



**Jervois Copper Project**

Proactive Investors

4<sup>th</sup> August 2015

# Corporate Overview

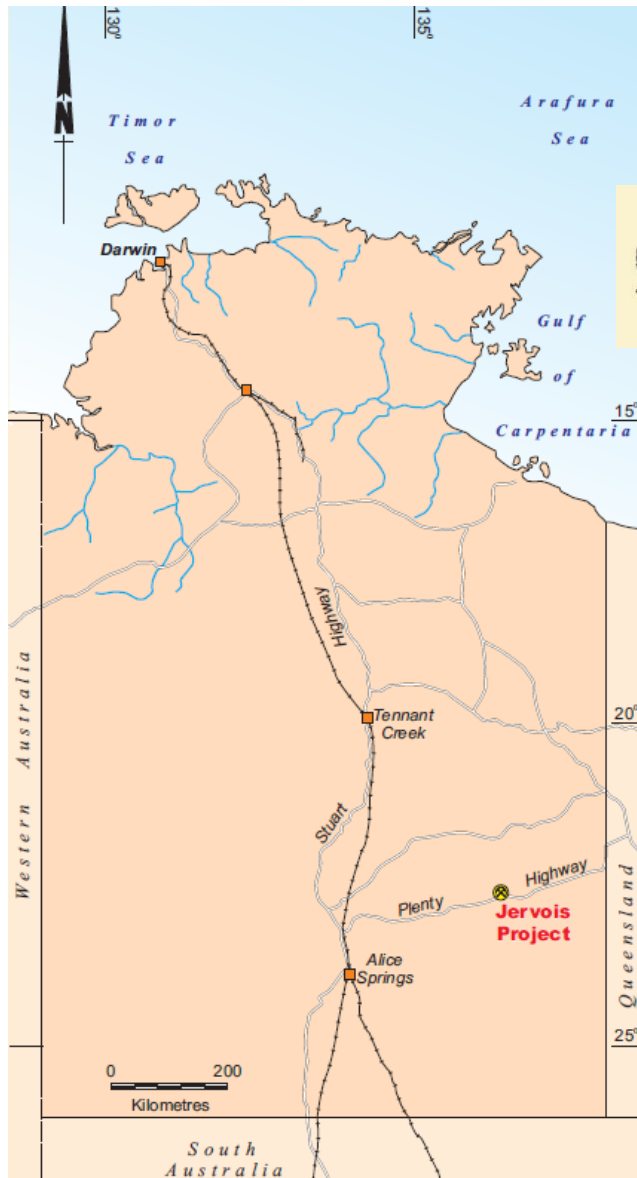
ASX code	KGL
Issued shares	141.5 million
Options	2.8 million
Share Price	13.5 cents
Market capitalisation (3 Aug 15)	\$19.1 million
Cash (30 June 2015)	\$4.8 million
Debt	Nil

Board of Directors & Management	
Simon Milroy	Managing Director
Chris Bain	Acting Chairman
Brad Ellis	Non-Executive Director
John Taylor	Non-Executive Director
Denis Wood	Non-Executive Director

- 1. Jervois Copper Project**
- 2. Jervois PFS Optimisation**
- 3. Resource Update**
- 4. Geophysics Results**

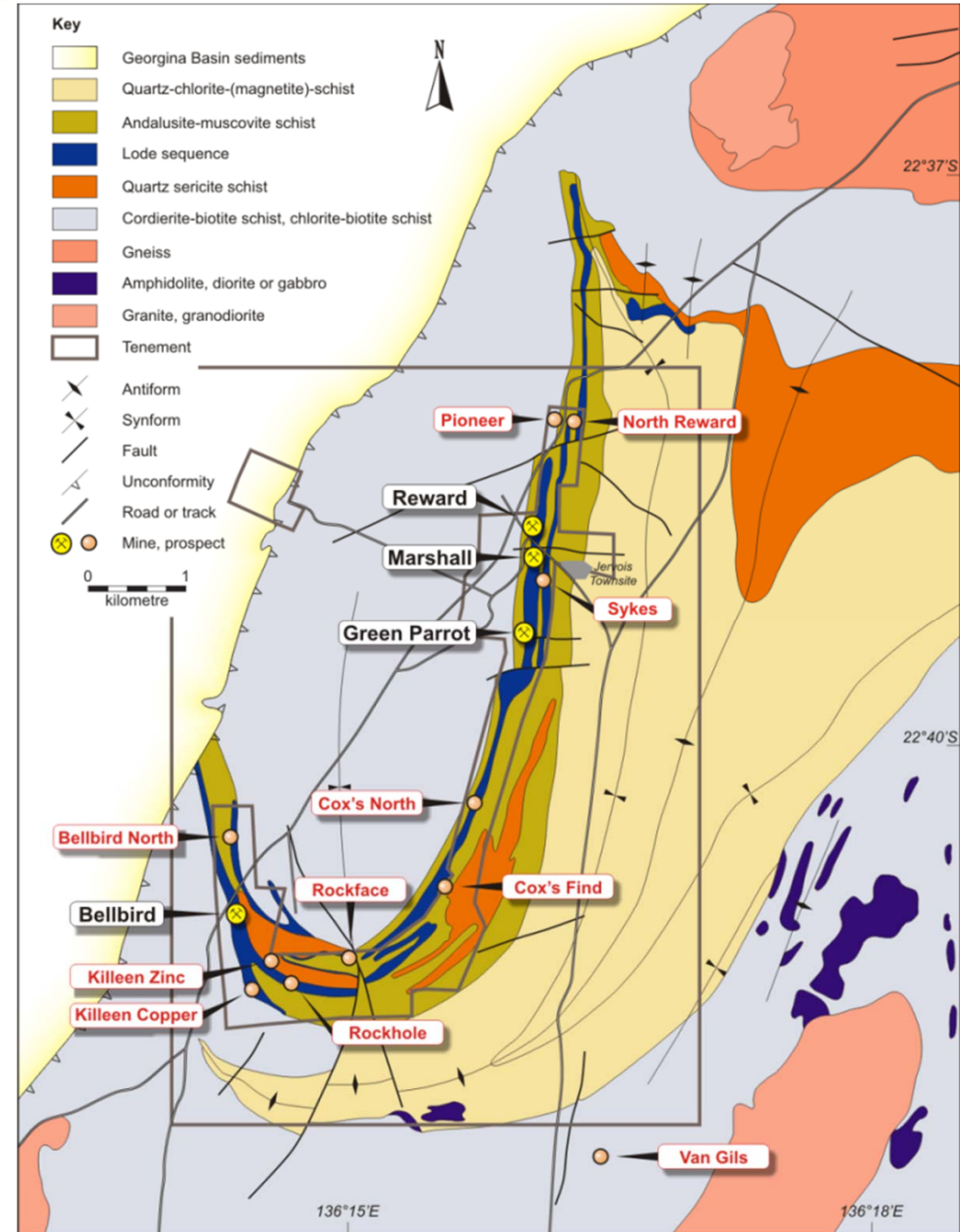
# Jervois Project Setting

- On the Plenty Highway
- Concentrate to be trucked from site to Alice Springs then transported by rail to Darwin port
- In the 1960's, ore was trucked from Jervois to Mt Isa



