Kalia limited

ACN 118 758 946

ASX Announcement
17 April 2018

Kalia Limited is exploring for copper, gold and energy metals in the Mt Tore region on Bougainville Island and Australia

Directors
Chairman
Hon. David Johnston
Managing Director
Mr Terry Larkan
Technical Director
Mr Peter Batten

Operations
Company Secretary
Mr Phillip Hartog

Issued Capital
Ordinary Shares
2,034,347,391
Unlisted Options
44,500,000
Adviser Options
250,000,000

Share Price – 16 April 2018
$0.009

ASX Code
KLH

Further Contact:
Kalia Limited
Tel: 08 6555 0322
www.kaliagroup.com

PO Box 1470
West Perth WA 6872

Assay Results Enhance Geological Understanding

Kalia Limited ("Kalia" or "the Company") is pleased to announce the assay results for the samples from the first field expeditions undertaken in Bougainville.

Summary

- January assay for KTR00063 returned an anomalous gold value of **0.188 ppm Au** and anomalous copper result of **647 ppm Cu.**
- Follow up on KTR00063, sample KTR00077 returned **6.37 ppm Au and 0.45% Cu**
- Other samples from same area returned gold grades of **0.32 ppm Au** (KTR00076) and **0.19 ppm Au** (KTR00072) without elevated copper.
- Expeditions progressing using a methodological plan toward targets defined by historical geophysical and geochemical data.
- Objective remains to define drilling target and commence drilling 2018.

The initial five geological expeditions undertaken to investigate exploration sites were selected from information compiled in desktop studies, from existing data, completed in the build up to the lifting of the Moratorium on Mining Tenement Applications and the eventual issuing of EL03 and EL04 to Kalia/Toremana in November 2017.

Kalia led expeditions have been completed to Tai Tai, geochemical anomaly, Pasuna Teabai, Melelup, geophysical and geochemical anomalies, and Rarie/Puspa (via Teoveane), geophysical, geological and geochemical anomalies (KLH Announcements Nov27, Dec12, 2017) (Figure 1).

Each expedition requires logistical planning to ensure the landowner observer is approved in terms of the Mining Act and Regulations of 2015, the guides are approved by landowners and the number of carriers is optimised for inwards supplies and outwards conveyance of samples. After confirmation of approved access, the team walk into the area of interest carrying all equipment and food for the period of the activity, sampling at identified points and any other areas identified to be of interest while in the area.

Samples are processed and transported to Lae, Papua New Guinea. The samples are processed at the Intertek sample preparation facility in Lae. A pulp of these samples is exported to Intertek's Townsville laboratory and analysed for a suite of elements (see attached table).

Only one geological team has been utilised to date. The restriction of resources deployed has been a strategy undertaken to facilitate the building of confidence by the landowner group that the initial work is not destructive or intrusive. Lower level priority exploration targets at Tai Tai and Pasuna Teabai were used initially. The lower level priority

targets were used to mitigate the risk that may have been posed to samples while proving the untested sampling logistics chain, gaining landowner confidence and training local staff. The successful outcomes have enabled the Company to move toward deploying additional technical staff and at least three exploration teams will see a rapid increase in fieldwork completed on initial priority sites and the development of projects at locations of in situ mineralisation.

