



Level 7 167 Eagle Street Brisbane 4000

12 November 2020

Presentation

The attached presentation will be given by the Chairman, Denis Wood, later today at the Noosa Mining Conference

This announcement is authorised by the Board of Directors.



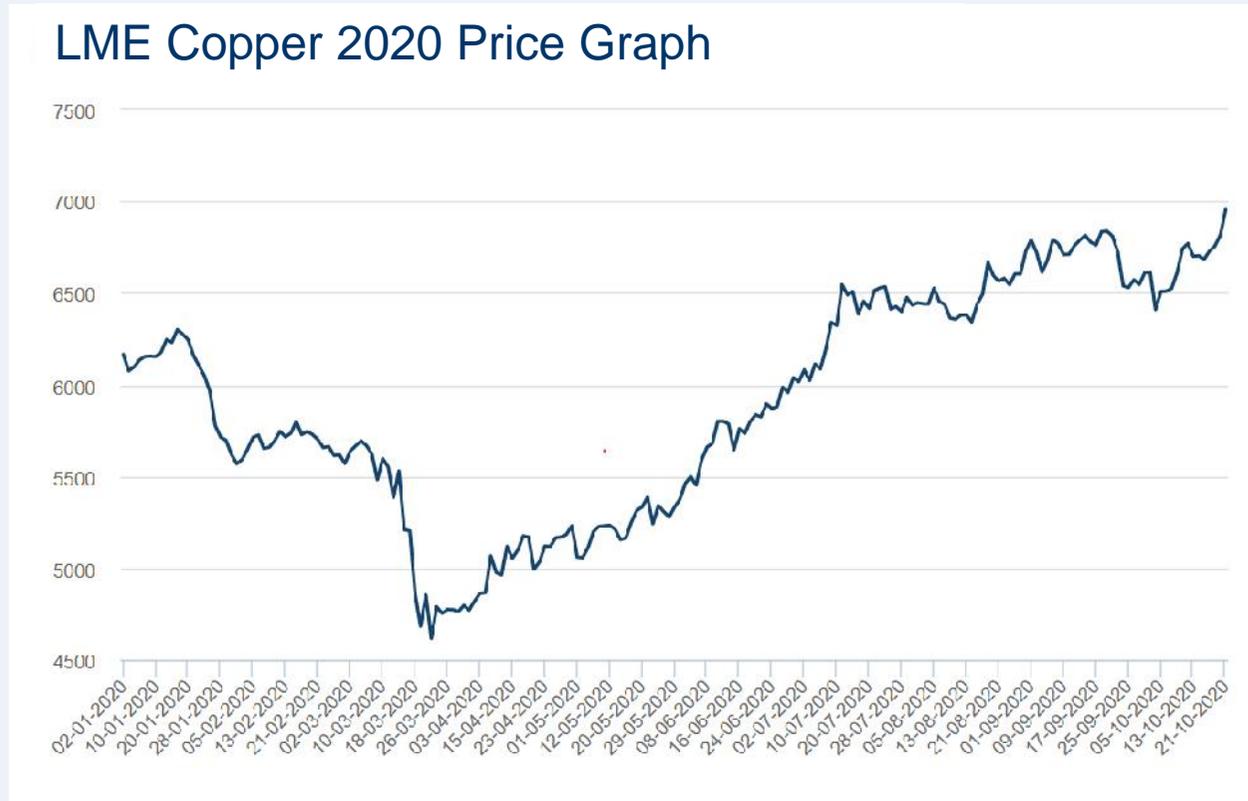
KGL Resources Noosa Mining Conference

High quality copper project
poised for development

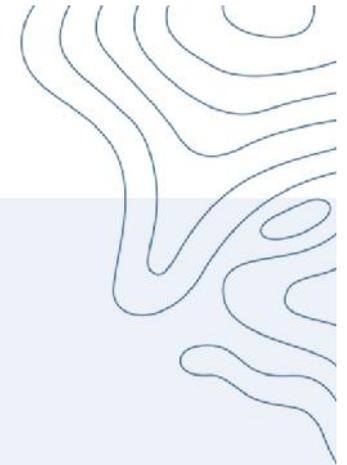
November 2020

Copper's Rising Star

- “**Copper tipped as the base metal to watch in 2021** - China’s stimulus program and green technology in major western economies puts copper in pole position”
- “Stars aligning for copper in 2021 – Morgan Stanley forecasts **US\$7400 to US\$8800 tonne** copper price next year”
- “Bernstein hails ‘King Copper’ - US investment firm forecasts copper price to average **US\$8100 in 2024**”



KGL Primed to Take Advantage



Significant copper development project: **426.2 kt** contained copper



Exposure to high quality copper development project with additional lead/zinc upside



Significant opportunity through infill drilling and continued exploration across portfolio



\$6.3M cash at 30 Sept
No Debt
Supportive long-term shareholders



Advanced project planning and approvals



Experienced Board, appointed in recent years with extensive resources track record



Company Overview

Corporate Snapshot

Capital Structure

Australian Stock Exchange (ASX) code	KGL
ASX Share price (close 10 Nov 2020)	31.5cents
52 week low / high	9.3cents /31.5cents
Shares outstanding	335.7M
Options on Issue	Nil
Market capitalisation	A\$105.7M
Cash (30 Sept 20)	A\$6.3M
Debt	Nil
Enterprise value	A\$99.4M

Directors

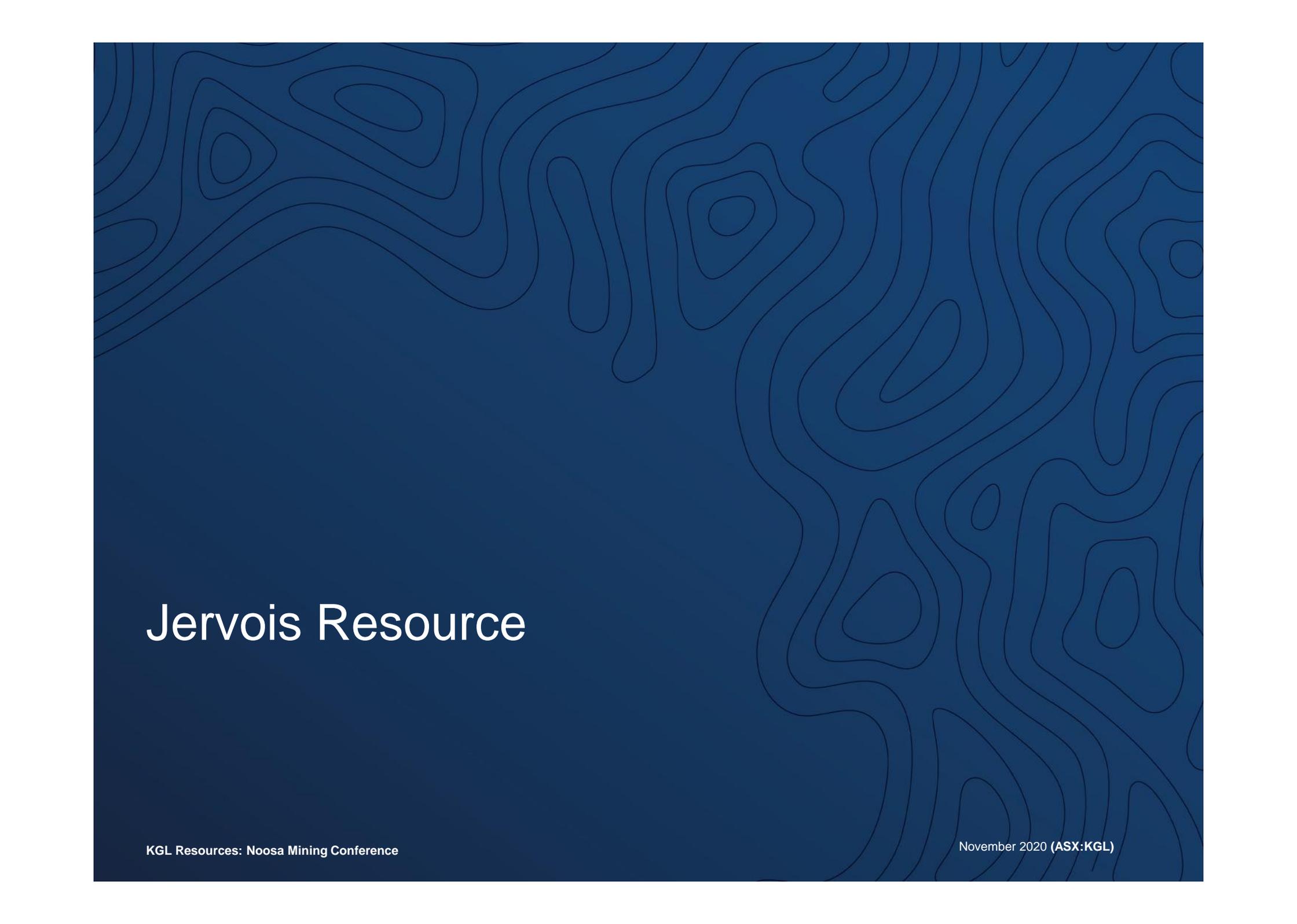
Denis Wood
Ferdian Purnamasidi
Peter Hay
Fiona Murdoch
John Gooding

Share price performance



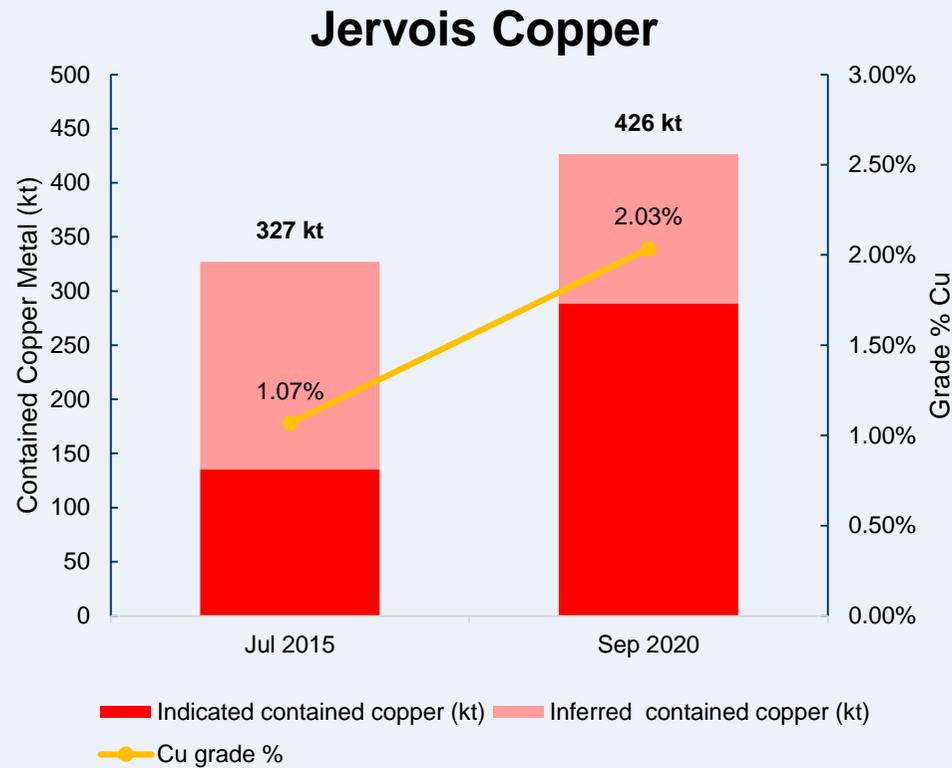
Major Shareholders

KMP Investments Pte Ltd	26.6%
Denis Wood	9.9%
Marshall Plenty Investments LLC	8.4%
Pegasus CP One	6.2%

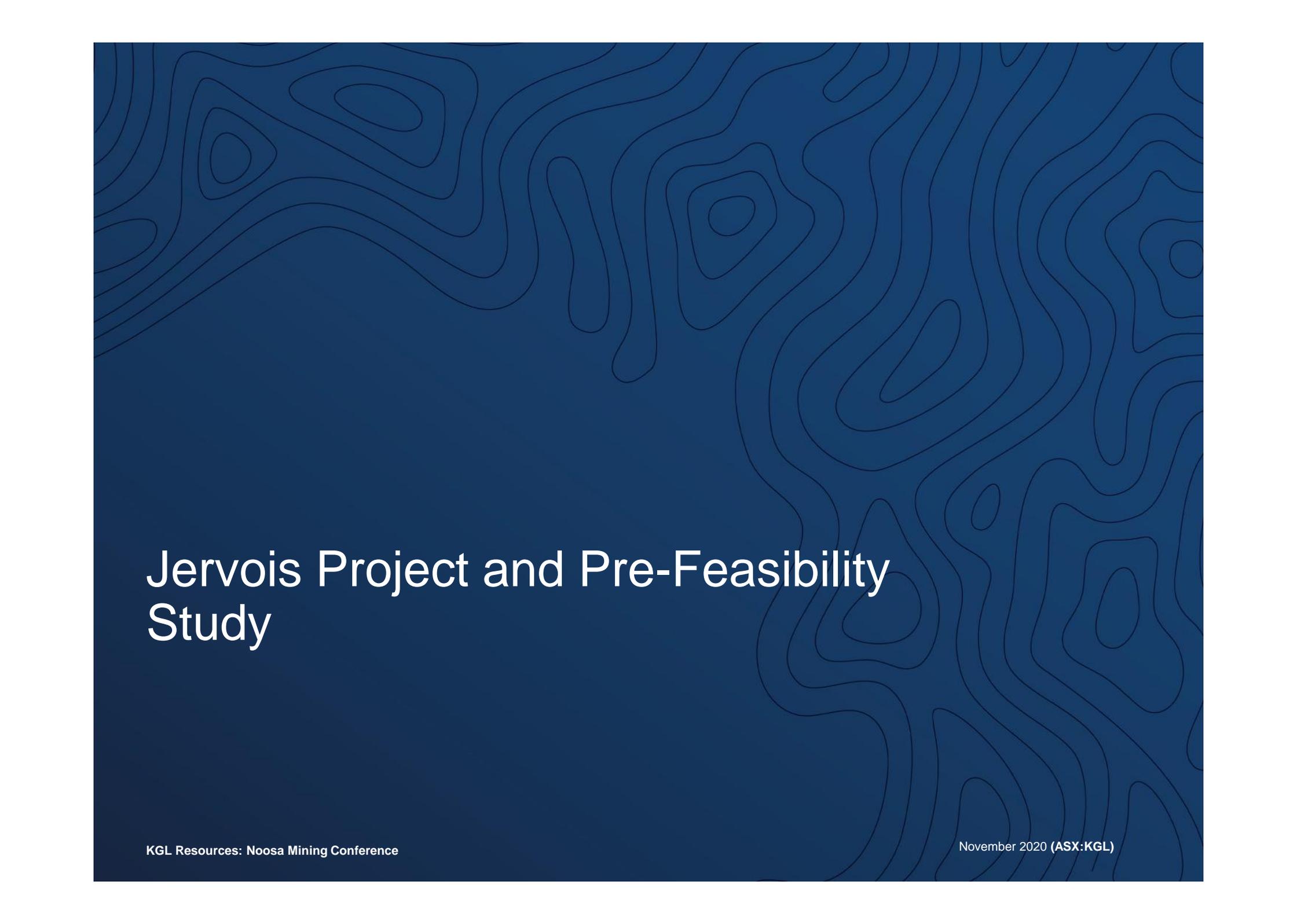
The background of the slide is a dark blue color with a white topographic map pattern. The map features various contour lines, some forming closed loops and others as wavy lines, creating a textured, geographical appearance.

