Shares issued based on the 20 day VWAP of BCA Shares before the Execution Date; and
- the issue of \$300,000 worth of BCA Shares (**Deferred Consideration Shares**) upon estimation of a JORC compliant Mineral Resources from E46/1383 equal to, or greater than 50Mt grading at least 10% Mn (**Milestone**). The number of BCA Shares to be issued on achievement of the Milestone will be based on the 20 day VWAP of BCA Shares before the ASX announcement is released reporting the Milestone has been met.

Killi will retain the rights to explore for and mine any copper mineralisation on the E46/1383 under a Mineral Rights Deed with Black Canyon.

The Consideration Shares and Deferred Consideration Shares will be subject to 12 months escrow.

*Authorised for release by the Board of Killi Resources Limited.*

For further details:

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## Killi Resources Limited

Killi Resources (ASX: KLI) is a gold, copper and rare earth explorer with four wholly owned assets in Australia, based in Queensland and Western Australia, Figure 2. The Company is focussed on greenfields projects in underexplored provinces with the potential for new large-scale discoveries. Since the Company floated on the ASX in February 2022, exploration has focused on the West Tanami Project in the Kimberley of WA and the Ravenswood North Project in QLD.



**Figure 2.** Location of Killi Resources Limited gold, copper and rare earth projects in Australia.