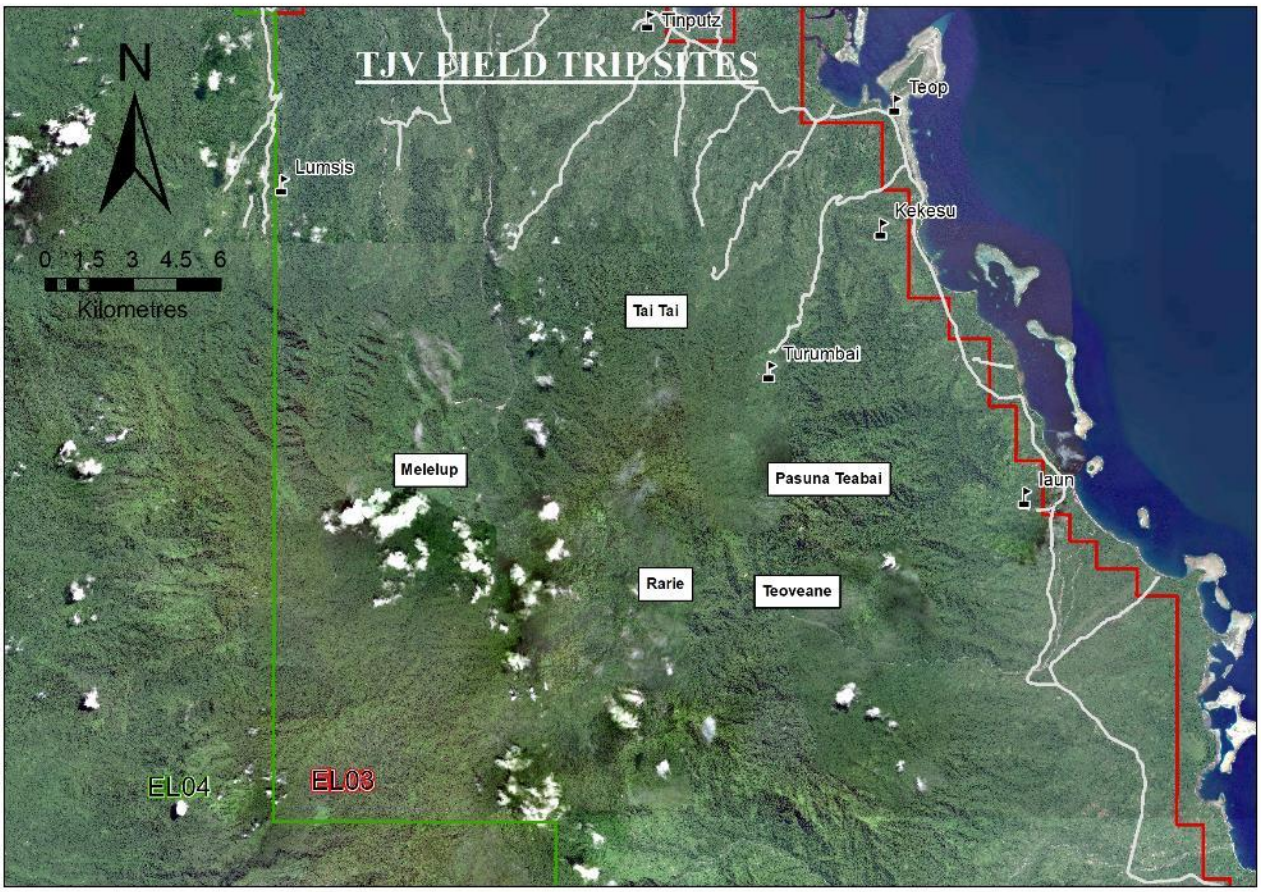


Figure 1. Field Trip Sites

Tai Tai

The field trip to Tai Tai was premised on a minor geochemical anomaly (stream sediment sample) from the work of Rogerson et al, 1989 and anecdotal information of quartz veining in the area.

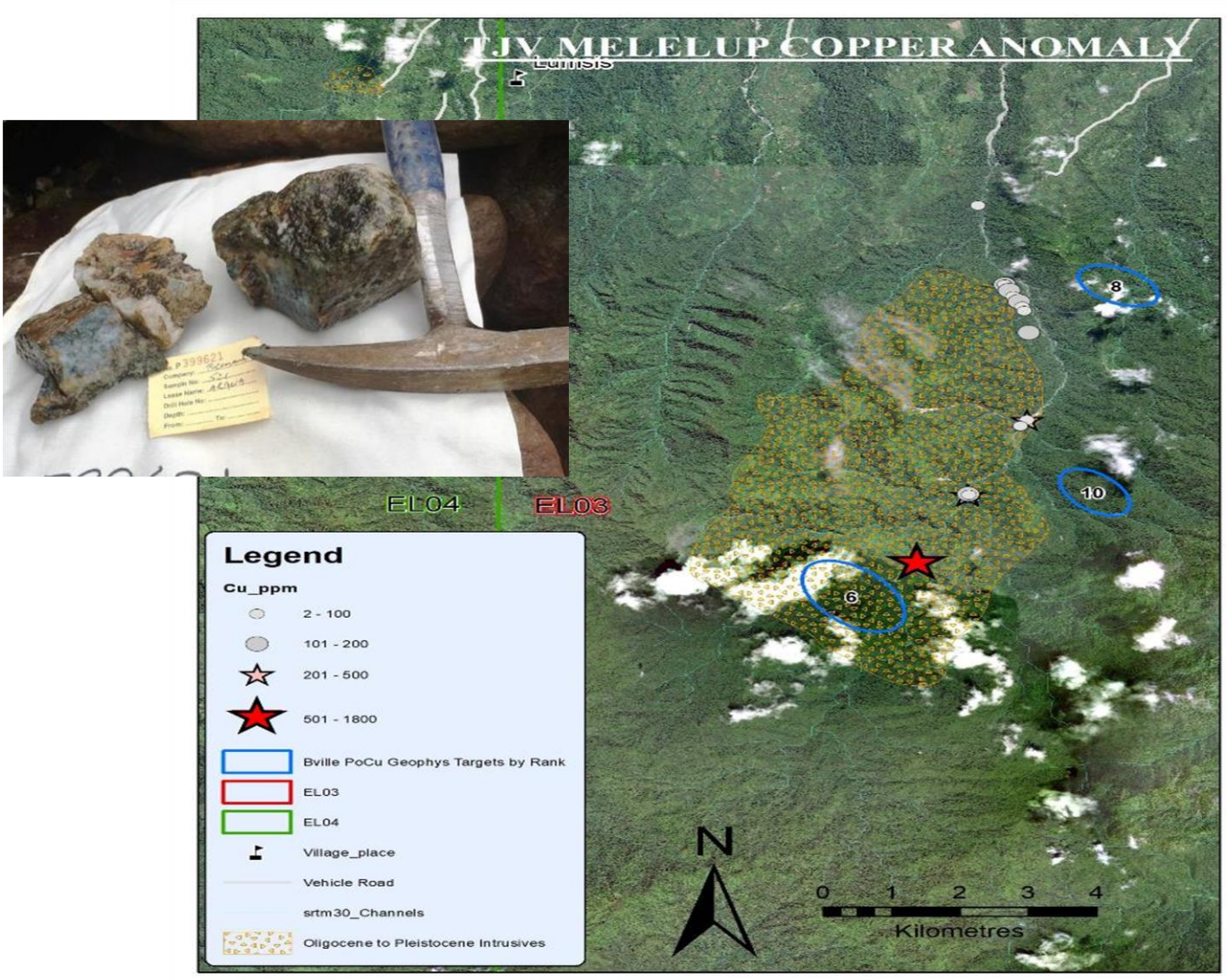
No significant results were returned from the sampling at Tai Tai.