Jervois Resource

Jervois Resource



- Revised strategy delivered...
 - A **30%** increase in contained copper to **426,200 tonnes**.
 - The grade of copper has almost doubled from **1.07% to 2.03%**.
 - Reduction in total tonnes (31Mt in 2015 to 21 Mt in 2020).
 - An increased confidence in the resource with **68% of the resource now in the Indicated Resource** category.

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Jervois Project and Pre-Feasibility Study

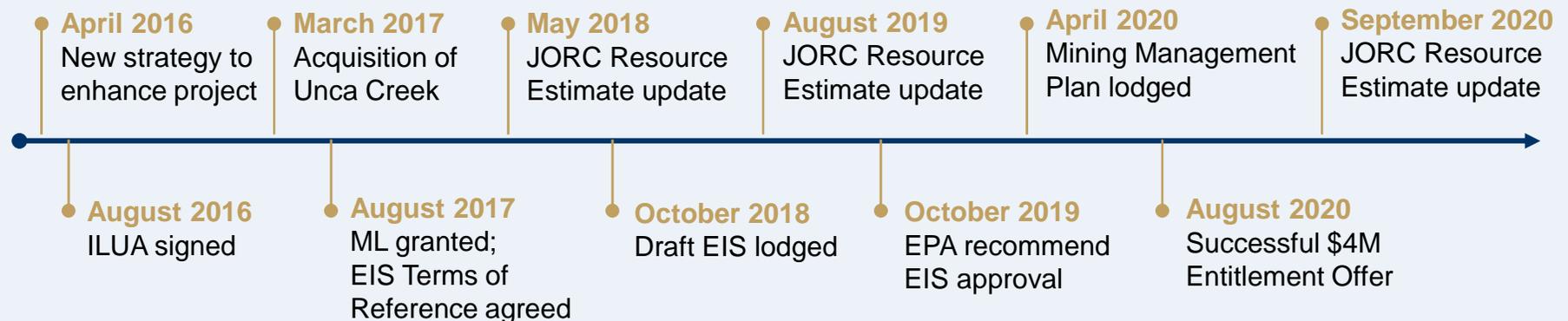
Jervois Copper Project Progress



Progressing mine planning

- Mine Plan finalisation
- Financial modelling
- Infrastructure planning
- Mining Management Plan approval expected Q4 2020
- Total expenditure of A \$63M to September 2020

Timeline



Jervois Copper Project Project Details

 **Jobs** – up to 300 during construction and up to 300 operational during peak operations.

 **Processing** to a concentrate onsite.

 **Trucked via** the Plenty and Stuart Highways to Alice Springs.

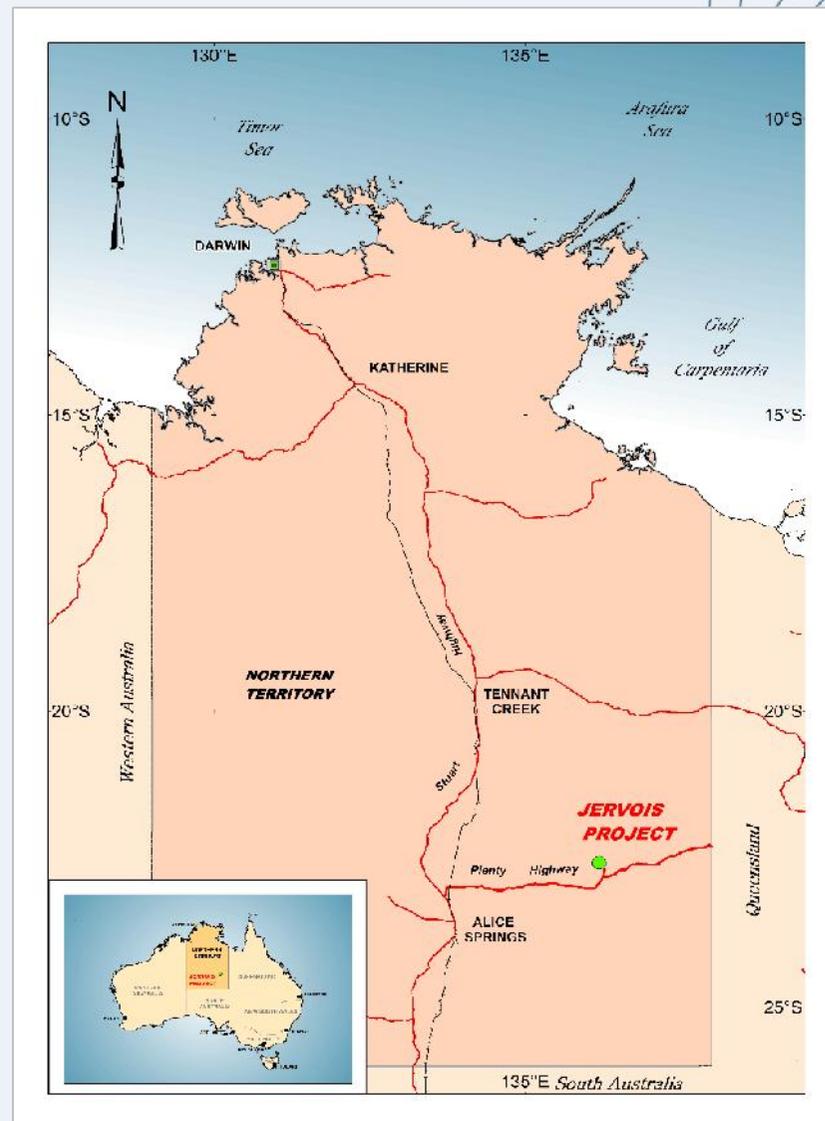
 **Rail to** Adelaide and/or Darwin for export.

 **Accommodation** village on site.

 **Upgraded** Bonya airstrip.

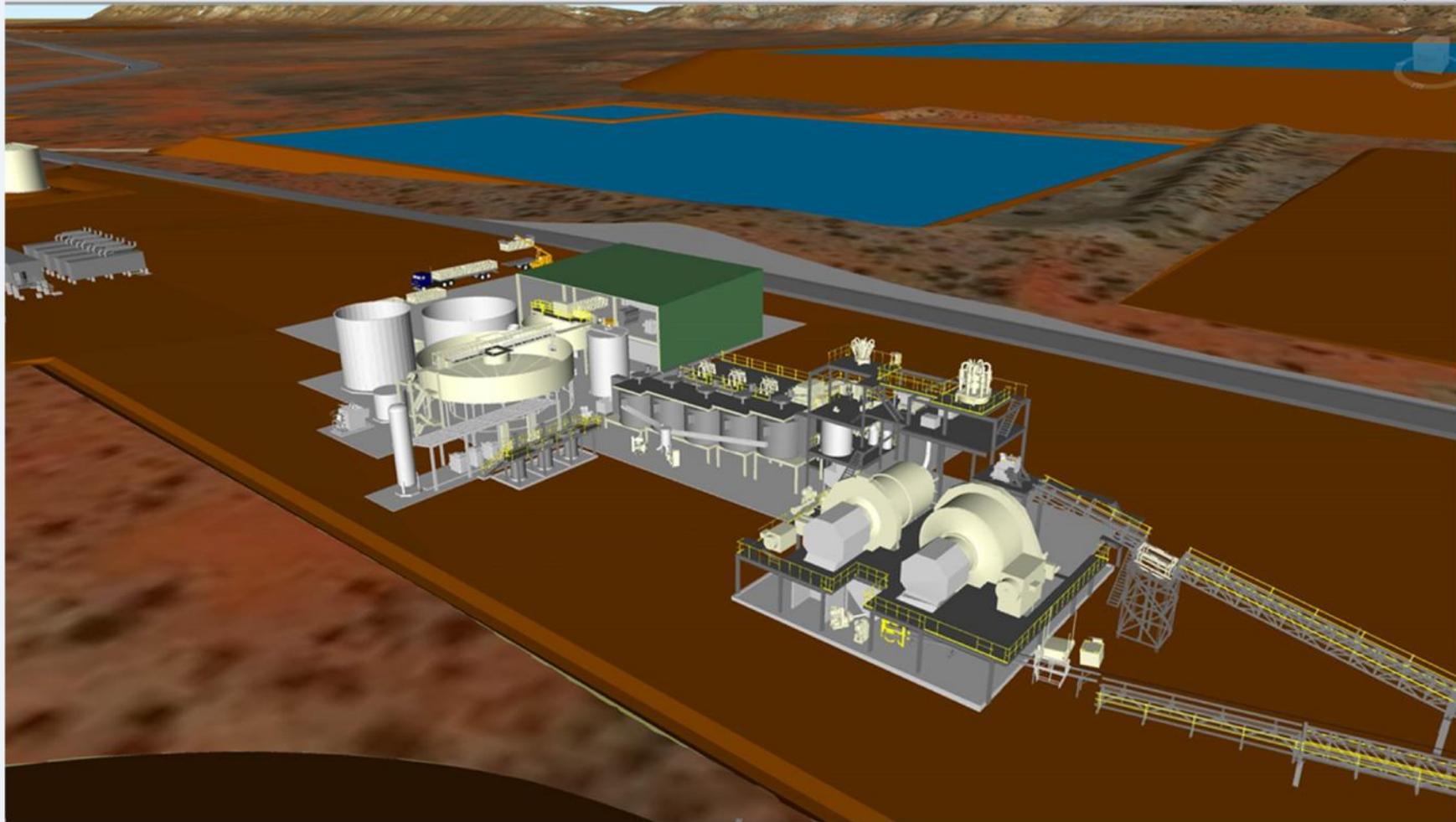
 **Up to 1,200 ML** water per annum from Jervois Dam and borefield.