# Geological Setting

- Hosted by Bonya Metamorphics in Eastern Arunta
- Northerly Plunging Syncline
- Hybrid SEDEX-VMS



# Reward Prospect looking south

Reward

Marshall

Cox's Find

Green Parrot

Rockface

Bellbird



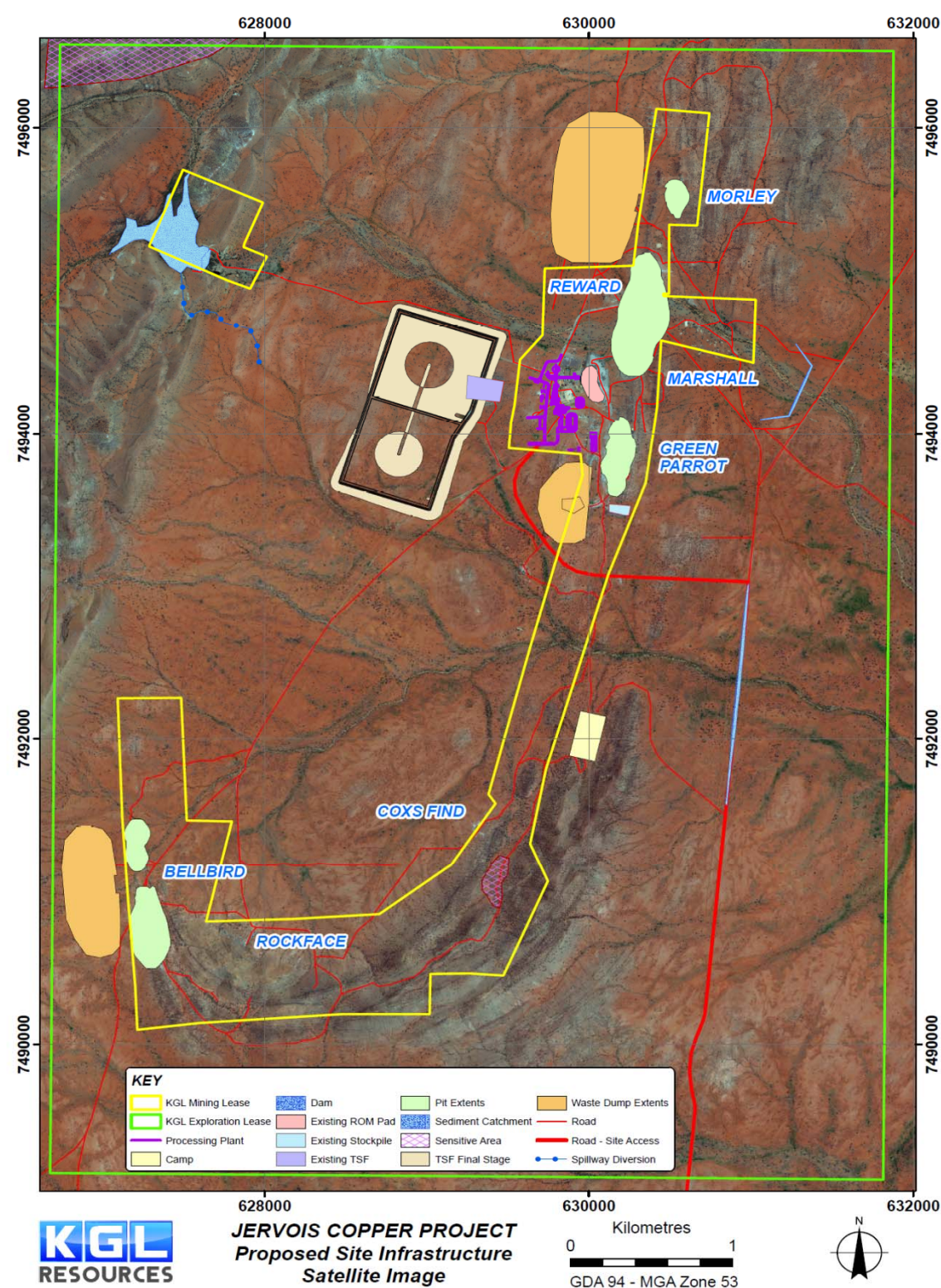
Outcropping Copper Mineralisation

# PFS Optimisation

# Jervois Pre-Feasibility Study Dec 2014

- 2 mtpa Flotation Plant
- 7 Year Mine Life
- 21,000 tpa Copper Production
- 1 M ozpa Silver Production
- Initial Capex \$189m
- C1 cost US\$1.51/lb\*

\* (After by-product credits and using an exchange rate of A\$/USD 0.845 and silver price of USD 20/oz)





# PFS Optimisation

1. Geotechnical – Steeper Pit Walls
2. Metallurgy – Increased recovery of Copper and Silver
3. Resource Drilling
4. Operating Costs – Reductions in mining costs

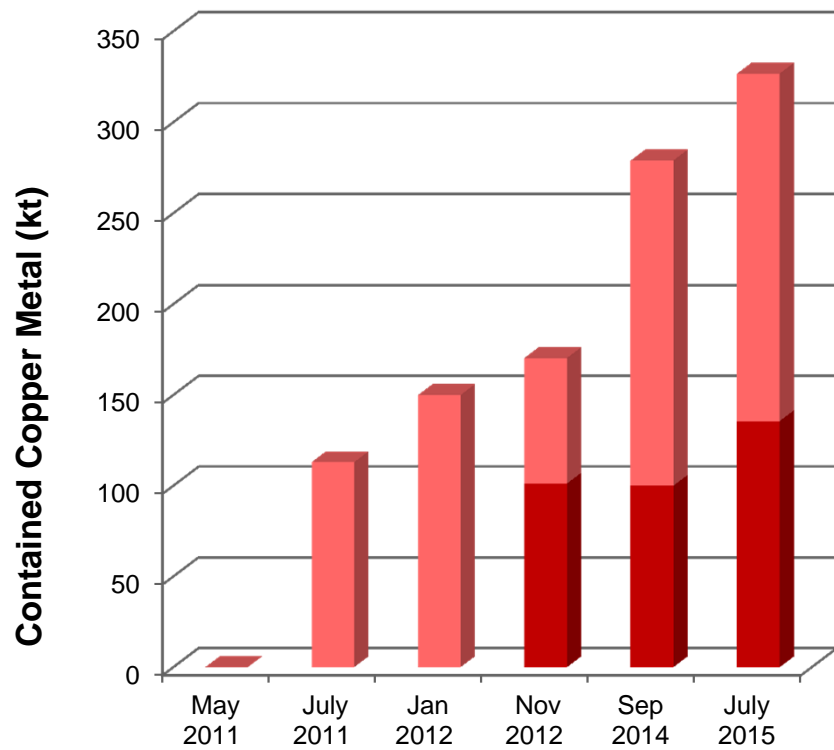
Pre-Feasibility Study Update – October 2015