Pasuna Teabai

The field trip to Pasuna Teabai was predominantly concerned with assessing the topography for potential vehicular access to the region. A low order geophysical anomaly in the vicinity was the basis for sampling.

No significant results were returned from the sampling at Pasuna Teabai.

Figure 2. Significant sample location plan – Melelup. Inset photo of sample 399621 - 0.18% Cu.



Melelup

Melelup is considered a high order of interest area. It hosts one of the four identified intrusives in the project areas and this zone contains several priority geophysical anomalies.

Previous work did not result in any anomalous sample results but the location is within the Upper Ramazon Anomalous Zone identified by Rogerson et al (1989) as well as sitting within the copper and gold productive intrusions range of the Gold and Copper Fertility Indicators from Michael Agnew's recent publication, "Return to Bougainville – Reassessing the Mineral Potential of a Long-Forgotten Island" (Society of Economic Geologists Newsletter, Number 113, April 2018, KLH website).

The traverse at Melelup commences at Topis Village and follows the Ramazon River upstream to a position directly beneath the Melelup Peak (Figure 2). Where the river contacts the projected intrusive position, the samples returned low copper results (<500ppm Cu, <0.05% Cu) with the

highest grade returned from sample #399621 (Figure 2, inset) and that peaked at 0.18% Cu (1800ppm Cu).

The samples taken during the Melelup field trip were all river float samples and therefore transported from their origin point.

These anomalous results are encouraging displaying elevated copper levels and identifying the boundary of the search area for forthcoming exploration programmes.

The next field trip will move directly to the emphasised boundary and work from the known position towards outcrop. The programme is planned for this month.

Rarie/Puspa

Rarie/Puspa is the location of one of the four main intrusives in the Tore region and the location of the highest order geophysical anomaly derived from the reprocessing of historic survey data (Figure 3). Geochemical and geological anomalies have been recorded by Rogerson et al (1989) and Tsiperau (2012) in various sites within this area (KLH Announcements Nov27, Dec12, 2017). The Rarie/Puspa intrusive is also highlighted in Michael Agnew's recent publication.

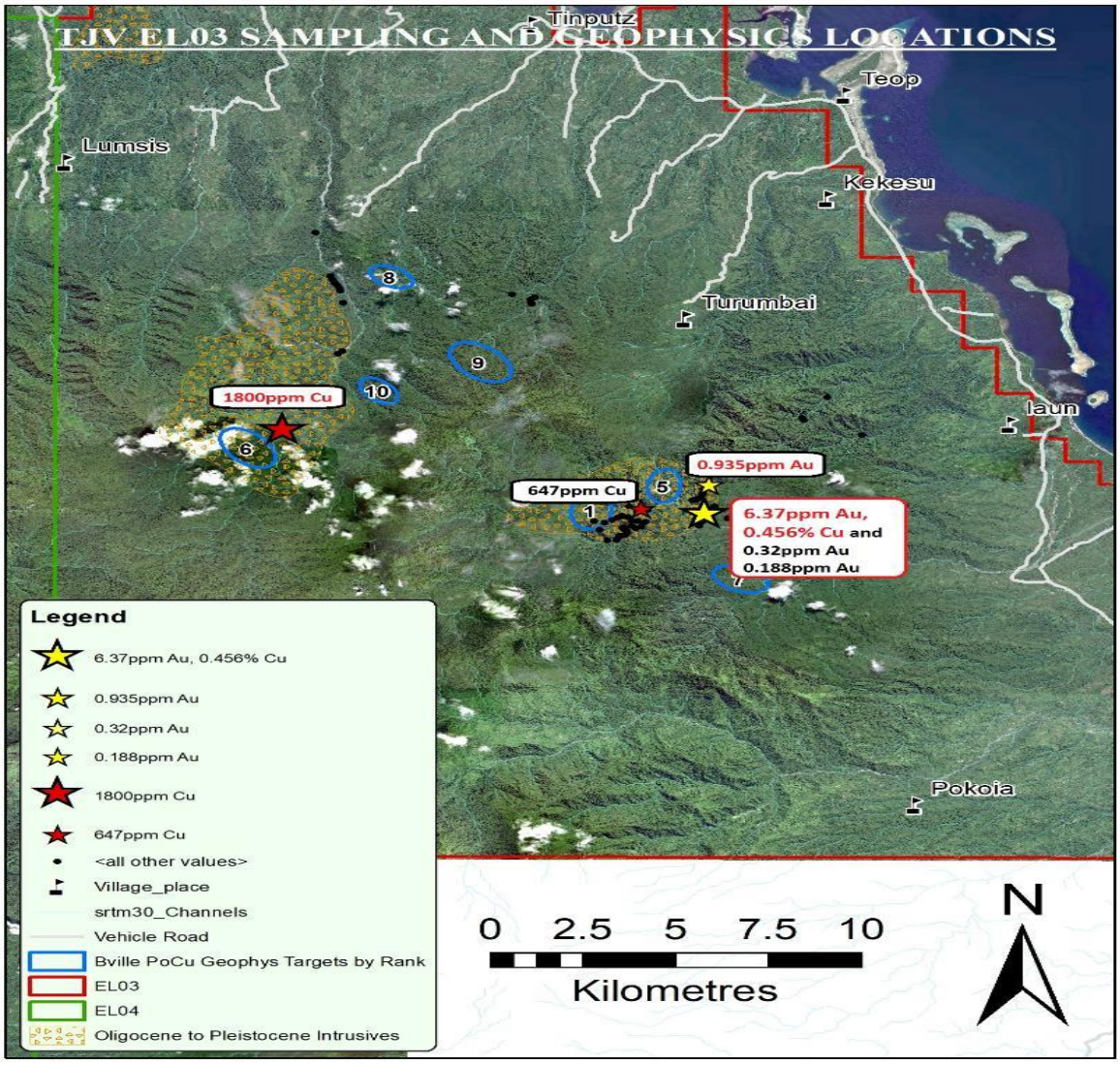
The highly prospective Rarie/Puspa area has been subject to multiple field visits, each progressing closer to the target area. The traverse for Rarie/Puspa starts at Hakop Village and follows the path of the Uruai River to the west. The route passes through Teoveane and then onto the Upper Uruai River to Rarie.