 **12 MW** diesel, solar hybrid power station.



Concept Process Plant

Design and costing completed for PFS



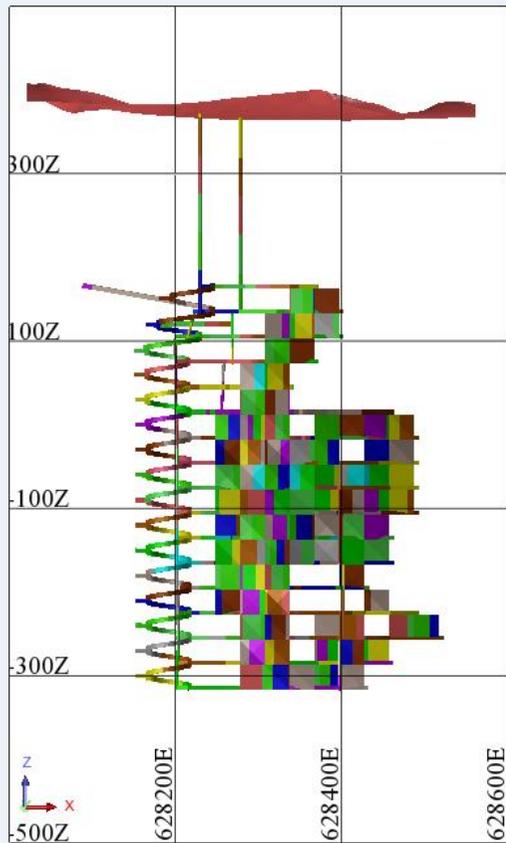
Concept Mine Design



Design and costing completed for PFS

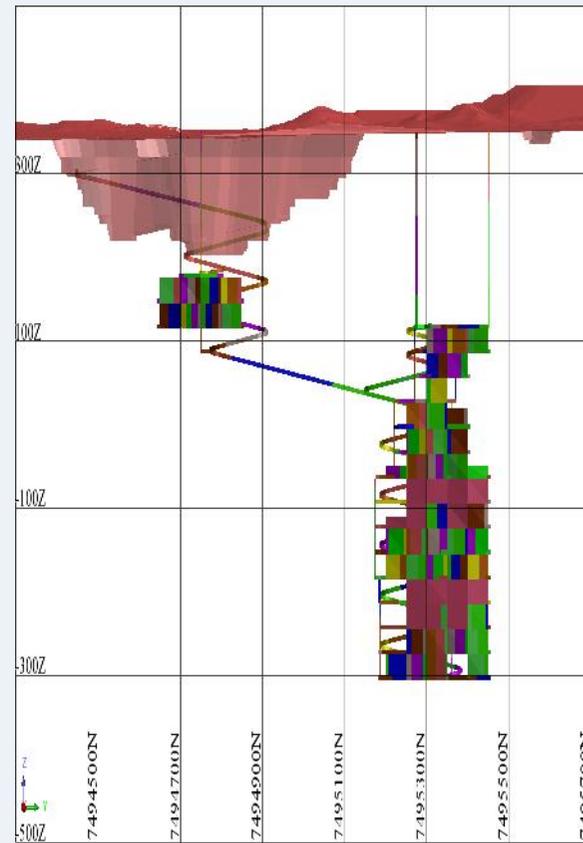
Rockface

Longitudinal view looking north



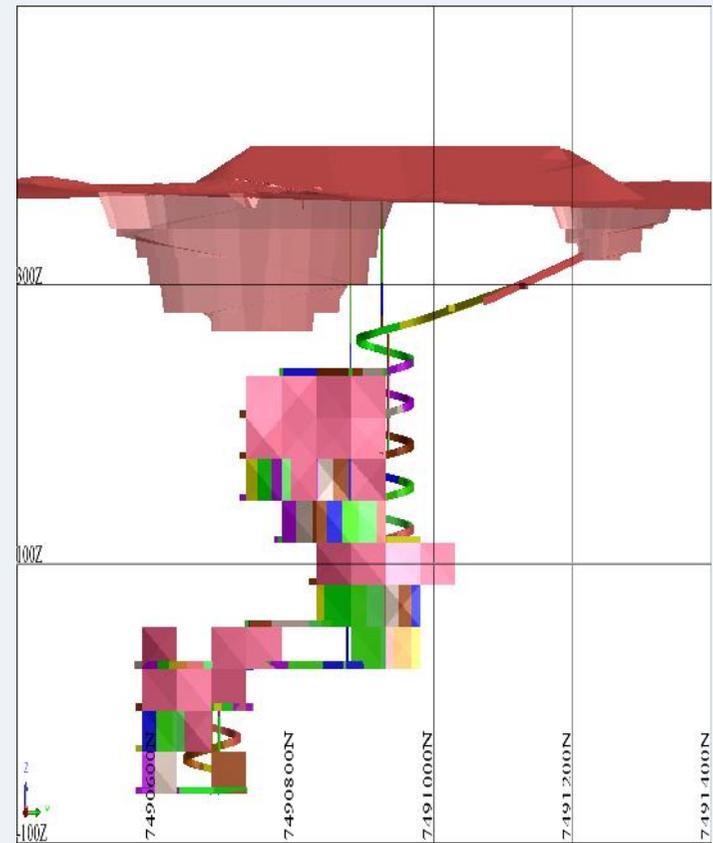
Reward

Longitudinal view looking west



Bellbird

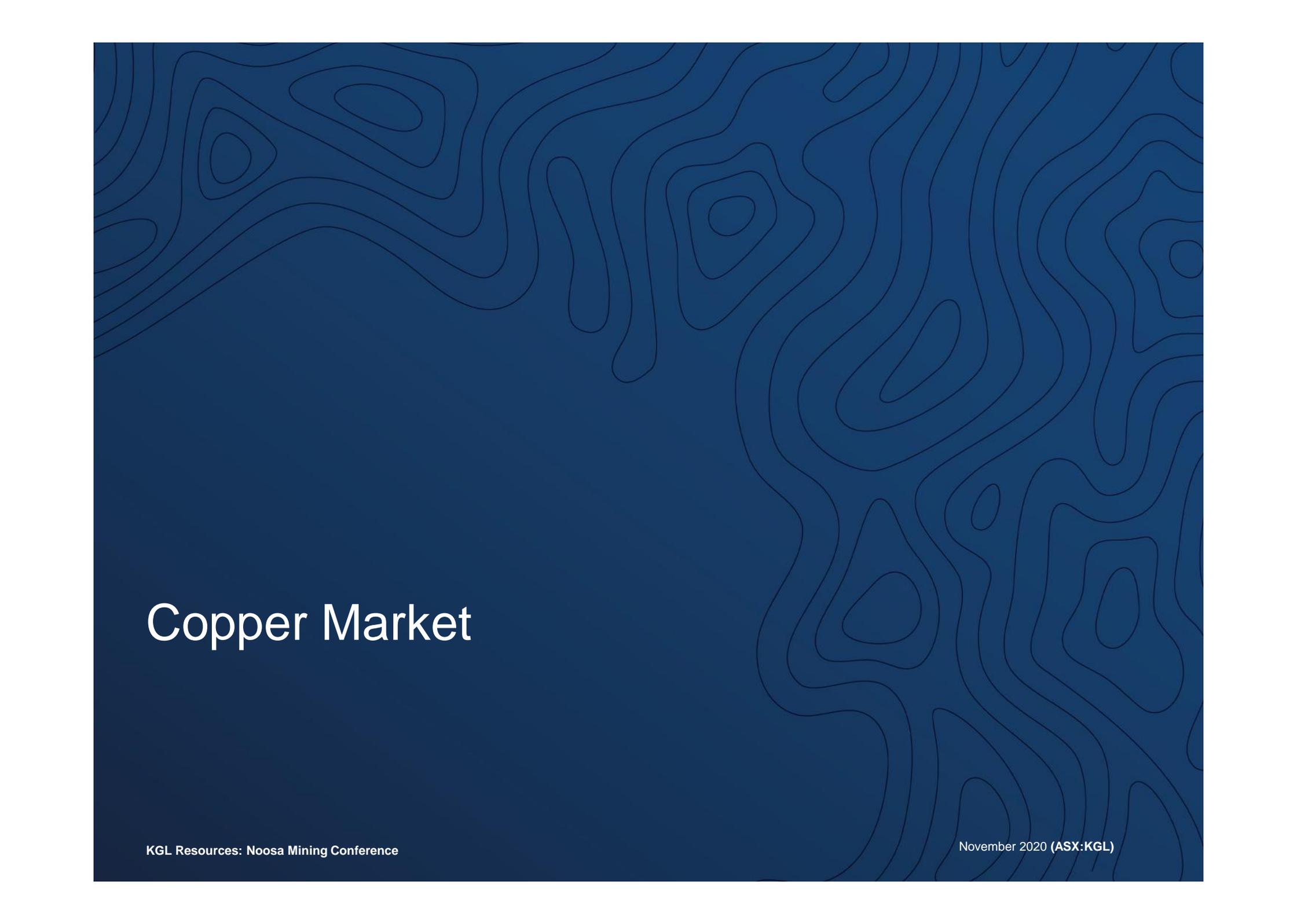
Longitudinal view looking west



Environmental Impacts

- **EPA recommended the EIS 4 October 2019**
- **Environmental risk assessment completed.**
 - No environmental, social, economic or human health and safety risks with an extreme initial or residual risk rating identified.
 - Highest human Health and Safety risk: Project traffic.
- **Positive impacts for local businesses, training opportunities, direct and indirect employment.**



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Copper Market

Strong Copper Market Fundamentals



Growing demand

- International Governments post COVID-19 incentive plans
- China's economic transition:
 - Growing household incomes
 - Rapid urbanisation
- Copper is key in a low carbon emission world
 - Electric vehicles sales expected to increase tenfold by 2030.
 - Renewable energy generation is more copper intensive than conventional

Constrained supply

- Growing production deficit forecast from 2022
- Large traditional mines running dry
- Grade declining in current major mines grades
- Increased costs
- Water scarcity

Limited new discoveries

- 2010-2019 –worst decade recorded for Cu discoveries

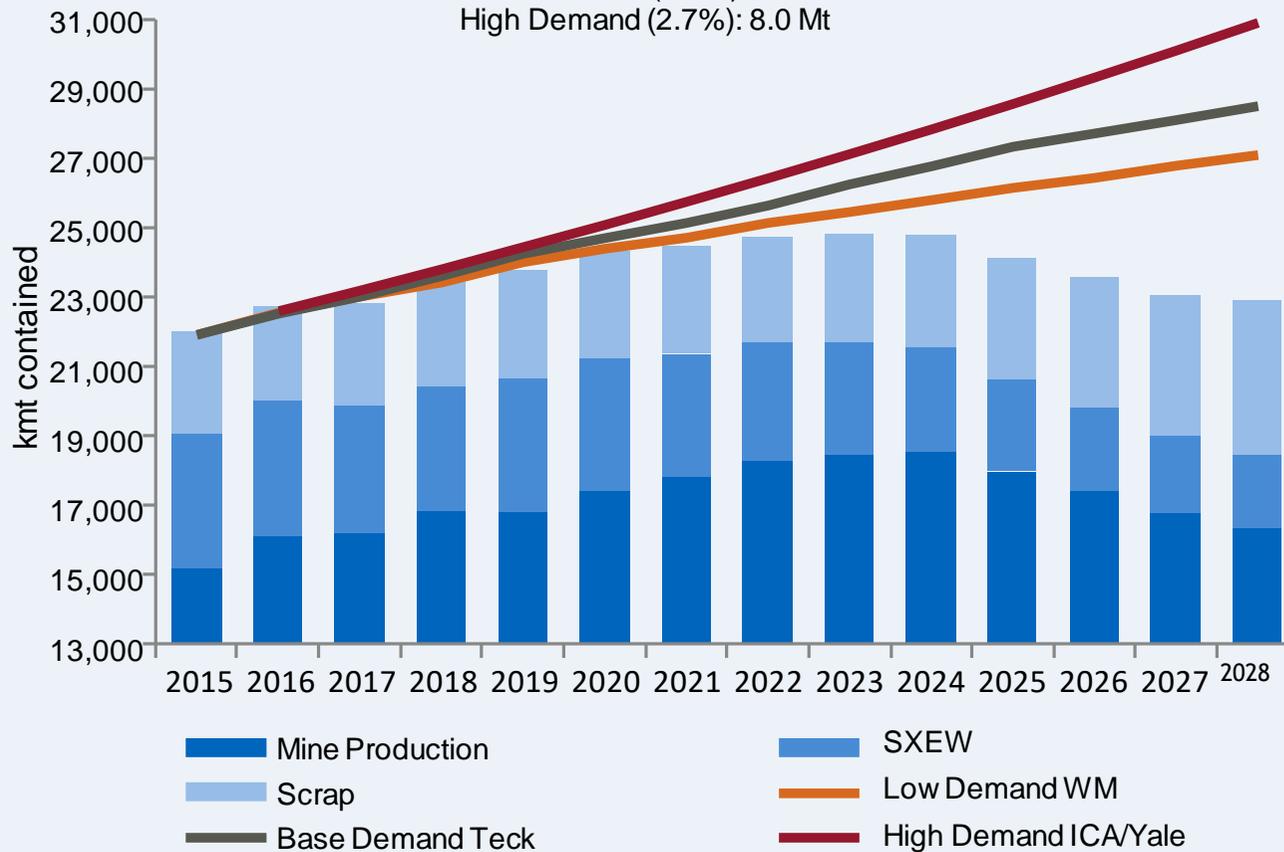
Growing sovereign risk

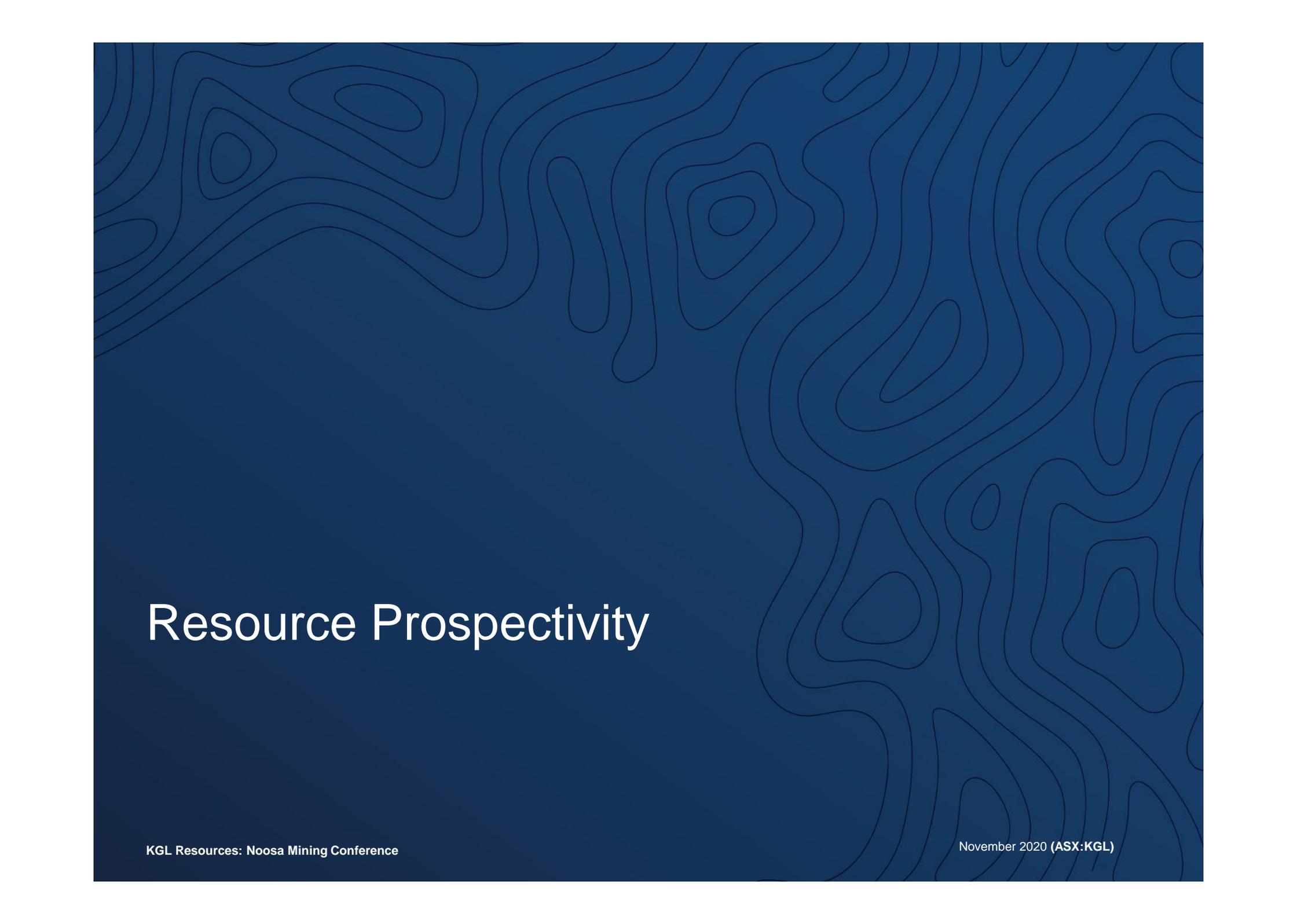
- DR Congo – tax and royalty hikes
- Tanzania – export limitations
- Philippine – mine closures