# Resource Update

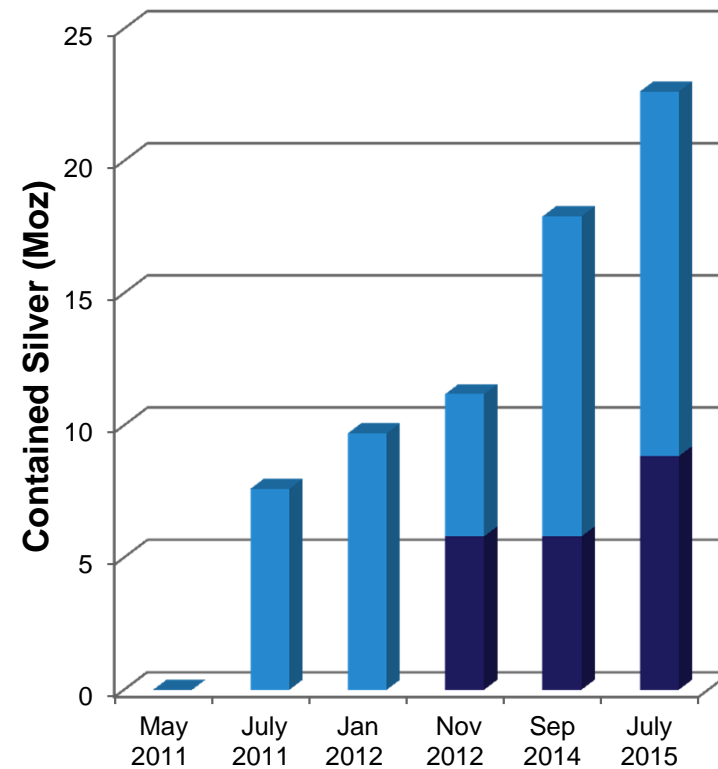
# Mineral Resources Update

**30.5 Mt @ 1.07% Cu for 327,000 t Cu**

**30.5 Mt @ 23 g/t Ag for 22.6 M oz Ag**



■ Copper Indicated ■ Copper Inferred

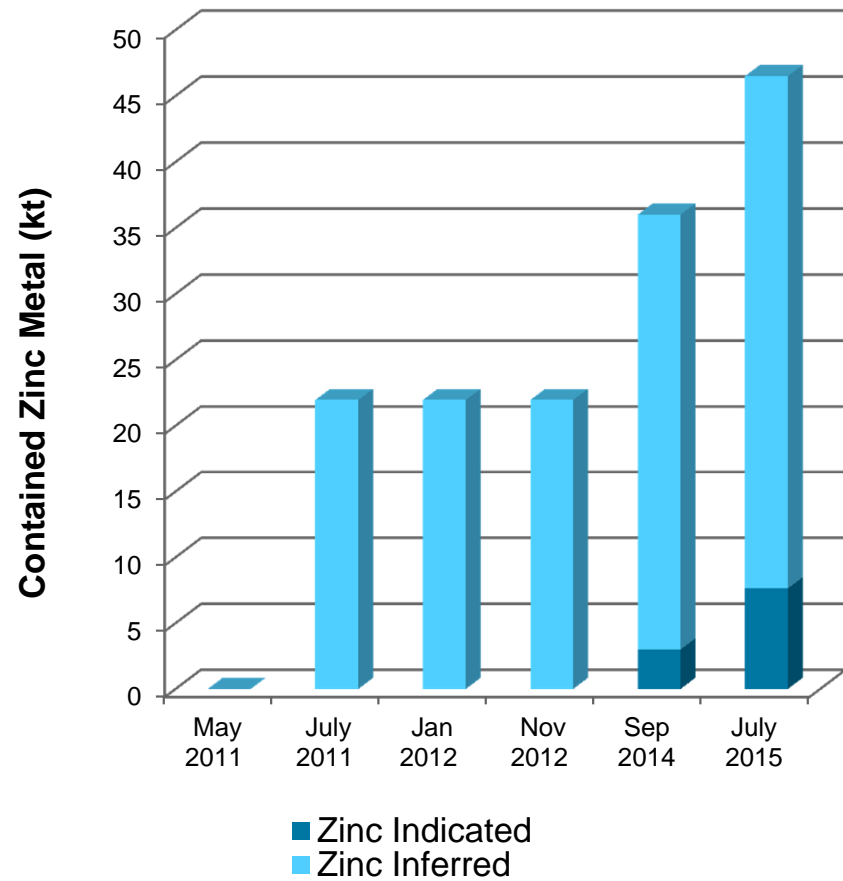
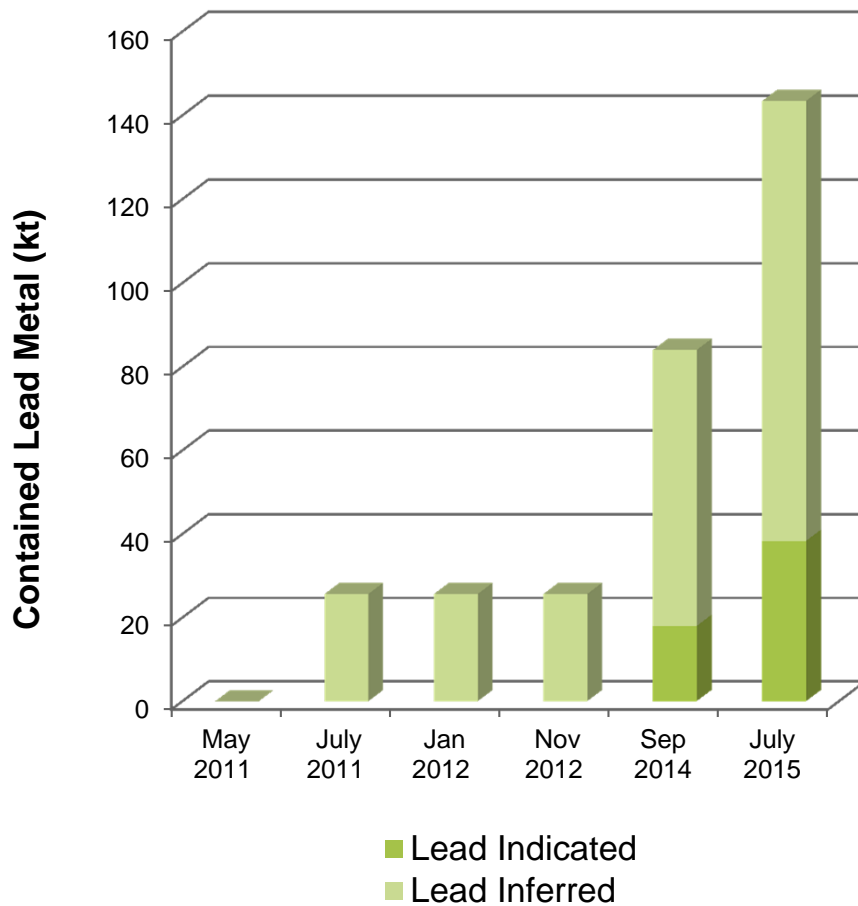