The initial visit was completed in December 2017. Results received in January had sample KTR00063 returning an anomalous gold value of 0.188 ppm Au. An anomalous copper result of 647 ppm Cu was also returned but has not been revisited at this point (Figure 3).

The January 2018 results have led to a return visit to Teoveane in March 2018. Final and check results from the March 2018 samples were received on Friday 13 April 2018.

The results of sampling from the second visit to Teoveane produced four anomalies for gold and copper.

Figure 3.



Sampling of the adjacent outcrop, 35m from the original anomalous result (KTR00063, Figure 5) produced a gold result of **6.37 ppm Au and 0.45% Cu** in sample KTR00077 (Figure 6), a pervasive quartz vein, minor colloform and vuggy quartz with magnetite and possible biotite and minor epidote (advanced argillic alteration) within an argillised diorite outcrop. Blue/green staining in the vein is potentially malachite/azurite. Other samples on the same outcrop returned gold grades of **0.32 ppm Au** (KTR00076) and **0.19 ppm Au** (KTR00072) neither of these samples returned elevated copper (Table attached).

Figure 4. Sample locations at Teoveane.

Figures 5 and 6. Samples KTR00063 and KTR 00077

The alteration of the diorite outcrop appears zoned with epidote at the contact (left hand side of outcrop image, Figure 7). Mineralogy changes to less epidote and introduction of magnetite (and biotite?).

Figure 7. Sampled outcrop at Teoveane, Graeme Magum for scale.

The field trip extended upstream to the north of this outcrop and at a location 1.1km to the north of sample KTR00077 another altered diorite outcrop was sampled (Figure 3). Only one sample (KTR00112) was anomalous with a gold grade of 0.935 ppm Au and elevated copper at 565 ppm Cu (0.05% Cu). All sampling was rockchip from outcrop.

Mr. Peter Batten, Chief Geologist and Technical Director, stated “The initial expeditions are primarily to commence the process of delineating exploration projects. In general, reducing the search area and closing in on potential geology from the results of stream sediment and river float sampling, as at Melelup. The identification of altered intrusives and the tenor of the in situ sample results is a major boost to our confidence in our Tore Joint Venture and North Bougainville in general.

We now have the beginnings of a project at Teoveane with encouraging results over a 1km zone in an area of historic coincident anomalism (geophysical, geochemical and geological) and these results are from only the first two forays into this region. We also have the start of a programme at Melelup with an encouraging result from the start. We are mobilised to return here and following the success at Teoveane we are hopeful of similar results.

All this and we still have not actually started on Rarie/Puspa itself or any of our other highlighted areas of interest from the preliminary studies completed since April 2016.”

The Mt Tore Joint Venture is exploring for all opportunities but specifically looking to test for porphyry copper gold style mineralisation. It is often difficult to assess the value of exploration results especially the typically low grades that are associated with large disseminated systems.

Like Panguna, Frieda River and Escondida, these systems tend to large tonnages, hundreds of millions of tonnes up to several billion tonnes. Production is then generally of a larger scale and the commercial grade can be quite low. The resource at Panguna, in the south of Bougainville, is

1.83 billion tonnes at grades of 0.30% Cu and 0.342 ppm Au (ASX:BCL website) and Freeport-McMoran Copper and Gold Inc., the world's largest, listed copper producer, treat material with grades lower than 0.18% Cu equivalent in their Americas operation.

The grades of these initial sample expeditions certainly fall within these ranges but outcrop samples, despite the high grade, do not define a deposit.

Competent Persons Statement
The information in this report that relates to Exploration Results is based on information reviewed by Mr. Peter Batten who is an employee of the Company and is a director of the Company. Mr. Batten is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation, the types of deposits under consideration and the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results. Mr. Batten consents to the inclusion of the information in the form and context in which it appears.

References

Memoir 16: The Geology and Mineral Resources of Bougainville and Buka Islands, Papua New Guinea, Rogerson, R.J., Hilyard, D.B., Finlayson, E.J., Johnson, R.W. and McKee, C.O., 1989 (Geological Survey of PNG.)

"Return to Bougainville – Reassessing the Mineral Potential of a Long-Forgotten Island", Society of Economic Geologists Newsletter, Number 113, April 2018, Michael Agnew.