Strong Copper Market Fundamentals

At least 4.2 Mt needed from new projects by 2028

Low Demand (1.5%): 4.2 Mt
 Base Demand (2.0%): 5.6 Mt
 High Demand (2.7%): 8.0 Mt

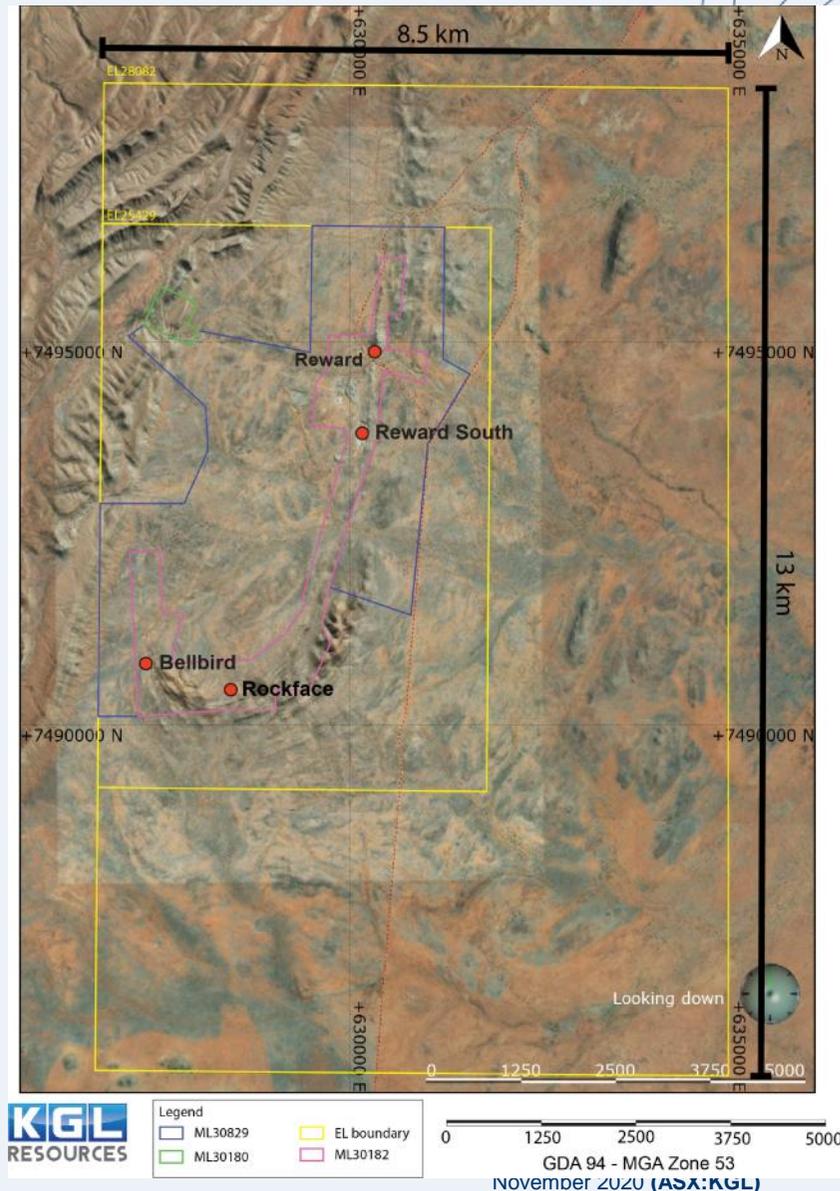


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Resource Prospectivity

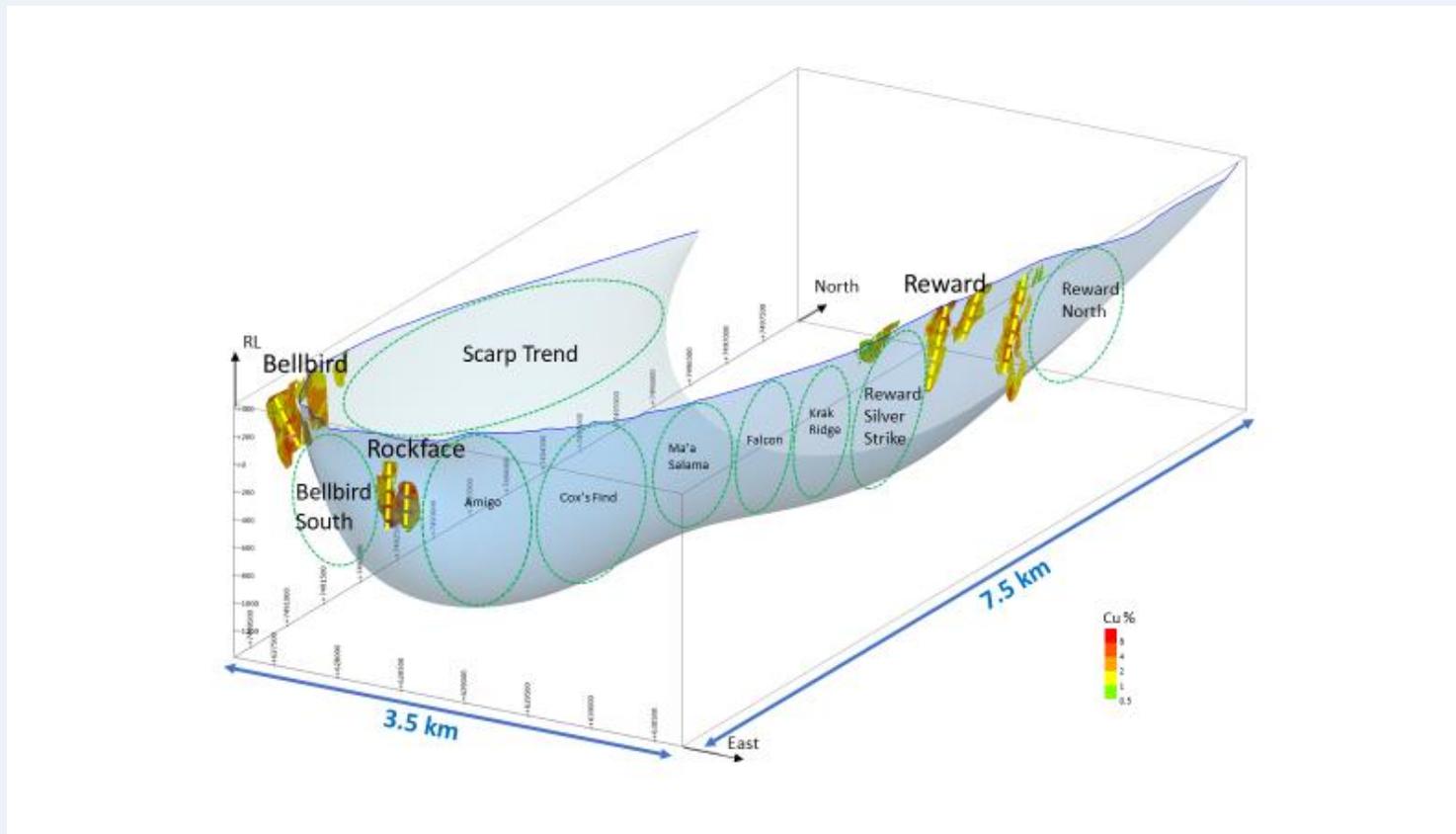
Jervois J(U)-Structure

- High-grade Jervois Copper Project located in highly prospective geological setting
- Research suggest a Broken-Hill-style SEDEX with an IOCG-Tennant Creek-style overprint
- Mining Leases granted over all existing resources
- Unca Creek Project (acquired March 2017) continues a 1.85km extension of the Reward /Morley trend
- Current exploration focus:
 - Upgrading the Inferred to Indicated confidence covered by current mine plan.
 - Complete outstanding Geotech drilling
 - Identify extensions to existing copper/silver/gold deposits
 - Identify extensions to existing silver/lead/zinc deposits
 - Test highest ranked exploration targets

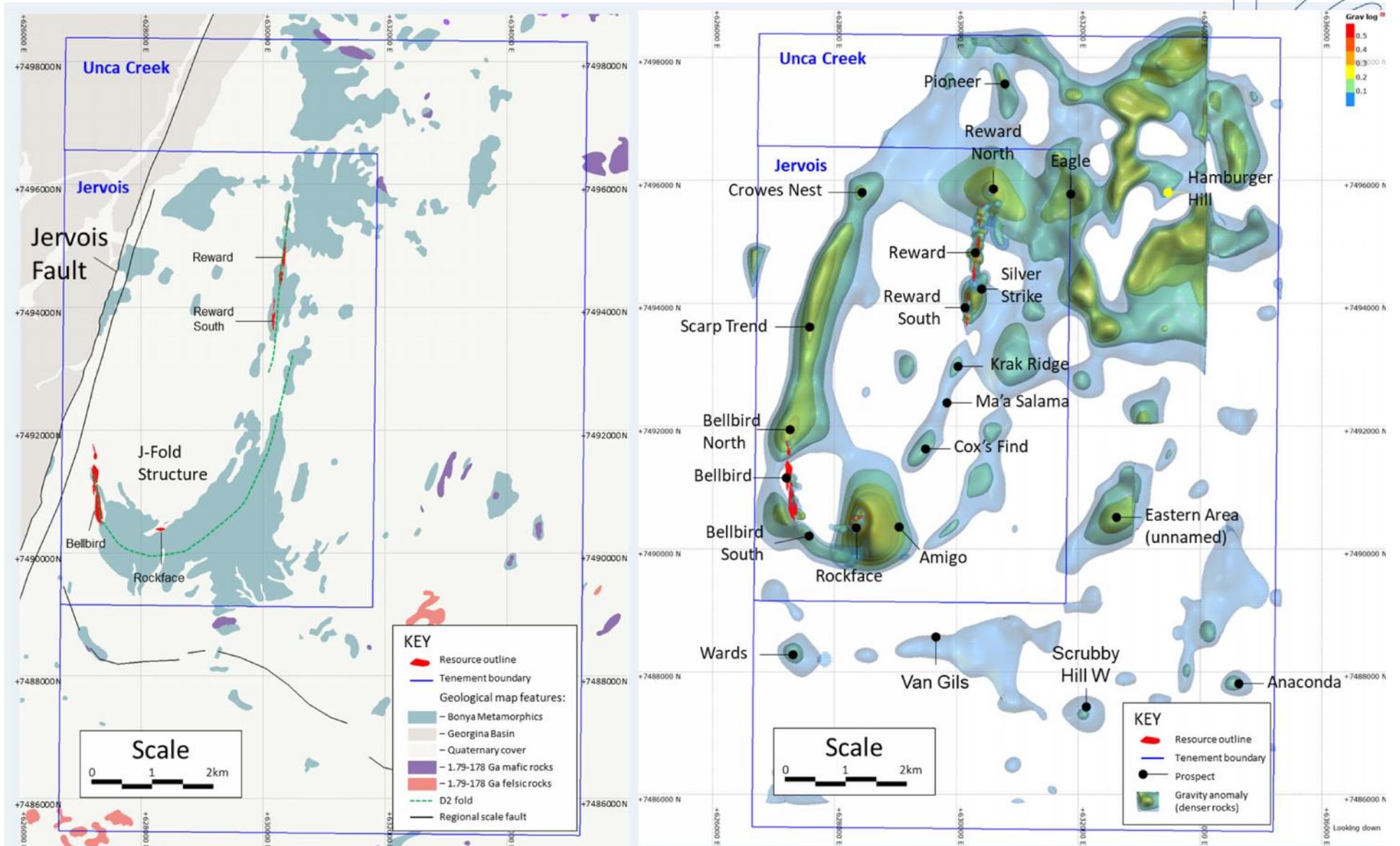


Highly Prospective Targets

- Extensions to high grade copper shoots – drill ready
- Favourable host rocks and structures along the J-Structure



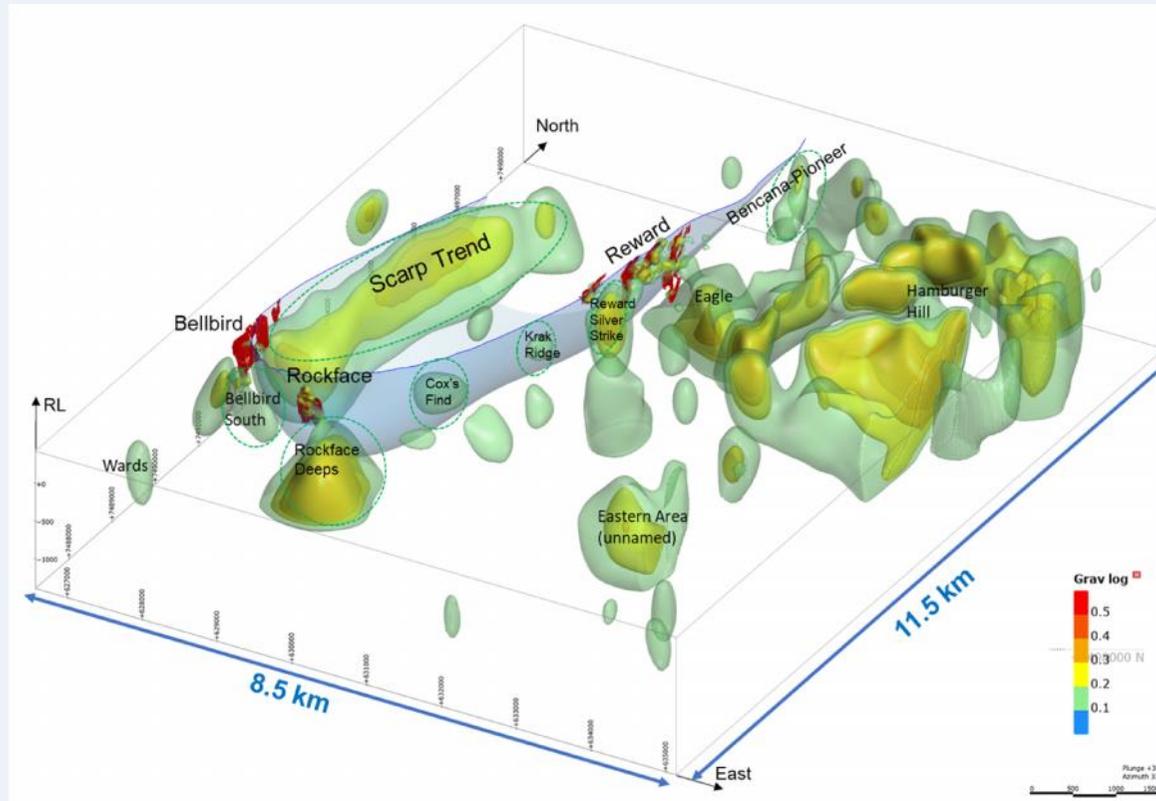
Jervois and Unca Creek Geology and Gravity Model



Promising Geophysics

Gravity signature of favourable host rocks is repeated outside the J in areas mostly under thin cover. For example:

- Scarp Trend covered by scree from the Jervois Fault scarp – interpreted continuation of mineralised shearzones at Bellbird
- Hamburger Hill identified by the NTGS as a fold hinge – possibly repeating the J-Fold. This is supported by the gravity model.