■ Silver Indicated ■ Silver Inferred

## Highlights of Resource Update

- **21% increase in Total Resource to 30.5Mt**
- **36% increase in Indicated Resources to 11.5Mt**
- **17% increase in contained copper to 327,000 tonnes**
- **26% increase in contained silver to 22.6Moz**

# Lead and Zinc Resources



**59% increase in contained lead-zinc to 190,000 tonnes**

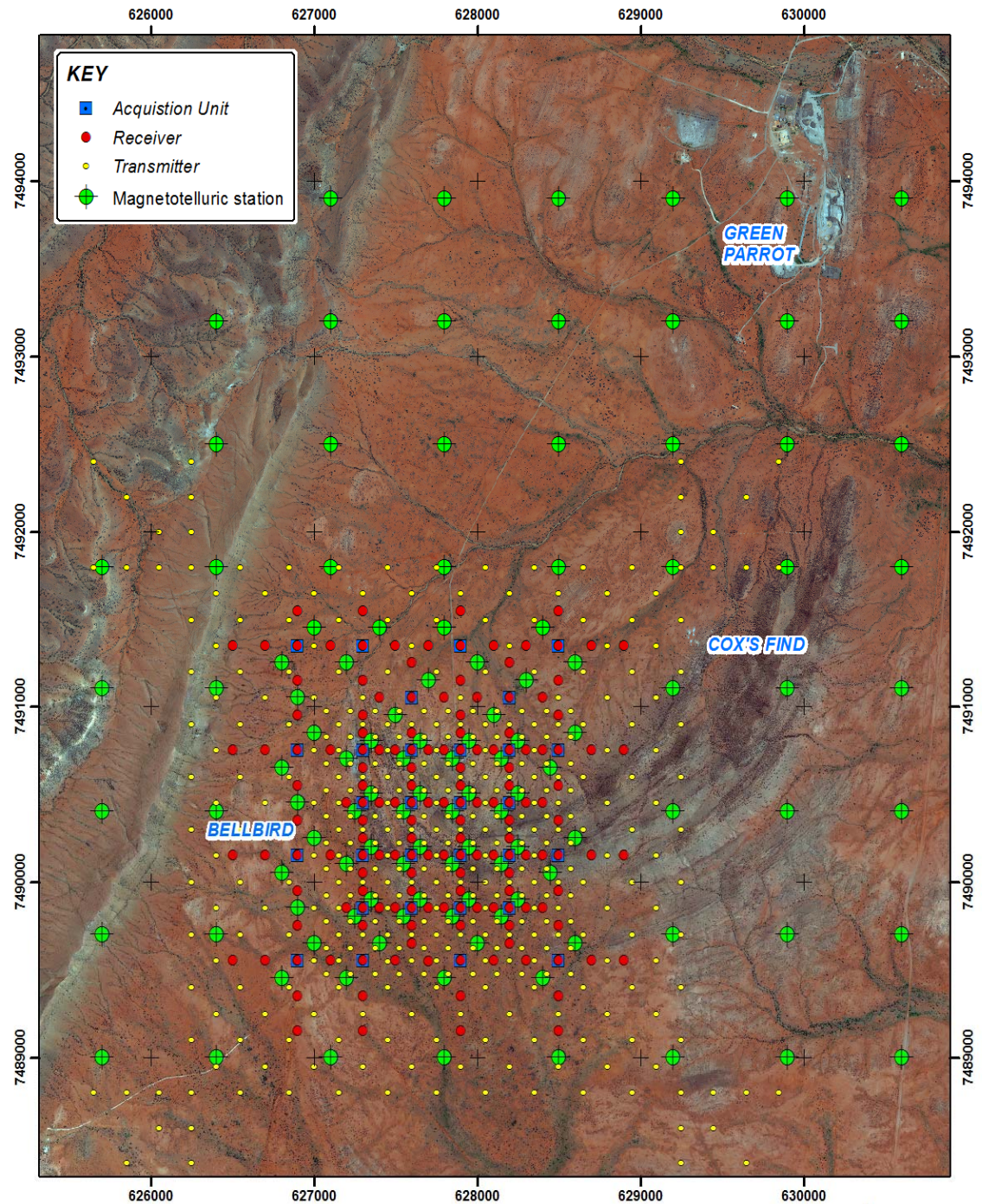
# Geophysics

# 3D Induced Polarisation Survey (IP)

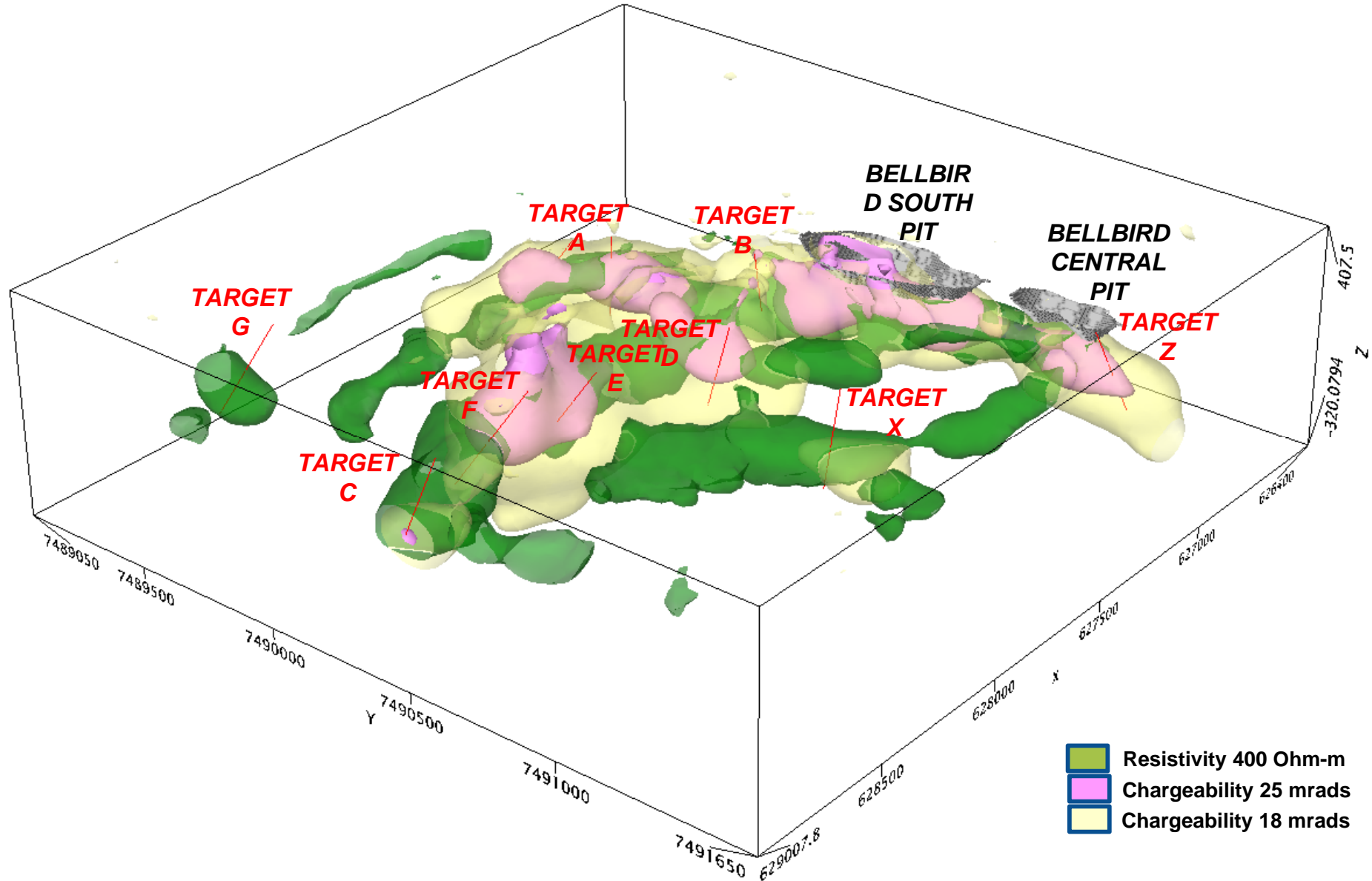
(0-500m depth)