Kalia limited

ACN 118 758 946

Table of all gold, silver copper results for samples taken from EL03 to date (March 2018)

Loc_ID	Samp_Type	Sample_ID	Area	Description	GDA94mE	GDA94mN	Au_ppm	Au_Rpt	Ag_ppm	Cu_ppm
1	FLT	399601	Melelup	Qtz, feldspar, epidote + py	715593	9377006	0.004		X	51
2	FLT	399602	Melelup	Qtz, feldspar + py	715593	9377006	0.008		X	9
3	FLT	399603	Melelup	Pyrite rich felsic	715990	9375232	0.002		X	167
4	FLT	399604	Melelup	Banded qtz (epithermal) and qtz	715990	9375232	0.003		X	50
5	FLT	399605	Melelup	Pyrite rich felsic	715990	9375232	0.003		X	43
6	FLT	399606	Melelup	Qtz vein breccia	716050	9375101	0.011		X	103
7	FLT	399607	Melelup	Siliceous felsic breccia	716115	9374966	0.03		1.1	41
8	FLT	399608	Melelup	Siliceous diorite	716115	9374966	X		X	41
9	FLT	399609	Melelup	Oxidised breccia (Fe after chlor.?)	716192	9374848	0.002		X	155
10	FLT	399610	Melelup	Brecciated felsic	716245	9374739	0.003		X	25
11	FLT	399611	Melelup	Qtz vein + py	716272	9374641	0.002		X	18
12	FLT	399612	Melelup	Qtz and feldspar + py	716337	9374158	0.008		0.6	69
13	FLT	399613	Melelup	Fine grained qtz feldspar + py	716337	9374158	0.025		X	76
14	FLT	399614	Melelup	Coffee rock, qtz feldspar + Fe	716337	9374158	0.002		X	161
15	FLT	399615	Melelup	Coffee rock, Fe2O3 rim	716312	9372189	0.002		X	226
16	FLT	399616	Melelup	Friable qtz feldspar, opaline Si + py	716312	9372189	0.004		X	40
17	FLT	399617	Melelup	Calcite feldspar + py (Kokok - German camp)	716210	9372064	0.023		X	91
18	FLT	399618	Melelup	Calcite, qtz and feldspar + py	716210	9372064	X		X	2

19	FLT	399619	Melelup	Epidote rich, siliceous rock with qtz vein and carbonate	714696	9369039	0.001		X	17
20	FLT	399620	Melelup	Qtz, feldspar, biotite porphyry	714696	9369039	0.003		X	123
21	**FLT**	**399621**	**Melelup**	**Qtz vein + epidote + py**	**714696**	**9369039**	**0.065**		**3.1**	**1800**
22	FLT	399622	Melelup	Qtz, jarosite, sericite?	714696	9369039	X		X	35
23	FLT	399623	Melelup	Felsic porphyry, epidote + biotite/pyrite vein	714696	9369039	0.065		X	186
24	FLT	399624	Melelup	Felsic porphyry, abundant pyrite	714696	9369039	0.003		X	37
25	FLT	399625	Melelup	Felsic porphyry with qtz vn + py	714696	9369039	0.006		X	120
26	FLT	399626	Melelup	Qtz + py	714696	9369039	0.006		X	40
27	FLT	399627	Melelup	Brecciated porphyry	714696	9369039	0.002		X	50
28	FLT	399628	Melelup	Felsic + py	714696	9369039	0.003		X	33
29	FLT	399629	Melelup	Felsic + epidote + py	714696	9369039	X		X	255
30	FLT	399630	Melelup	Felsic + py	714696	9369039	0.005		X	217
31	FLT	399631	Melelup	Felsic + py, weathered	714696	9369039	0.011		X	65
32	FLT	399632	Melelup	Pyrite rich diorite	714696	9369039	0.004		X	188
33	FLT	399633	Melelup	Siliceous, mafic porphyry with biotite and py, iron oxide rim	714696	9369039	0.001		X	86
34	FLT	399634	Melelup	Mafic porphyry, siliceous, magnetite rich	716210	9372064	0.002		X	114
35	FLT	399635	Melelup	Diorite, qtz feldspar biotite sericite	714696	9369039	0.001		X	75
36	RK	KTR00017	Tai Tai	ANDESITE RK	721500	9374374	0.004		X	90
37	FLT	KTR00018	Tai Tai	ANDES FLT	721507	9374378	X		X	79
38	SS	KTR00019	Tai Tai	BLKSAND	721509	9374366	0.002		X	140
39	SS	KTR00020	Tai Tai	BLKSAND+SED	721389	9374286	0.002		X	90
40	FLT	KTR00021	Tai Tai	ANDESFLT	721417	9374128	0.02		0.2	392
41	RK	KTR00022	Tai Tai	ANDES ROCK	721423	9374128	0.002		X	106
42	SS	KTR00023	Tai Tai	BLK SAND	721435	9374097	0.003		X	102