Summary and Outlook

- Significant copper project poised for development
- Advanced project planning and approvals
- Supportive long-term shareholder base
- Strong copper market fundamentals
- Substantial upside through infill drilling and further exploration

Key milestones

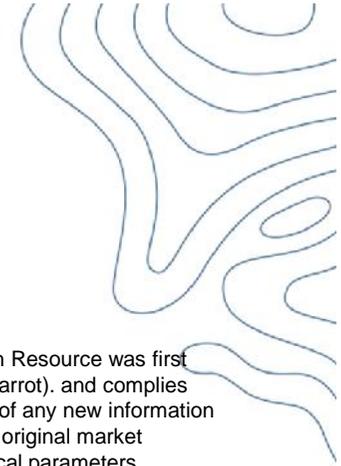
CY 2020

- Finalise NT Government approval
- Pre-feasibility Study
- Reserve update

CY 2021

- Feasibility Study
- Financing, FID
- Start Construction

Disclaimer



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- The data in this report that relates to the 2015 Reward South Resource was first released to the market on 29/07/2015 (then named Green Parrot). 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 data in this report that relates to the Reward, Rockface and Bellbird were first released to the market on 15/09/2020 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.

Competent Persons Statement

- The Jervois Exploration data in this report is based on information compiled by Adriaan van Herk, a member of the Australian Institute of Geoscientists, Chief Geologist and a full-time employee of KGL Resources Limited.
- Mr. van Herk 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. van Herk has consented to the inclusion of this information in the form and context in which it appears in this report.

Forward-looking statements

- This presentation 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 such statements.

More Information



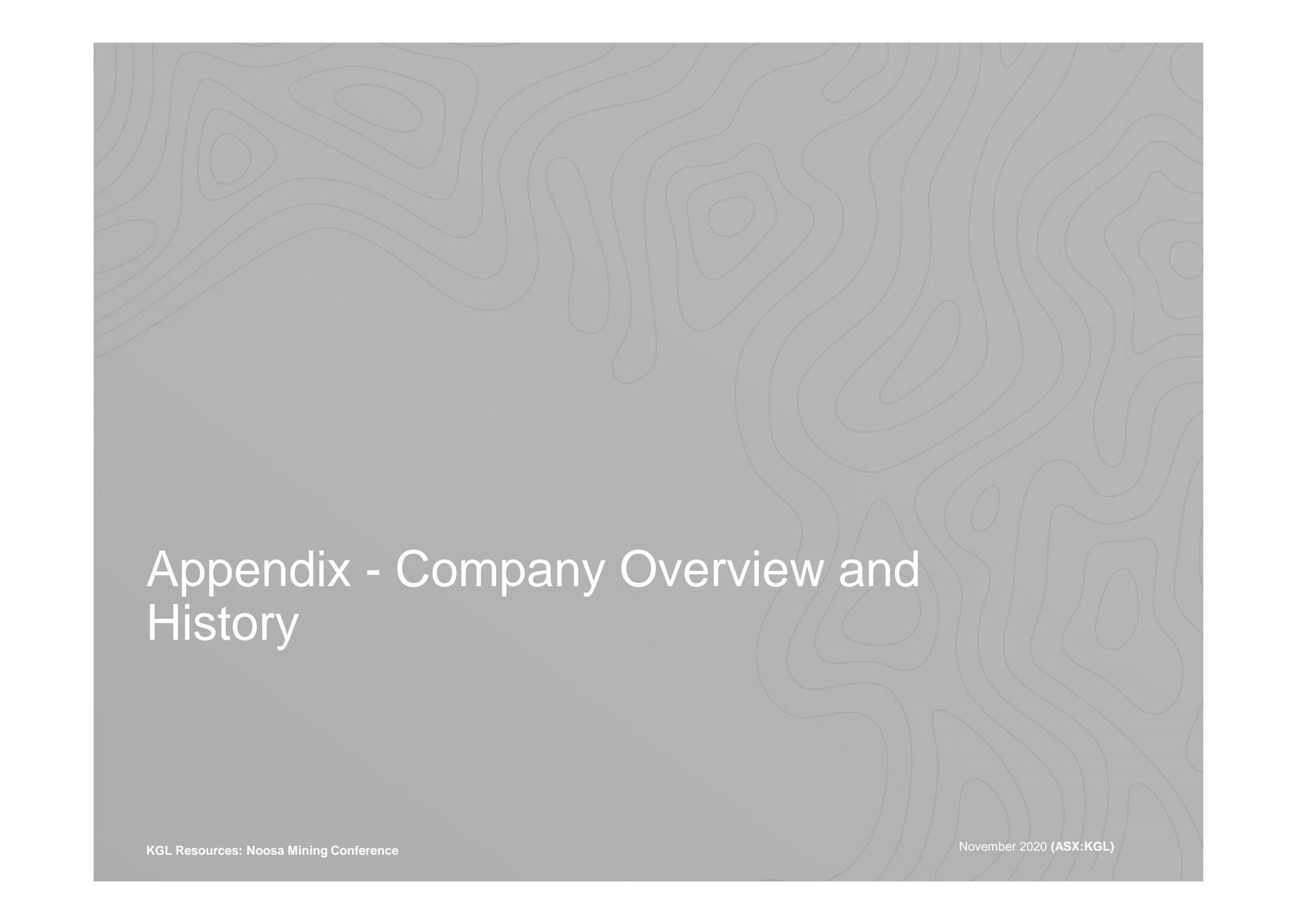
More information about the Project

For **more information** about the Jervois Project, please visit our website:



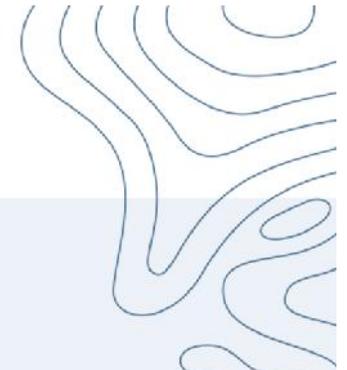
www.kglresources.com.au

Appendices

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Appendix - Company Overview and History

A History of Mining and Exploration



JERVOIS BASE METAL PROJECT



Early road train trucking copper ore to Mount Isa (1951).

1950's Copper Surface Mining for Mount Isa

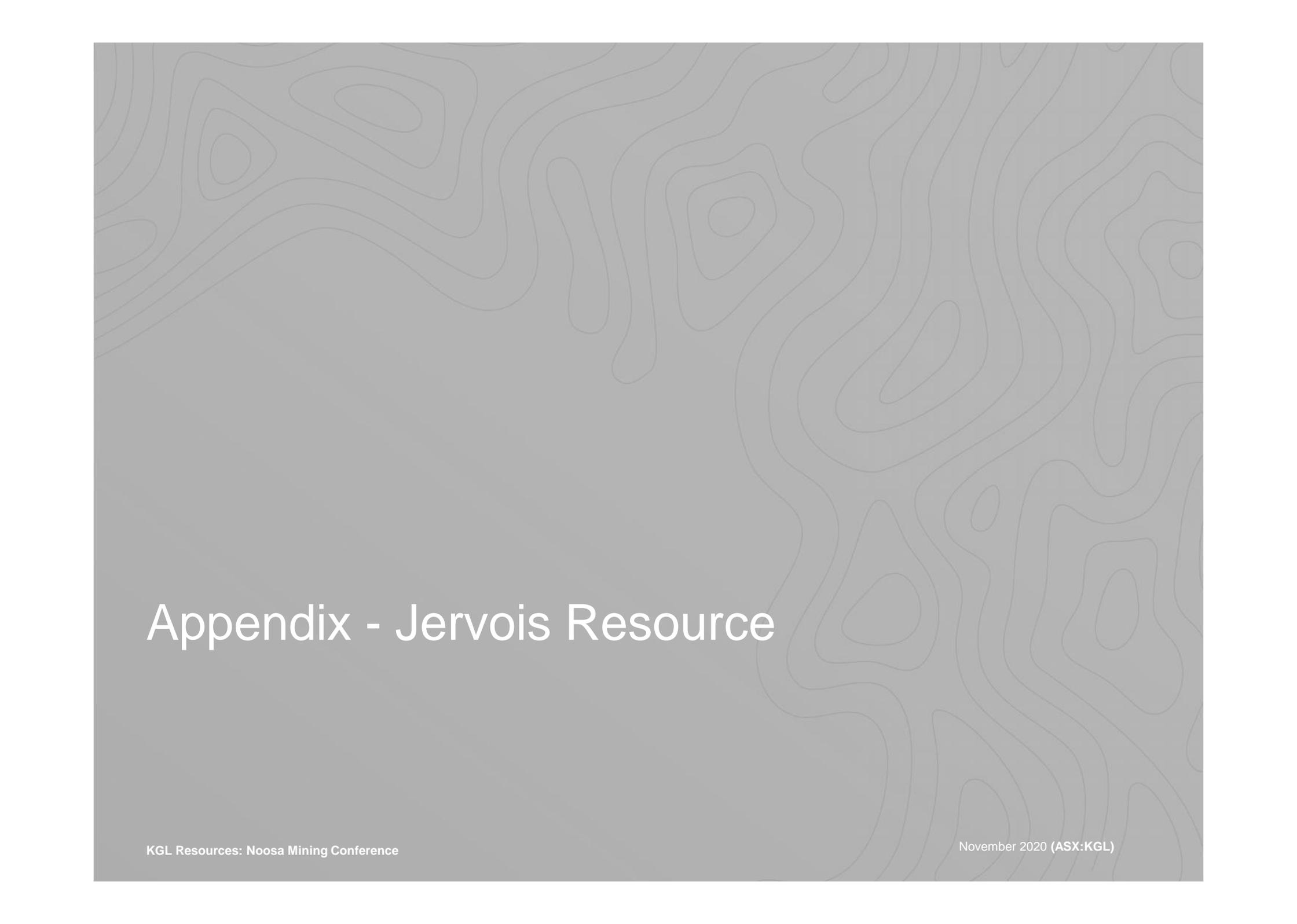


Process Plant - Copper Sulphate MD 1960's



Plenty River Mining Infrastructure – Early 1980's



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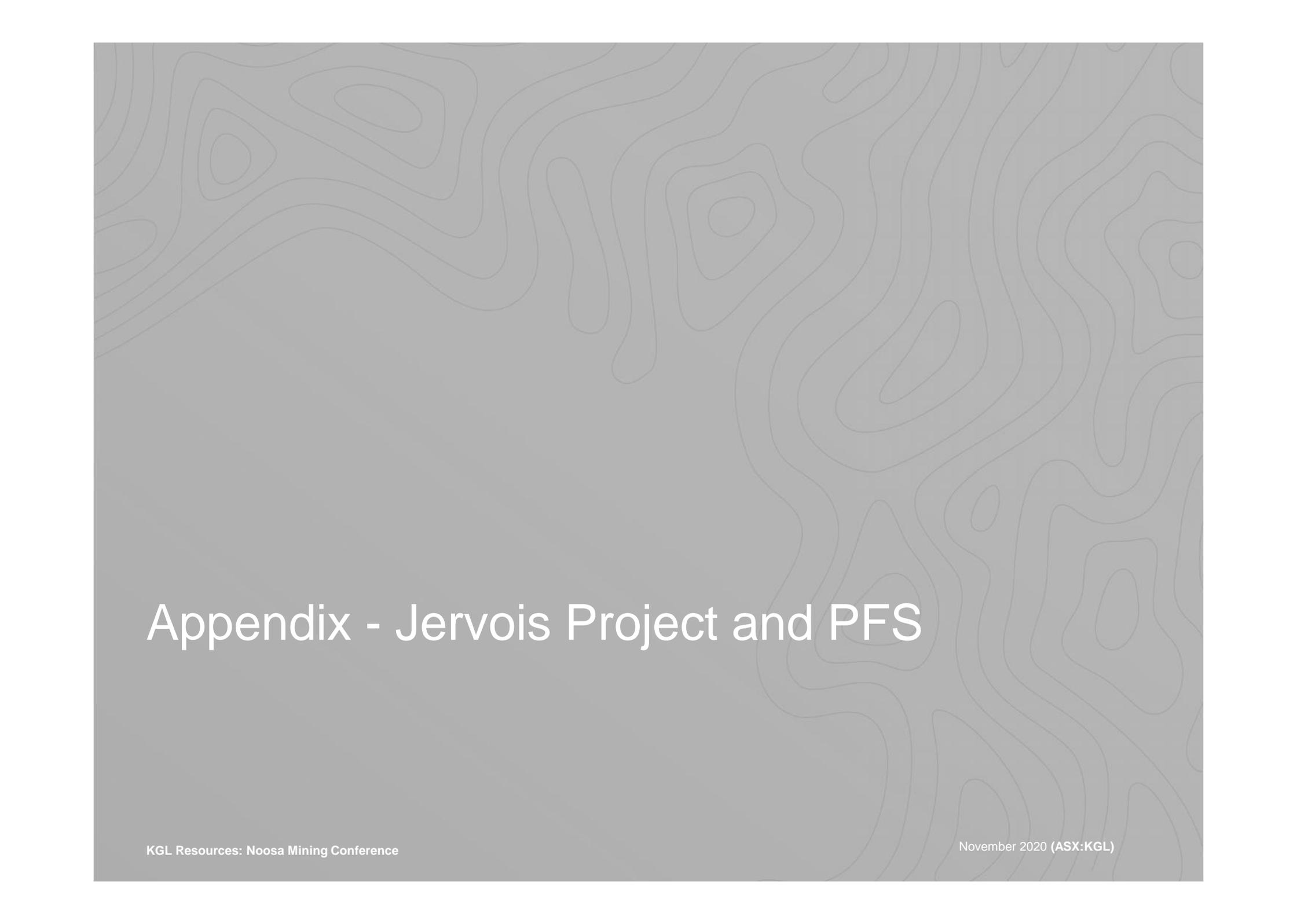
Appendix - Jervois Resource