# Magnetotelluric (MT)

(500m-1,500m depth)



# IP Survey Results

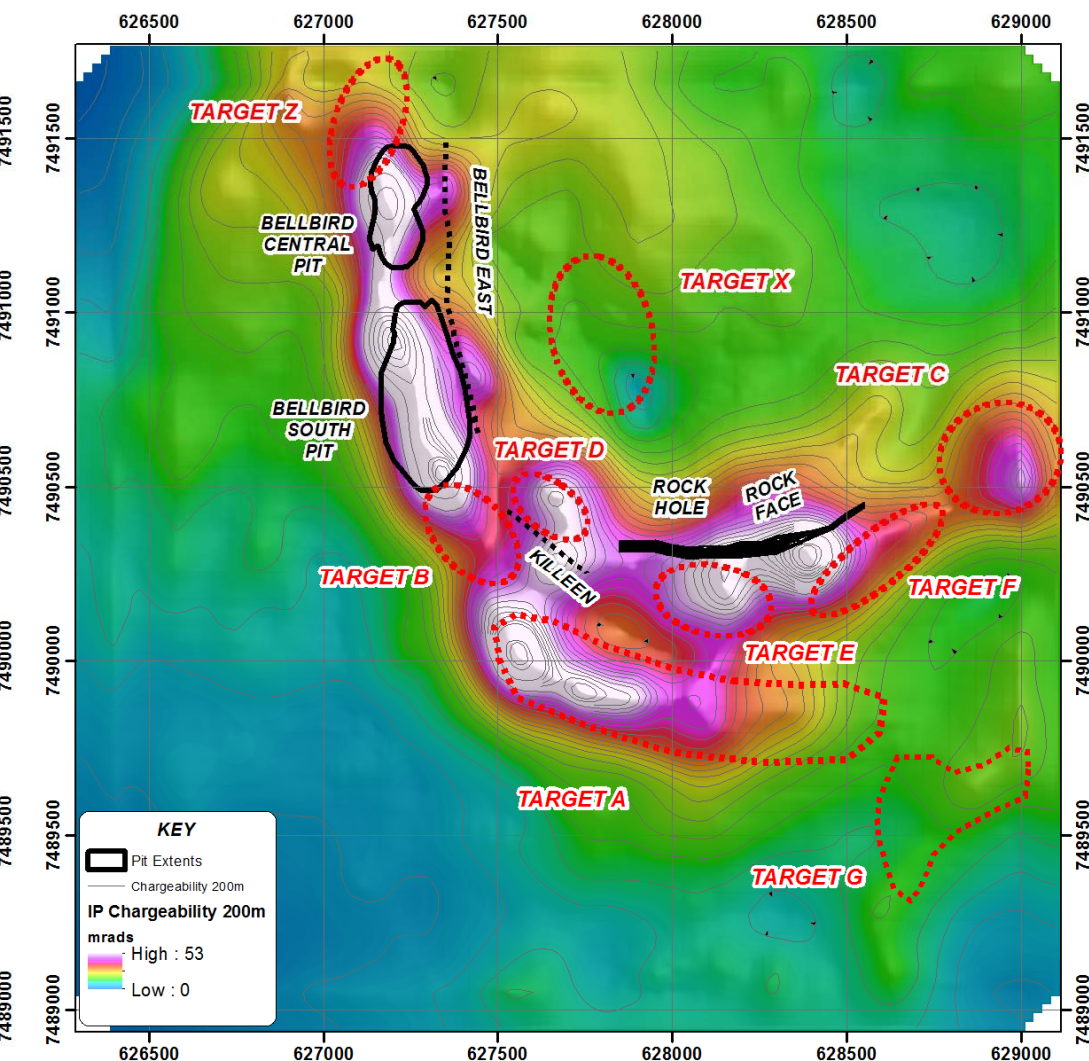
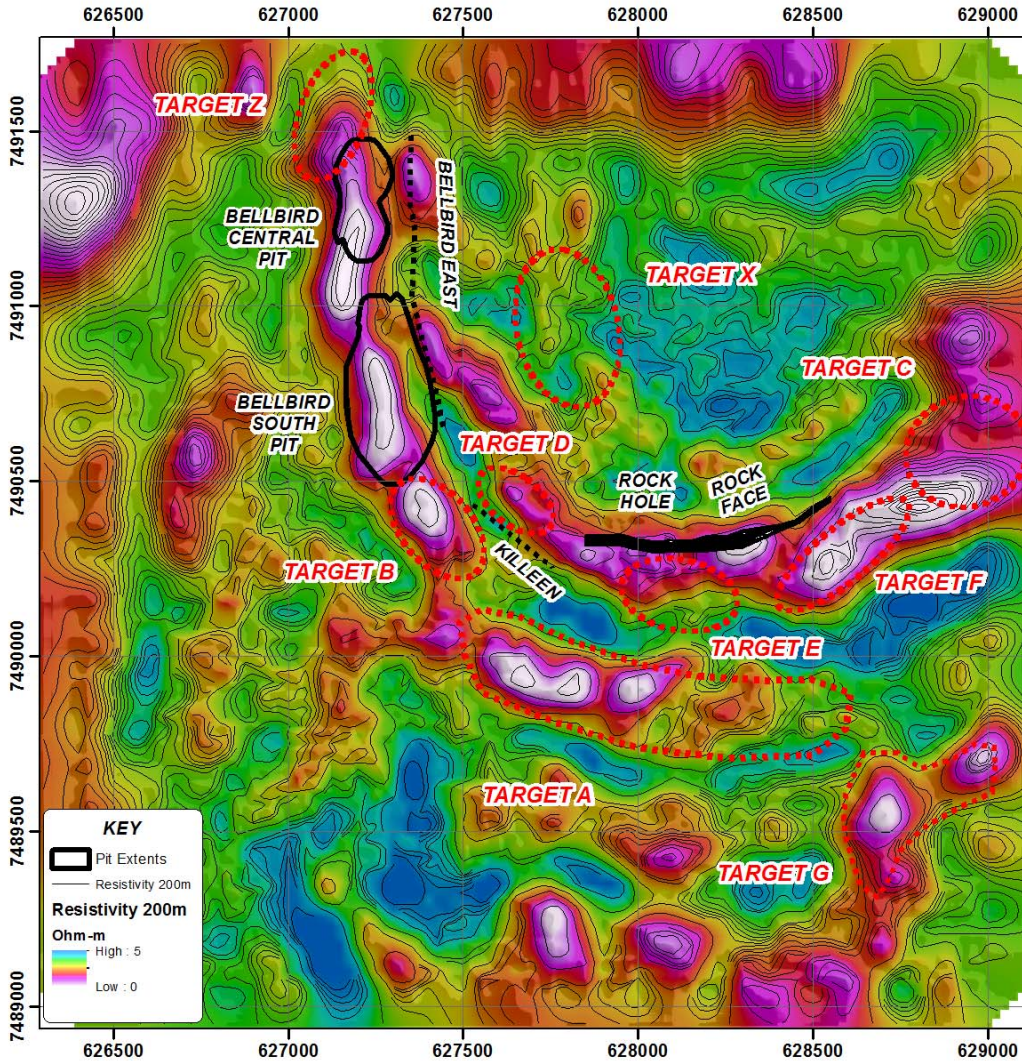