43	FLT	KTR00024	Tai Tai	ANDES FLT	720901	9374490	0.001		0.2	36
44	FLT	KTR00025	Tai Tai	ANDES FLT	720901	9374492	0.002		X	90
45	SS	KTR00026	Tai Tai	RIV SAND+MT	720895	9374487	0.002		X	73
46	RK	KTR00027	Perovasu	FE SI ALTERED OX DIOR? POSS FLT	724287	9365257	0.006		X	269
47	RK	KTR00028	Perovasu	PORPH DIOR? 2ND MT OX	724112	9365295	X		X	82
48	RK	KTR00029	Perovasu	SIL DIOR? 2ND FE POSS FLT	724026	9365416	X		X	35
49	RK	KTR00030	Perovasu	SIL DIOR? 2ND FE	723907	9365446	0.004		X	235
50	RK	KTR00031	Perovasu	HI SIL DIOR? PERV FE VEIN	723841	9365473	0.025		X	76
51	RK	KTR00032	Perovasu	DIOR FSPAR MT 2ND BT	723739	9365403	X		X	127
52	RK	KTR00033	Perovasu	FSPAR DIOR MT 2ND BT	723594	9365317	X		X	127
53	RK	KTR00034	Perovasu	FSPAR DIOR MT BT	723389	9365198	X		X	169
54	RK	KTR00035	Perovasu	DIOR QTZ MT BT AMPH?	723101	9365266	0.002		X	59
55	RK	KTR00036	Perovasu	DIOR QTZ MT BT AMPH?	723107	9365248	0.001		X	97
56	RK	KTR00037	Perovasu	SIL ALTER ANDES? 2ND FE VEIN OX	723254	9364904	0.007		X	65
57	RK	KTR00038	Perovasu	DIOR QTZ MT BT AMPH?	723469	9364460	0.005		X	83
58	SS	KTR00039	Perovasu	SS ALL SIZE	723718	9364493	0.004		X	159
59	RK	KTR00040	Perovasu	PYT IN GRAN DIOR	724000	9364826	0.002		X	91
60	RK	KTR00041	Perovasu	GRAN DIOR FEW PYT	723948	9364689	0.003		X	88
61	RK	KTR00042	Perovasu	SIL ALT GRAN DIOR? PYT VEINING	723797	9364657	0.01		X	96
62	RK	KTR00043	Perovasu	SIL ALT GRAN DIOR? PYT VEINING	723796	9364647	0.029		X	81
63	RK	KTR00044	Perovasu	SIL ALT GRAN DIOR? PYT VEINING	723763	9364619	0.009		0.2	268
64	RK	KTR00045	Perovasu	SIL ALT GRAN DIOR? PYT VEINING	723893	9364676	0.002		X	47
65	RK	KTR00046	Perovasu	PORPH DIOR FROM WEATHERED 1M FAULT GOUGE	723982	9364753	0.002		X	57

66	RK	KTR00047	Perovasu	SIL RICH RK EPID CRYST IN VUGS MINOR PYT	723975	9364869	0.003		X	46
67	RK	KTR00048	Perovasu	DIOR MINOR PYT	723942	9364901	0.002		X	109
68	RK	KTR00049	Perovasu	HIGH SIL MINOR PYT	723867	9364977	0.002		X	276
69	RK	KTR00050	Perovasu	QTZ FE VEINED FLT	723927	9365006	X		X	8
70	RK	KTR00051	Perovasu	DIOR + MT	724124	9365054	X		X	59
71	RK	KTR00052	Perovasu	DIOR + MT	724226	9364974	0.002		X	125
72	RK	KTR00053	Perovasu	QTZ DIOR? QTZ+FE VEINS MINOR PYT	724386	9365027	0.022		0.1	53
73	RK	KTR00054	Perovasu	DIOR FSPAR MT+PYT	724436	9365179	X		0.1	194
74	RK	KTR00055	Perovasu	SIL RICH PYT NO MT SPARSE FE VEINS	724505	9365233	0.004		0.3	65
75	RK	KTR00056	Perovasu	QTZ DIOR MINOR PYT + MT	724558	9365714	0.002		X	97
76	RK	KTR00057	Perovasu	QTZ DIOR MINOR PYT + MT + OX FRACTURE MATERIAL	724473	9365762	0.011		0.1	409
77	RK	KTR00058	Perovasu	PORPH ANDES?	724411	9365771	X		X	110
78	RK	KTR00059	Perovasu	HIGH SIL RK MINOR PYT	724392	9365760	0.002		X	152
79	RK	KTR00060	Perovasu	HIGH SIL RK PYT VEINS+EPID ALT FINE GRAINED	724365	9365763	0.004		0.1	**647**
80	RK	KTR00061	Perovasu	GRAN DIOR? MT BT PYT	724273	9365671	0.004		0.2	425
81	RK	KTR00062	Perovasu	QTZ DIOR XENO IN DIOR MULTI ORIS-VEINS?	724053	9365864	0.001		X	9
82	RK	KTR00063	Perovasu	SIL ALT DYKE PERV QTZ VEIN AFT CALCITE, ARGIL ALT	726058	9365635	**0.188**		0.3	193
83	RK	KTR00064	Perovasu	ROUND BRECCIA MAT CEMENTED TO SIL ALT DYKE	726065	9365641	0.005		0.2	165
84	RK	KTR00065	Perovasu	SIL+EPID ALT MT+PYT	727703	9364643	0.004		0.1	67