Jervois: JORC Resources



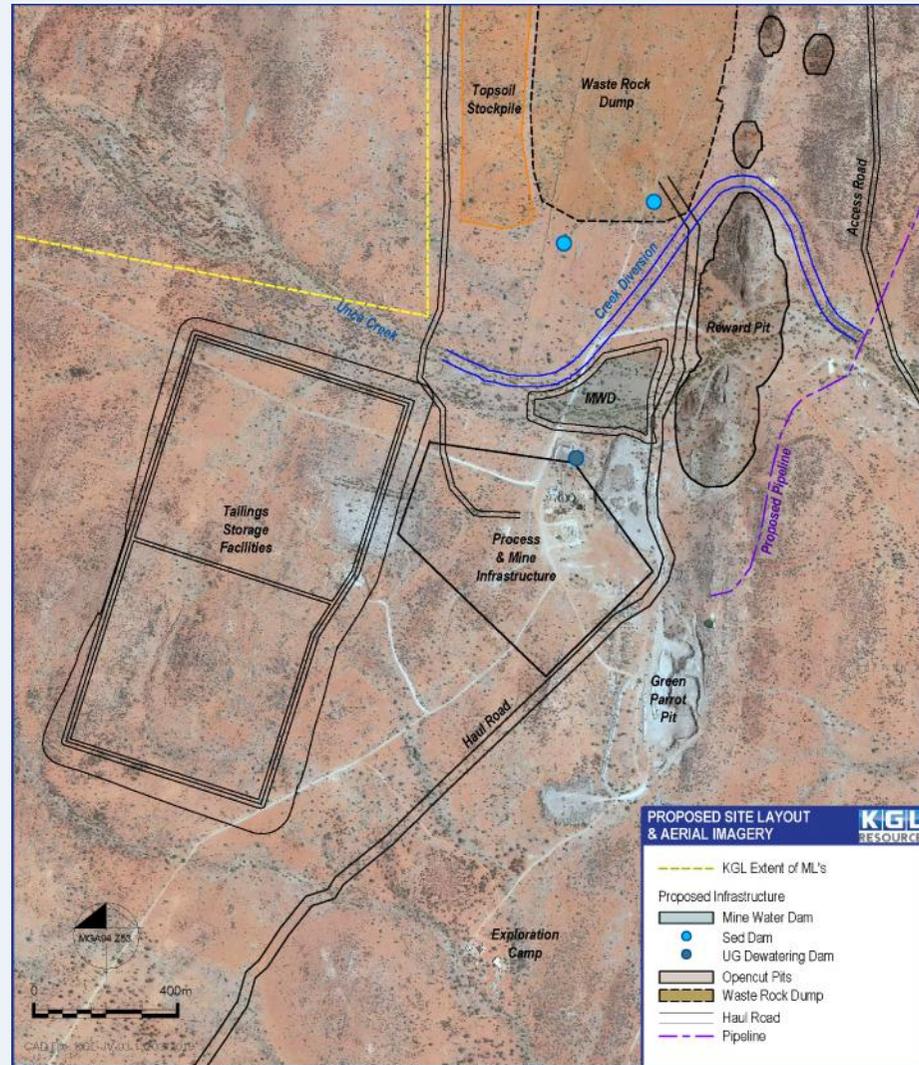
Resource			Material	Grade (%)			Metal		
Area		Category	Mt	Copper	Silver	Gold	Copper (kt)	Silver (Moz)	Gold (koz)
Open Cut Potential > 0.5 % Cu	Reward	Indicated	3.34	1.86	41.8	0.44	62.2	4.49	47.5
		Inferred	0.76	0.93	9.5	0.06	7.0	0.23	1.4
	Bellbird	Indicated	1.33	3.08	17.4	0.23	40.9	0.74	9.8
		Inferred	1.40	1.19	9.1	0.10	16.6	0.41	4.5
Sub Total			6.82	1.86	26.8	0.29	126.7	5.87	63.2
Underground Potential > 1 % Cu	Reward	Indicated	3.69	2.22	42.8	0.51	81.8	5.07	60.2
		Inferred	3.50	1.48	26.8	0.18	51.7	3.01	20.7
	Rockface	Indicated	2.45	3.54	19.8	0.25	86.8	1.56	20.0
		Inferred	0.84	2.07	15.6	0.18	17.5	0.42	5.0
	Bellbird	Indicated	0.34	3.52	22.4	0.18	11.9	0.24	2.0
		Inferred	1.43	2.36	16.6	0.10	33.7	0.76	4.6
Sub Total			12.24	2.31	28.1	0.29	283.3	11.07	112.4
Total			19.07	2.15	27.6	0.29	410.0	16.94	175.7

Full Report available at <https://www.kglresources.com.au/docs/KGL-MA-Jervois-Resource-Estimation-Report-2020-09-15.pdf>

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Appendix - Jervois Project and PFS

Development Planning Utilising Disturbed Areas



LiDAR Survey Imagery



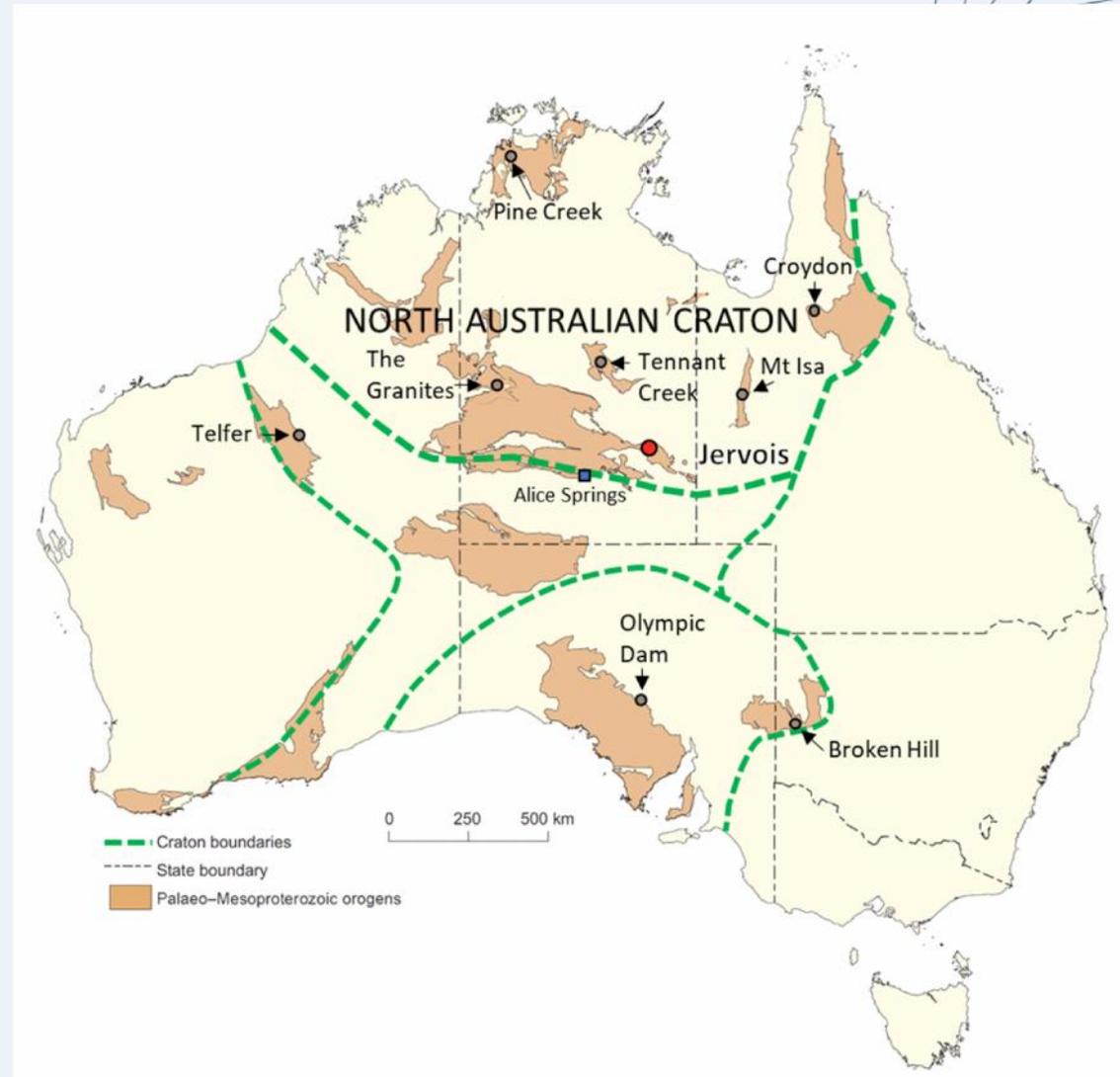
Plenty River Mining disturbed area.

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Appendix - Resource Prospectivity

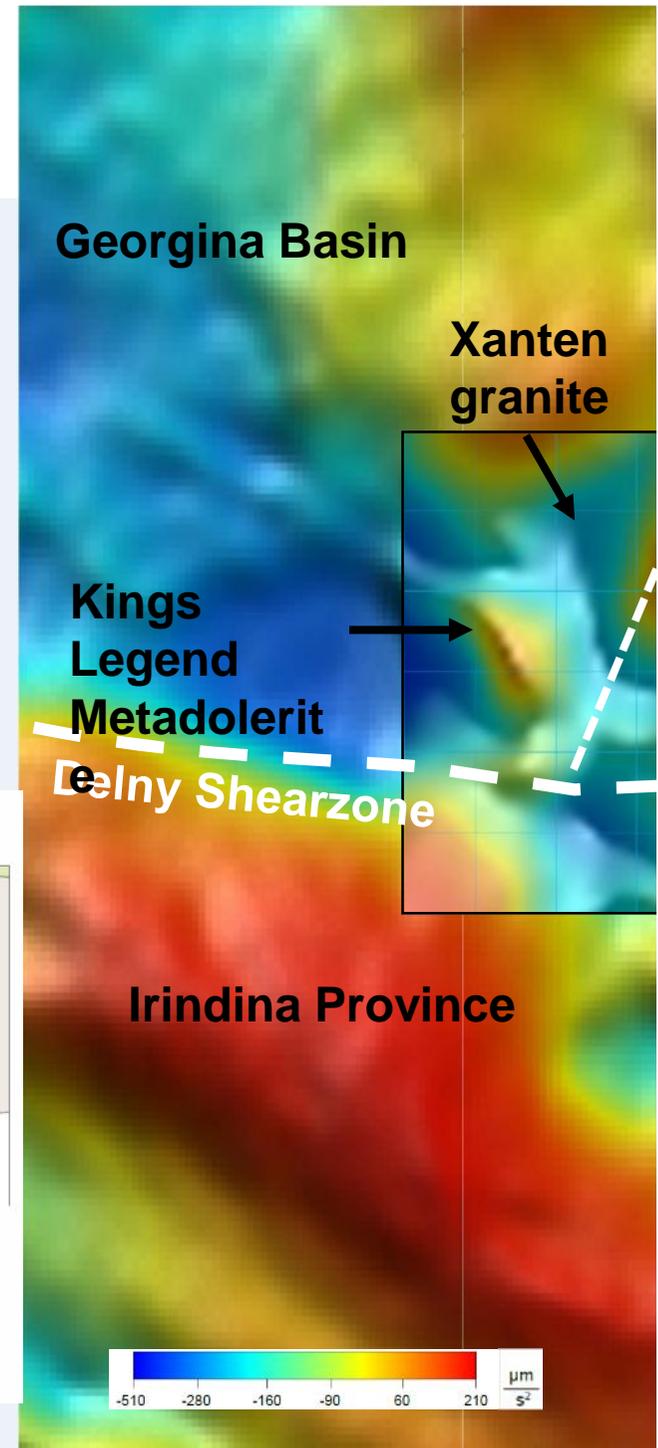
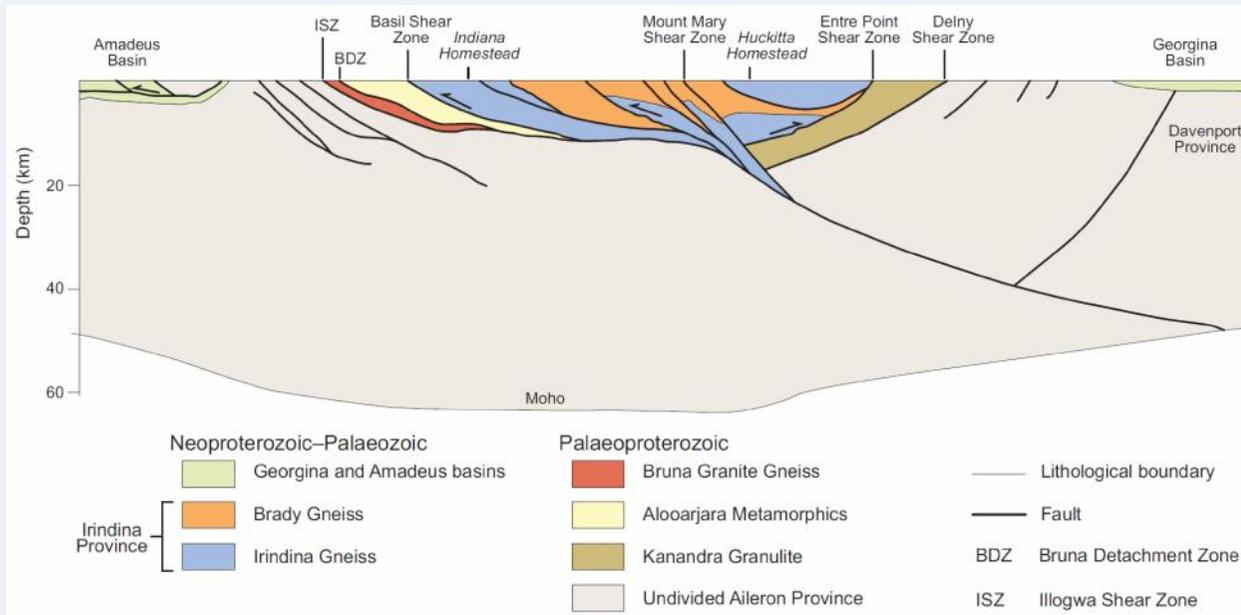
Jervois at Prime Geological Address