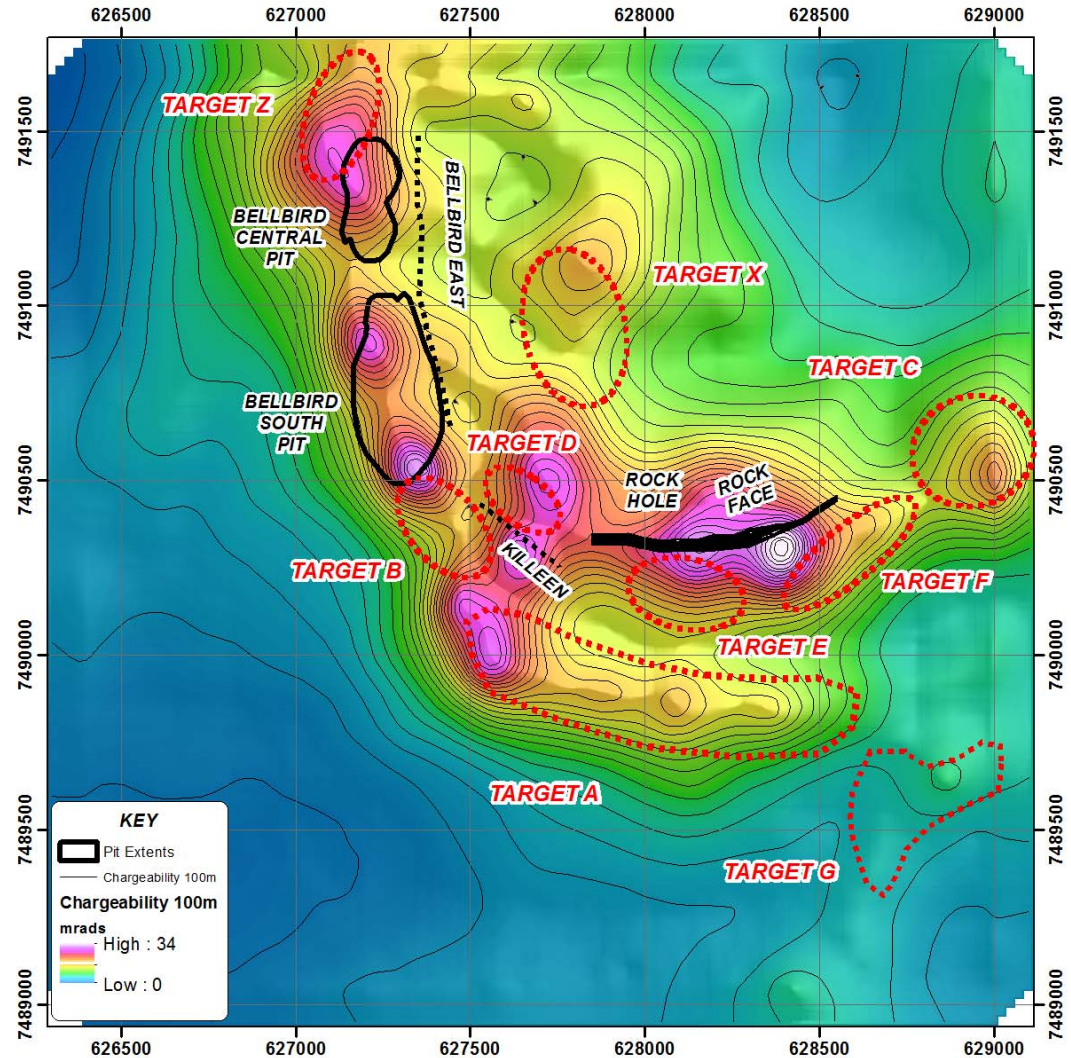
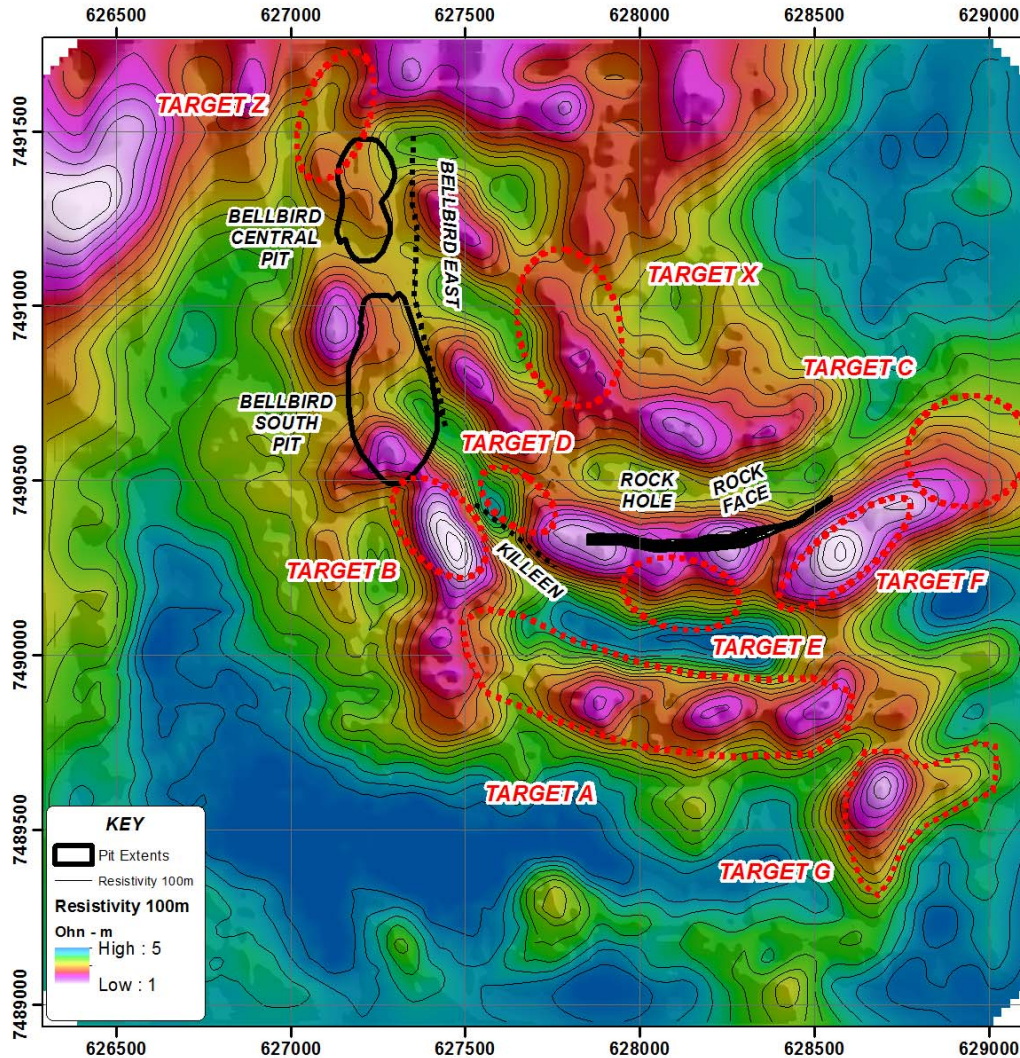
## IP Results