				ANDES?						
85	SS	KTR00066	Pasuna Teabai	SS GRAVEL WFALL	729390	9370296	0.002		X	146
86	FLT	KTR00067	Pasuna Teabai	FLT ANDES V MINOR QTZ VEIN	728769	9369359	X		X	100
87	FLT	KTR00068	Pasuna Teabai	FLT ANDES V MINOR QTZ VEIN	728709	9369457	0.002		X	82
88	FLT	KTR00069	Pasuna Teabai	FLT ANDES V MINOR QTZ VEIN	728709	9369457	0.002		X	122
89	SS	KTR00070	Pasuna Teabai	SS BLK SAND ALL SIZE	730332	9368765	0.002		X	149
90	RK	KTR00071	Puspa	BANDED/BRECCIATED SIL CLASTS PY MATRIX?	727981	9364198	0.002		X	233
91	**RK**	**KTR00072**	**Teoveane**	**PERV SIL VEIN IN ARG ALT SAME LOC KTR00063**	**726049**	**9365641**	**0.186**		**0.8**	**633**
92	RK	KTR00073	Teoveane	SIL EPI ALT ANDES XENO	726057	9365628	0.005		X	17
93	RK	KTR00074	Teoveane	SIL EPI ALT VEIN?	726062	9365625	0.065		X	71
94	RK	KTR00075	Teoveane	PERV SIL ARGIL ALT MINOR COLLO VUG QTZ	726063	9365611	0.037		X	12
95	**RK**	**KTR00076**	**Teoveane**	**PERV SIL ARGIL ALT MINOR COLLO VUG QTZ EPID MAG/BIOT? AZURE/GRN MIN AZURITE/MALACH?**	**726068**	**9365609**	**0.321**		**X**	**195**
96	**RK**	**KTR00077**	**Teoveane**	**PERV SIL ARGIL ALT MINOR COLLO VUG QTZ EPID MAG/BIOT? AZURE/GRN MIN AZURITE/MALACH?**	**726077**	**9365608**	**6.368**	**6.23**	**3.3**	**4561**
97	RK	KTR00078	Puspa	SIL ALT RK MINOR QTZ VEIN	726019	9365233	0.042		X	75
98	RK	KTR00079	Puspa	QTZ HEM BRECC IN ARGIL ALT RK	725987	9365232	0.032		X	14

99	RK	KTR00080	Puspa	QTZ HEM IN ARGIL ALT RK NO BRECC	726010	9365225	0.015		X	12
100	RK	KTR00081	Puspa	SIL ALT ANDES MINOR PYT	725941	9365065	0.008		X	385
101	RK	KTR00082	Teoveane	PERV SIL VEIN IN ARG ALT	726069	9365637	0.086		0.6	320
102	RK	KTR00083	Teoveane	BAND QTZ ALT MINOR BT	726084	9365656	X		X	27
103	RK	KTR00084	Teoveane	QTZ FE VEIN	726139	9365701	0.016		X	463
104	RK	KTR00085	Teoveane	DIOR PYT	726143	9365699	0.005		X	181
105	RK	KTR00086	Teoveane	PERV QTZ FE VEIN	726203	9365704	0.023		X	343
106	RK	KTR00087	Teoveane	FINE GR ZONED QTZ ALT	726207	9365754	0.057		0.5	173
107	RK	KTR00088	Teoveane	SIL ALT DIOR	726233	9365763	0.003		X	176
108	RK	KTR00089	Teoveane	SIL PYT DIOR	726334	9365799	0.008		X	181
109	RK	KTR00090	Teoveane	SIL PYT DIOR	726358	9365851	0.01		X	115
110	RK	KTR00091	Teoveane	SIL ALT MINOR SIL VEIN	726054	9365666	0.023		X	10
111	RK	KTR00092	Teoveane	SIL ALT MINOR SIL VEIN	726052	9365676	0.003		X	12
112	RK	KTR00093	Teoveane	SIL ALT MINOR SIL VEIN	726045	9365696	0.044		1.5	304
113	RK	KTR00094	Teoveane	QTZ RICH ALT DIOR	726086	9365718	0.005		X	28
114	RK	KTR00095	Teoveane	QTZ RICH ALT DIOR	726056	9365740	X		X	25
115	RK	KTR00096	Teoveane	SIL PYT DIOR EPI? VEIN	725761	9366105	0.009		0.5	127
116	RK	KTR00097	Teoveane	SIL PYT DIOR EPI WEATHERED	725766	9366105	0.01		X	101
117	RK	KTR00098	Teoveane	SIL PYT DIOR STRONG EPI	725822	9366110	0.01		X	36
118	RK	KTR00099	Teoveane	SIL PYT DIOR EPI	725852	9366135	0.005		X	31
119	RK	KTR00100	Teoveane	FG DIOR MINOR PY VEIN EPI ALT	725883	9366148	0.012		X	181
120	RK	KTR00101	Teoveane	SIL ALT DIOR MINOR PYT VEIN	725908	9366177	0.005		X	203
121	RK	KTR00102	Teoveane	SIL ALT DIOR MINOR PYT VEIN	725914	9366181	0.003		X	158
122	RK	KTR00103	Teoveane	SIL ALT DIOR MINOR PYT VEIN	725987	9366215	0.01		X	127
123	RK	KTR00104	Teoveane	SIL DIOR MINOR PYT	726013	9366345	0.011		X	99