- Mineral fields located in the rift basin along the edges of old cratons and linked to large, long-lived faults can host world-class deposits. The Jervois Mineral Field has all the markings of such potential.
- The Early Proterozoic orogens of the Australian host some of the largest Cu-Au deposits in the world, including Olympic Dam, Broken Hill, Mt Isa, Telfer and Tennant Creek.
- A common feature of these deposits is that they are hosted in ironstones and are located within 200km of edges of old cratons. Jervois is located less than 200km north of the southern edge of the North Australian Craton.

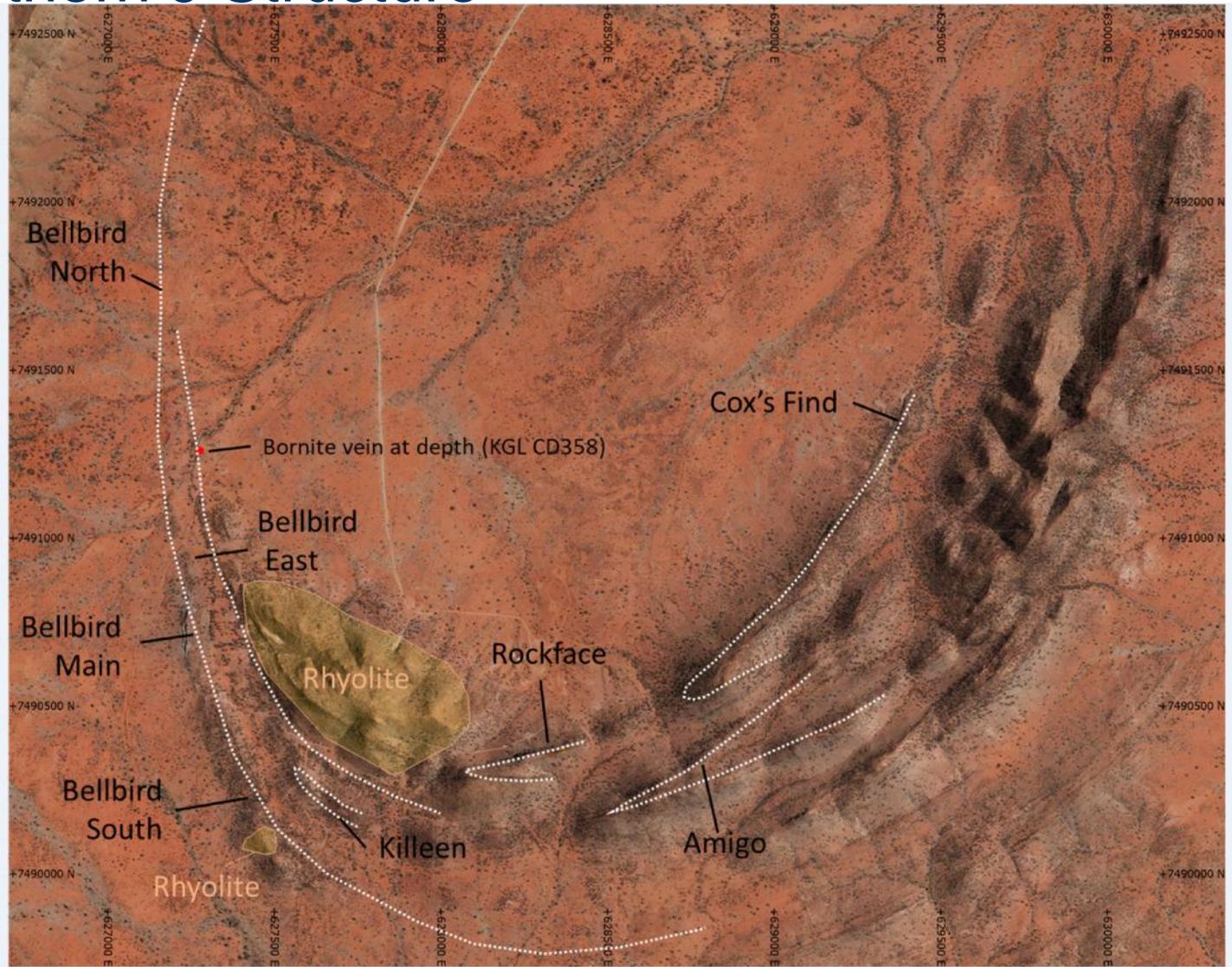


Jervois at Intersection of Major Crustal-scale Structures

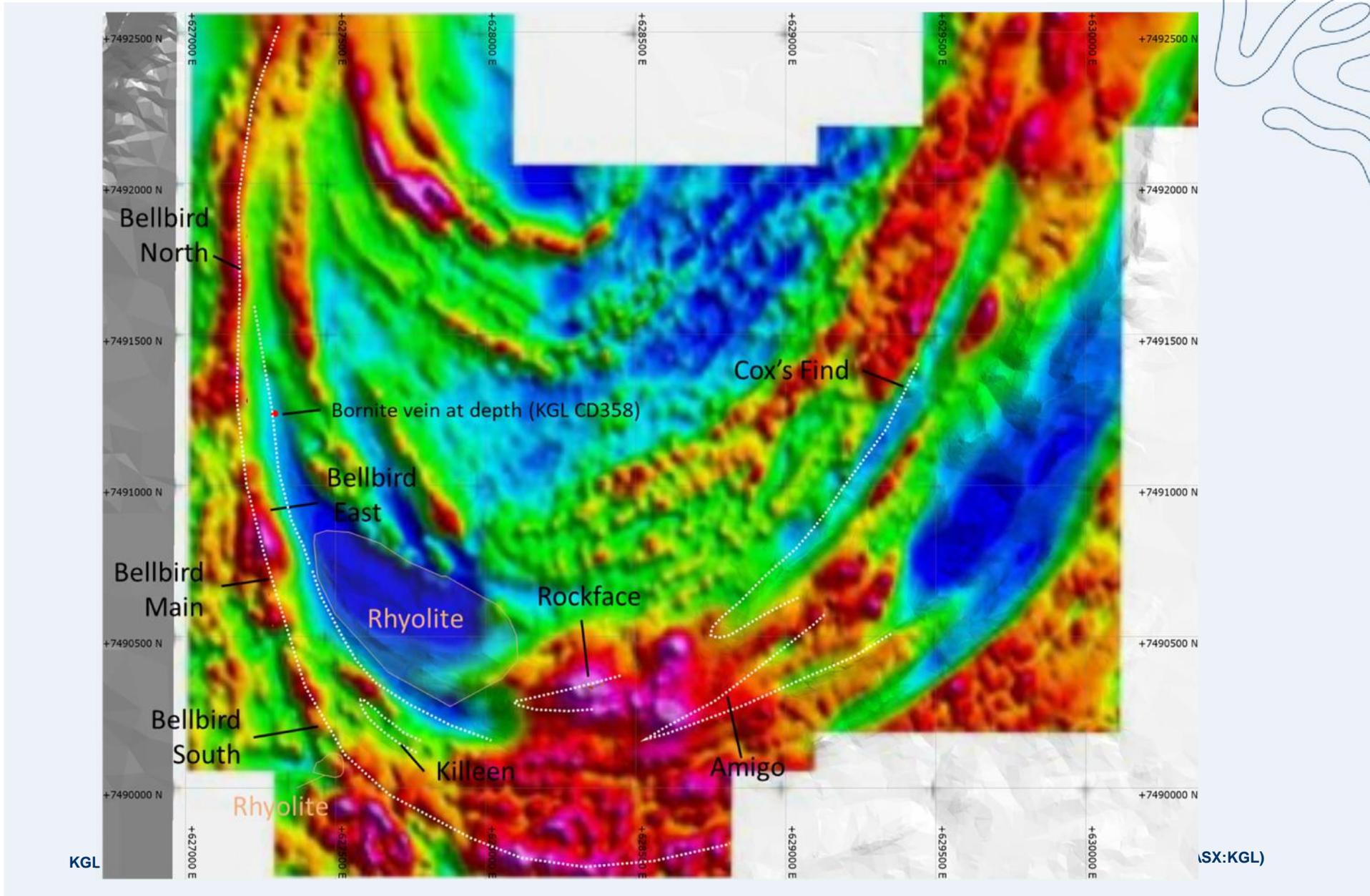
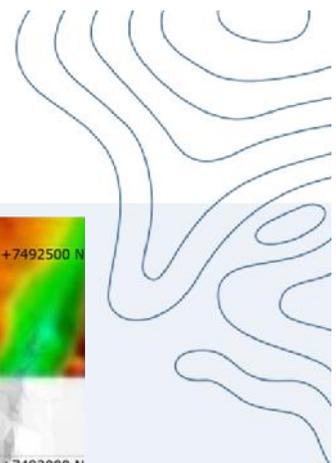
- The Jervois sedimentary sequence is considered to be deposited in a terrestrial basin in a continental back-arc basin setting (McGloin et al 2019, Weisheit et al 2019).
- The creation of the Jervois Mineral Field is closely linked to the deformation and movement of mineralising fluids along the Jervois Fault, a large ‘crustal-scale’ shear-zone traceable for over 40km and linked to the Delny Shear-zone. The Delny Shear-zone is interpreted to be part of a crustal-scale flower structure (Weisheit et al 2019) and is rooted onto the Moho (the boundary between the earth’s crust and the mantle, Korsch et al 2011).



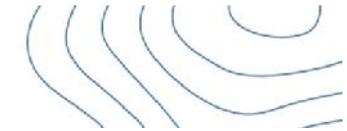
Prospects and Mineralised Trends – Southern J Structure



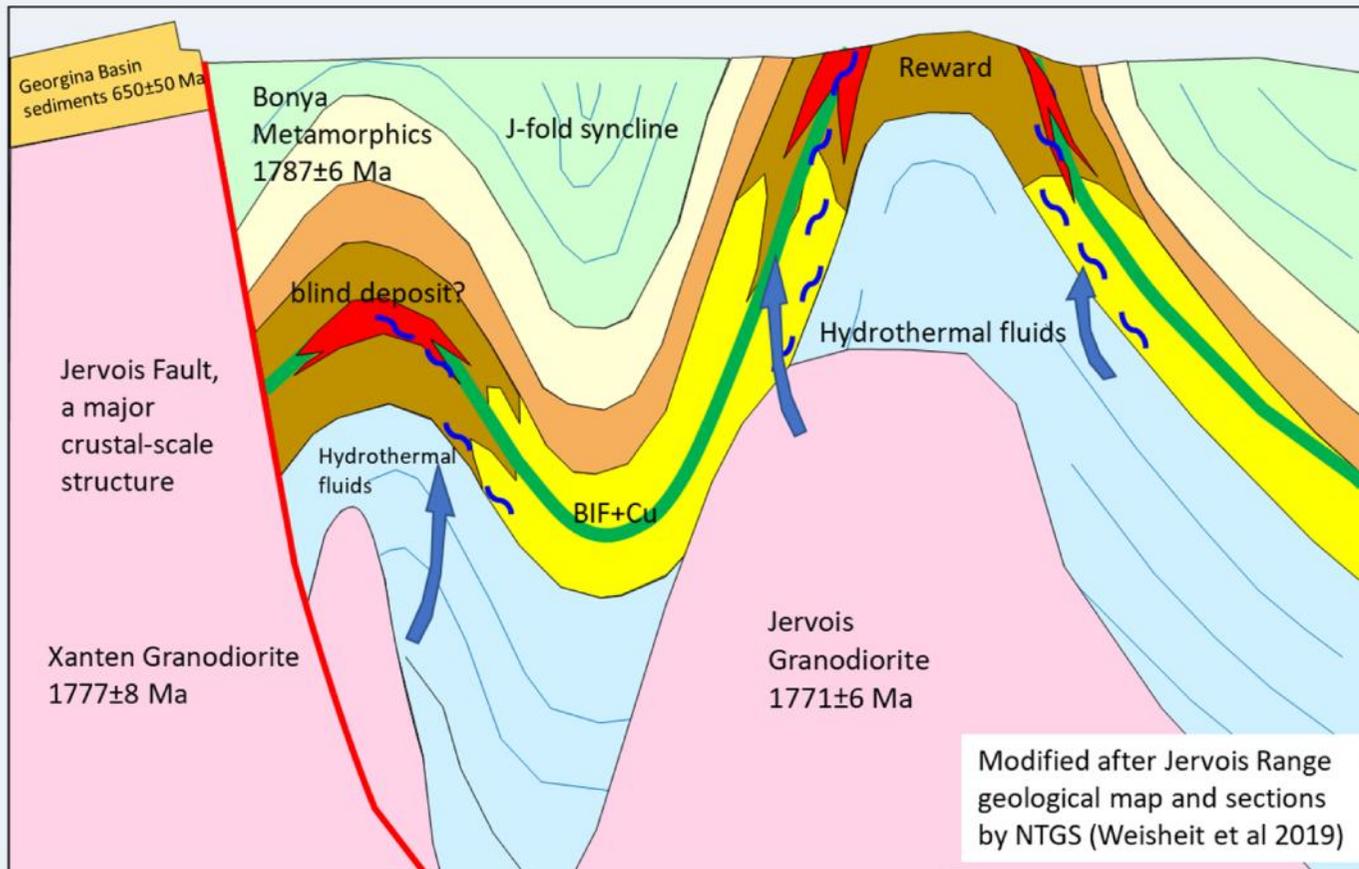
SAM Magnetic Image – Southern J-Structure