- The IP results show excellent correlation with known mineralisation.
- Known copper mineralisation is both conductive (low resistivity) and chargeable.
- The IP survey generated a number of new anomalies which are both conductive and chargeable in areas that have not previously been explored.
- Drilling to test these targets will commence in two weeks.

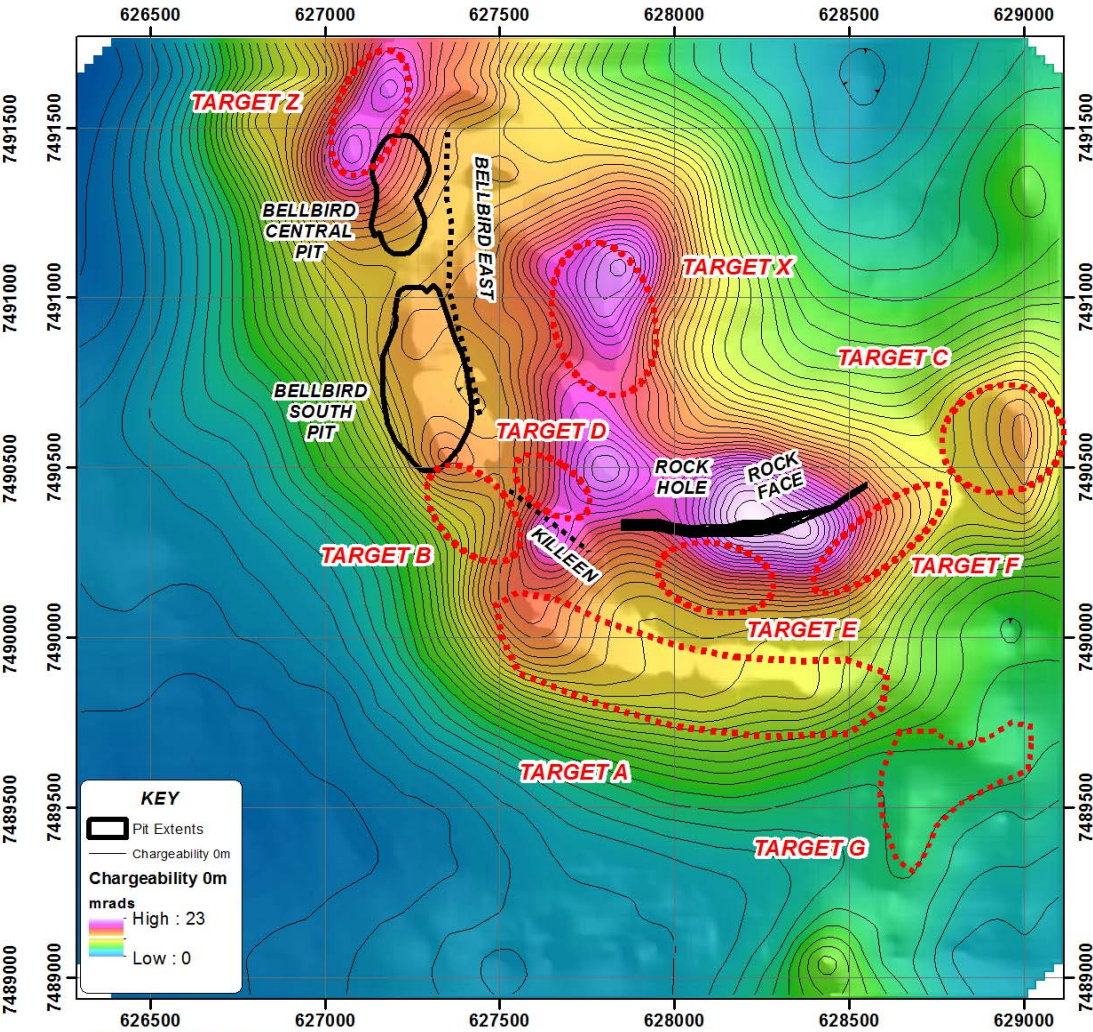
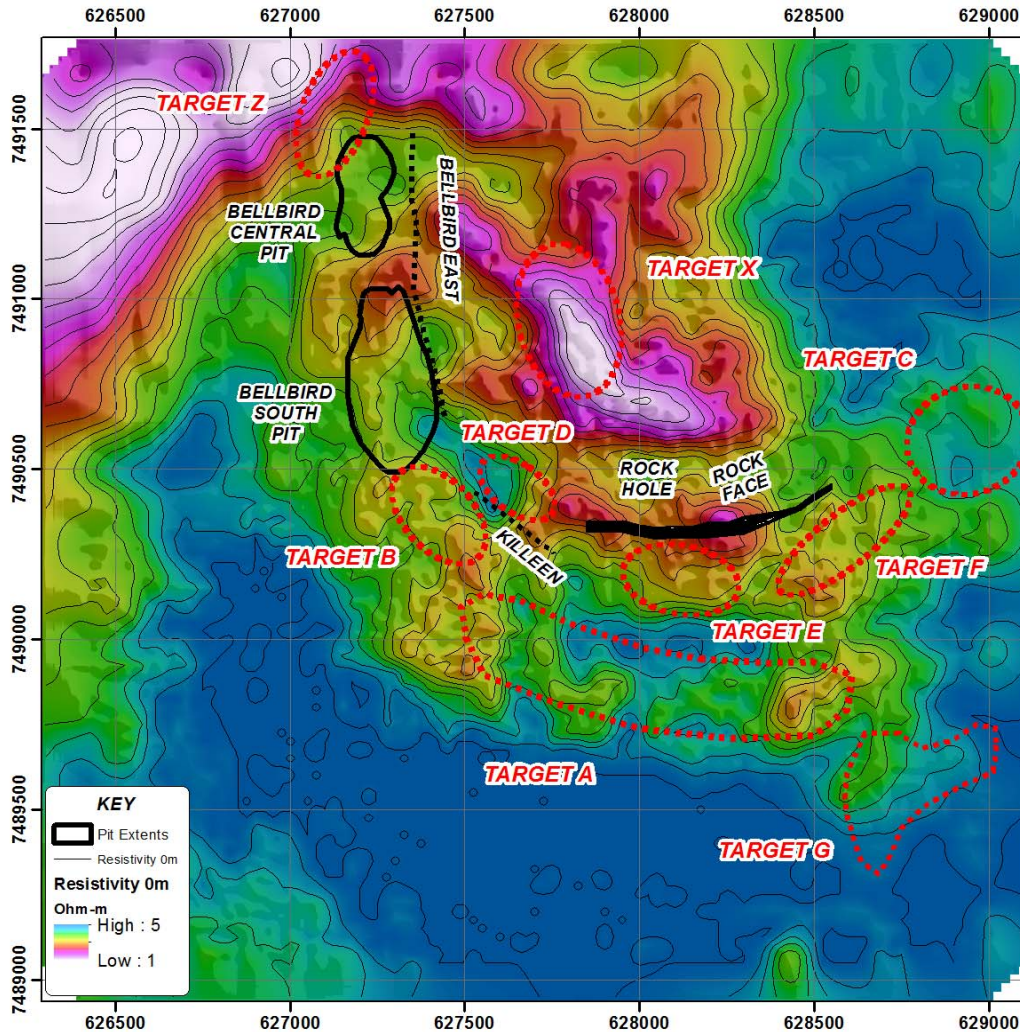
# Resistivity and Chargeability 200m RL (160m below Surface)