124	RK	KTR00105	Teoveane	ARGIL ALT PERV QTZ? VEIN	726045	9366374	0.03		X	38
125	RK	KTR00106	Teoveane	WEAK ARGIL ALT	726022	9366376	0.008		X	25
126	RK	KTR00107	Teoveane	PYT RICH DIOR MINOR SIL VEIN	726033	9366384	0.032		X	100
127	RK	KTR00108	Teoveane	FE BRECCI QTZ DIOR POSS WEATHERING	726068	9366510	0.027		0.5	82
128	RK	KTR00109	Teoveane	FE VEIN SIL DIOR	726050	9366572	0.04		1	17
129	RK	KTR00110	Teoveane	PYT QTZ DIOR	726056	9366574	0.015		X	80
130	RK	KTR00111	Teoveane	PYT DIOR	726097	9366659	0.01		X	66
131	**RK**	**KTR00112**	**Teoveane**	**SIL PYT DIOR**	**726183**	**9366745**	**0.935**		**X**	**565**
132	RK	KTR00113	Teoveane	WEATH DIOR?	726222	9366793	0.034		X	176
133	RK	KTR00114	Teoveane	SIL EPI ALT ZONED	726086	9365574	0.022		X	18
134	RK	KTR00115	Teoveane	SIL EPI ALT ZONED VUG CRYST QTZ	726103	9365583	0.036		X	92
135	RK	KTR00116	Teoveane	GRANODIOR MINOR PYT	726709	9365363	0.002		X	75
136	RK	KTR00117	Puspa	SIL PYT BRECCIA	728026	9364186	0.003		X	84
137	RK	KTR00118	Puspa	SIL PYT BRECCIA	728047	9364184	0.003		X	31
138	RK	KTR00119	Puspa	FE ARGIL VEIN	727972	9364191	0.002		X	156
139	RK	KTR00120	Puspa	FE ARGIL VEIN	727968	9364183	0.002		X	177

Kalia limited

ACN 118 758 946

ADDITIONAL INFORMTION
JORC CODE, 2012 EDITION – TABLE 1

The following sections are provided for compliance with requirements for the reporting of exploration results under the JORC Code, 2012 Edition.

Section 1 Sampling Techniques and Data

(Criteria listed in the preceding section also apply to this section.)

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.*	• Samples taken were in situ rock chip (rock), river float or stream sediment, all samples were grab samples. • All samples taken were placed in numbered calico bags with coordinates recorded • Samples crushed to less than 10ml using a Terex jaw crusher • Pulverised on a LM5 pulveriser to at least 85% passing 75um. • 150g Pulps prepared at Intertek Lae PNG for transport to Intertek Townsville Aus for analysis • Pb collection Fire Assay – 50gm charge, new pots, solutions read on a ICP/OES • Base Metals – 0.2gm weighed in a four acid digest (hydrochloric, perchloric, hydrofluoric and nitric acids) offering a "near total" digestion. Solutions read on a combination of ICP/OES & MS. • Certified Reference Standards digested and read 1:15 throughout the job • Pulveriser duplicates digested 1:20 throughout the job • Repeats of highly anomalous results carried out
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).*	• No drilling results reported
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.*	• No drilling results reported
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,*	• Samples have been logged by a geologist in the field. • Photographs of some samples taken with relevant photos appearing in this announcement.

Criteria	JORC Code explanation	Commentary
	channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	
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.*	• No drilling results reported
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.*	• Samples crushed to less than 10ml using a Terex jaw crusher • Samples prepared in Lae PNG with 150g pulps send to Townsville Aus for analysis • Pb collection Fire Assay – 50gm charge, new pots, solutions read on a ICP/OES • Base Metals – 0.2gm weighed in a four acid digest (hydrochloric, perchloric, hydrofluoric and nitric acids) offering a "near total" digestion. Solutions read on a combination of ICP/OES & MS. • Certified Reference Standards digested and read 1:15 throughout the job • Pulveriser duplicates digested 1:20 throughout the job • Internal QAQC (duplicate) results all appear within limits. • Lab-produced QAQC (standard and blank) results all appear within limits.
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.*	• Repeat of one anomalous sample with result appearing within limits
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.*	• Samples were recorded using a Garmin hand held GPS which generally has an accuracy of ±5m • The datum used is GDA94 Zone 56 • Historic samples quoted in this announcement are from the geochemistry announcement dated 27/11/2017
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*	• No drilling results reported.

Criteria	JORC Code explanation	Commentary
	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.*	• Mineralisation reported at surface only.
Sample security	• *The measures taken to ensure sample security.*	• Samples in numbered calico bags were secured in polywoven cable tied bags and chain of custody maintained through DHL Buka (AROB) to Intertek Lae PNG, Intertek managed transport and customs requirements of 150g pulp freight to Intertek Genalysis Townsville (AUS).
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have taken place.

Kalia limited

ACN 118 758 946

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 Mt Tore Project consists of two exploration licence applications ELA07 (865.3sqkm) and ELA08 (838.7sqkm). • The Mt Tore Project is a joint venture between Kalia Limited (75%) and Toremana Resources Limited, a registered landowner association (25%).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Government mapping, sampling and geophysics quoted in previous ASX release dated 27/11/2017 and 12/12/2017
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Tore region consists of volcanic rocks in an island arc tectonic setting. Intrusive bodies are recorded in numerous locations throughout the project area and is highly prospective for porphyry Cu-Au-Ag-Mo and Epithermal Au deposits.

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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *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.*
		• No drilling results reported

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.*	• No minimum or maximum cut-offs have been applied

Criteria	JORC Code explanation	Commentary
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.*	• Maps and plans appear throughout this release.
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 sample assay data of relevant elements has been released.
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.*	• All relevant exploration data has been released.
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.*	• See future work/plans within the release.