# Resistivity and Chargeability 100m RL (260m below Surface)



# Resistivity and Chargeability 0m RL (360m below Surface)



# Schedule

- RC and Diamond drilling to test IP targets to commence in 2 weeks
- MT Results complete in September
- PFS Update in October

## For more information contact

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or visit [www.kglresources.com](http://www.kglresources.com)

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**Forward-Looking Statements:**

This presentation includes certain “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 Resources are forward-looking statements that involve various risks and uncertainties. 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.

# July 2015 Jervois Resource

Jervois Copper Resources	Category	Tonnes Mt	Copper %	Silver g/t	Lead %	Zinc %	Copper kt	Silver Moz	Lead kt	Zinc kt	Cut-off Cu%
Marshall Copper	Indicated	1.4	1.45	35.6			20.1	1.6			0.5
	Inferred	0.3	0.90	20.2			2.5	0.2			0.5
Reward Copper	Indicated	5.0	1.14	25.3			57.1	4.1			0.5
	Inferred	7.6	1.02	22.2			78.0	5.4			0.5
East Reward	Inferred	2.0	0.82	7.1			16.9	0.5			0.5
Bellbird	Indicated	4.1	1.22	7.7			49.9	1.0			0.5
	Inferred	4.3	1.29	8.5			55.9	1.2			0.5
Cox's Find	Inferred	0.7	0.87	2.8			6.0	0.1			0.5
Rock Face	Inferred	0.7	0.82	3.1			6.0	0.1			0.5
TOTAL	Indicated	10.5	1.21	19.8			127.0	6.7			
	Inferred	16.2	1.06	14.6			172.1	7.6			
	TOTAL	26.7	1.12	16.6			299.1	14.3			

Jervois Lead/Zinc Resources	Category	Tonnes Mt	Copper %	Silver g/t	Lead %	Zinc %	Copper kt	Silver Moz	Lead kt	Zinc kt	Cut-off Cu%
Reward Lead/Zinc	Indicated	0.5	0.74	70.7	6.8	0.9	3.6	1.1	33.6	4.4	None
	Inferred	0.8	0.51	90.9	8.6	1.2	4.1	2.3	69.4	9.4	None
Green Parrot Lead/Zinc	Indicated	0.5	0.99	64.0	0.9	0.6	5.1	1.1	4.7	3.2	0.3
	Inferred	1.4	0.81	78.0	1.8	0.9	11.1	3.4	24.4	12.8	0.3
Bellbird North	Inferred	0.7	0.57	17.9	1.7	2.5	3.8	0.4	11.3	16.7	0.2
TOTAL	Indicated	1.0	0.87	67.3	3.8	0.8	8.7	2.2	38.3	7.6	
	Inferred	2.8	0.67	67.6	3.7	1.4	19.0	6.2	105.1	38.9	
	TOTAL	3.8	0.72	67.5	3.7	1.2	27.7	8.4	143.4	46.5	

2015 Combined	TOTAL	30.5	1.07	23.0			327	22.6	143	47	
2014 Combined	TOTAL	25.3	1.10	22.1			280	18.0	84	36	
2015/2014	% Variance	21					17	26	72	30	

## **Competent Person Statement**

The Jervois Exploration data in this report is based on information evaluated by Martin Bennett, who is a member of the Australian Institute of Geoscientists and a full time employee of KGL Resources Limited. Mr. Bennett has sufficient experience which is relevant to the style of the mineralisation and the type of deposit under consideration and to the activity to which he is 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. Mr. Bennett has consented to the inclusion of this information in the form and context in which it appears in this report.

The Jervois Resources information and Exploration Potential were first released to the market on 29 July 2015 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.'

The Jervois Pre-Feasibility Results were first released to the market on 8 December 2014 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company is in the process of optimising the pre-feasibility study, the results of which will be released to the market in October 2015.