Potential blind deposits in favourable host rocks and structures

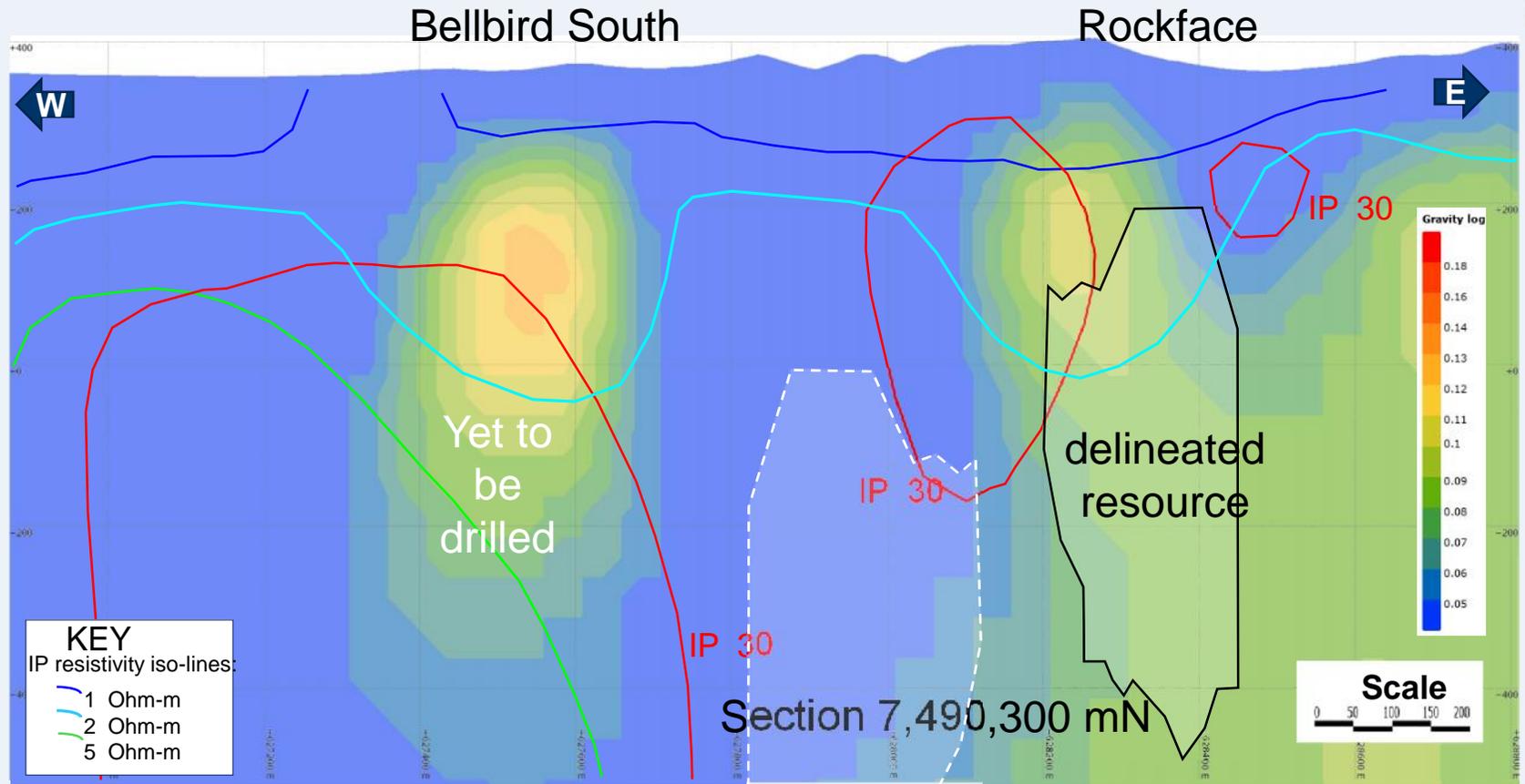


Conceptual mineralisation model
 The Jervis mineralisation model is evolving and has been influenced by recent research papers by the NTGS. Particularly important is the Jervis Fault, which is a major crustal-scale structure focussing deformation, fluid flow and emplacement of intrusions. The NTGS studies provide growing evidence for extensive late bimodal magmatic events in the eastern Arunta Region. From an exploration point of view, these could be either or both sources and drivers for mineralisation. The diagram shows a sketch of the lithological, hydrothermal and structural controls on the remobilised Cu mineralisation at Jervis, post/syn-deformation. During late stage deformation and after peak-metamorphism, the granite intrusions provide the heat and fluids remobilising Cu from primary (strata-bound) units, channelling them via reactivated fault zones into structural traps such as anticlinal fold hinges. The iron-I and manganese-rich exhalites also act as chemical (redox) traps for the metal-bearing fluids.



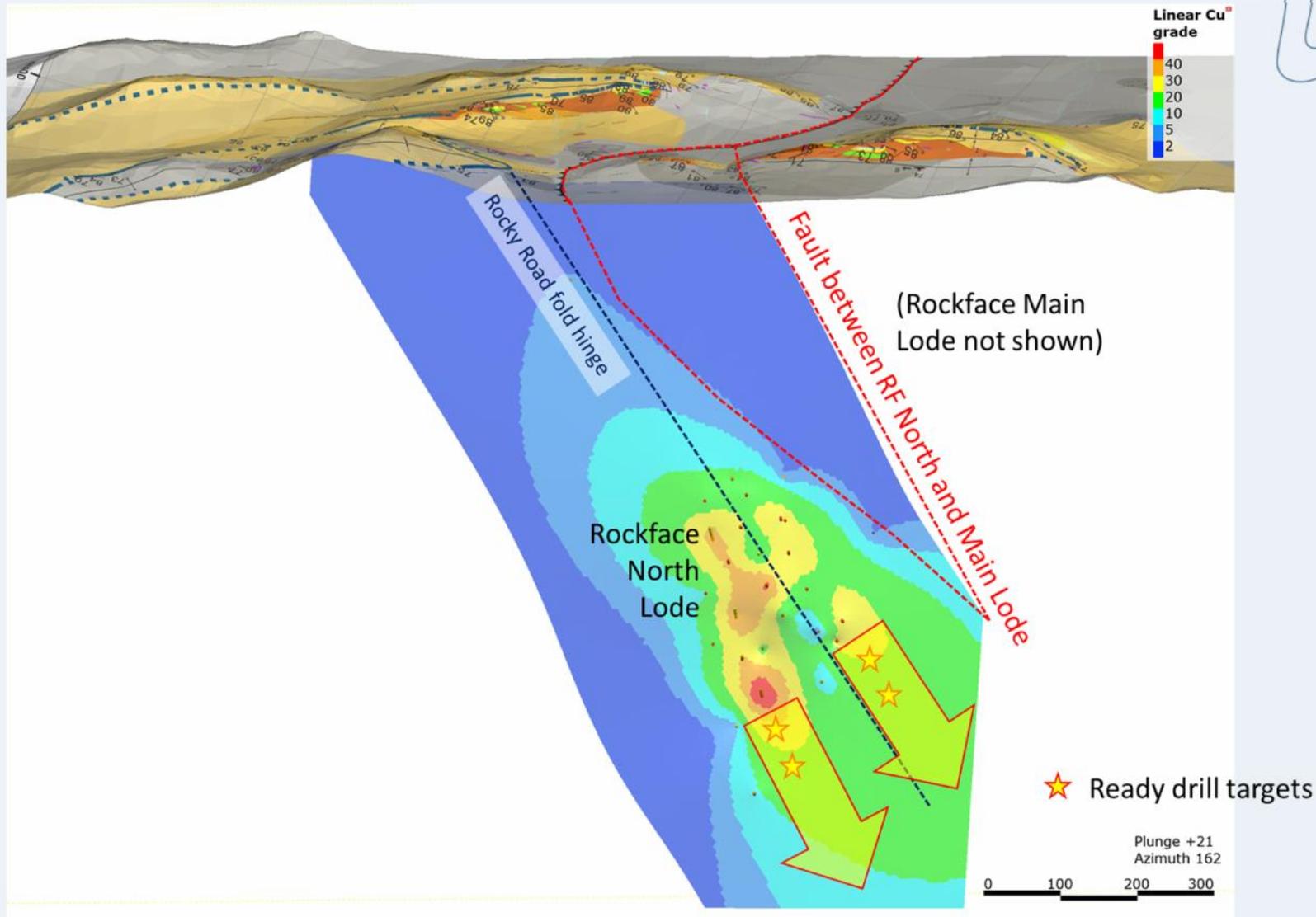
Sketch of conceptual Jervis mineralisation model - trapping of hydrothermal fluids (blue wiggles and arrows), driven by felsic intrusions (pink), into structural traps (red) – fold-hinges – and chemical traps – iron-stones (yellow), altered to massive magnetite (brown). Analogous to Tennant Creek-style Au-Cu mineralisation.

Selected Exploration Targets: Rockface geophysical signals repeated at Bellbird South

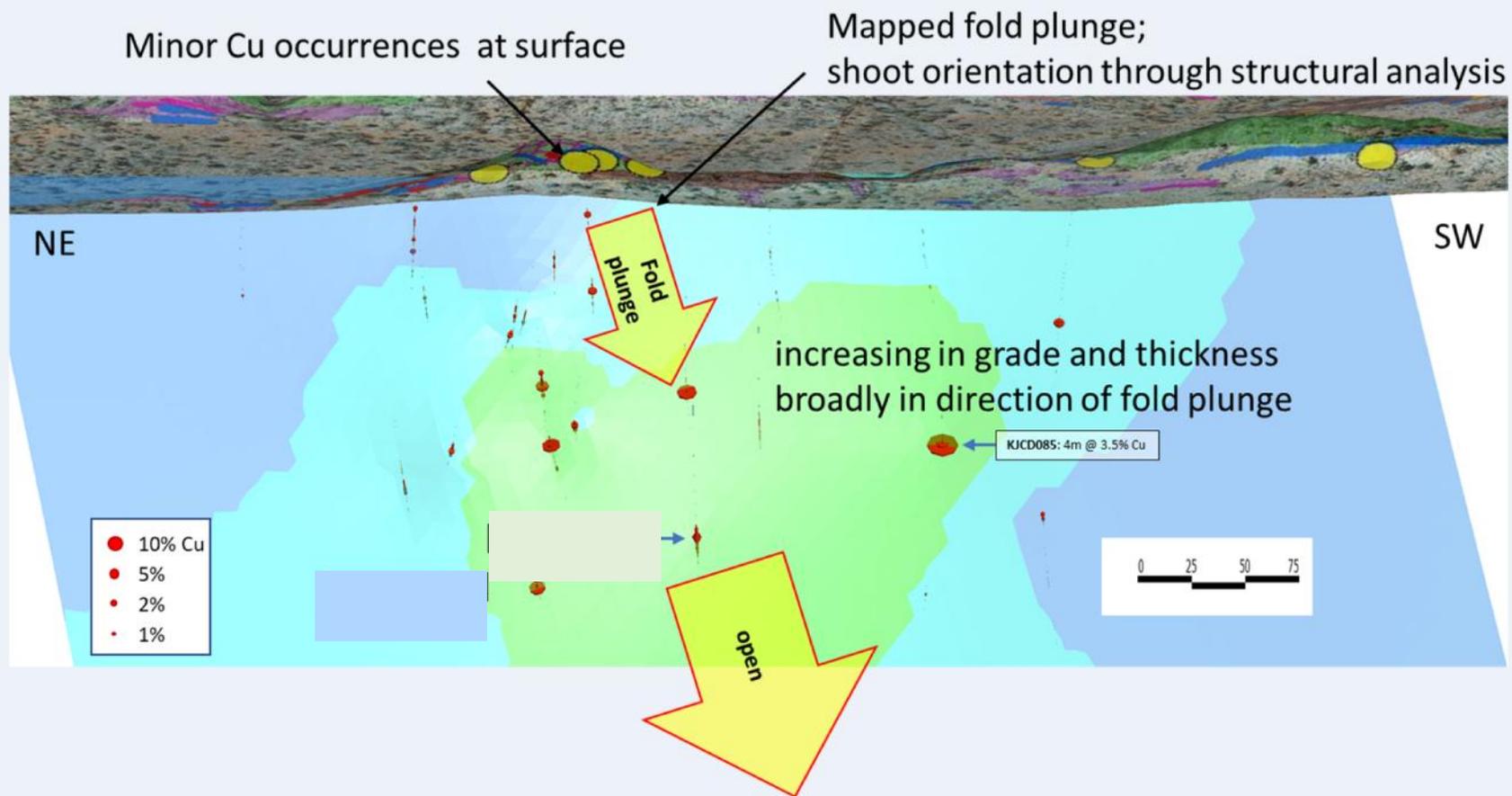


Long section of the Rockface and Bellbird South area. The section displays a gravity inversion model and IP resistivity iso-lines. It also shows the delineated Rockface Resource, which coincides with gravity highs/resistivity lows. The prospective Bellbird South area shows similar geophysical anomalies, highlighted by the dashed white line.

Selected Exploration Targets: Extension of High-grade shoots at Rockface North Lode



Selected Exploration Targets: Extension of Cox's Find Deposit.



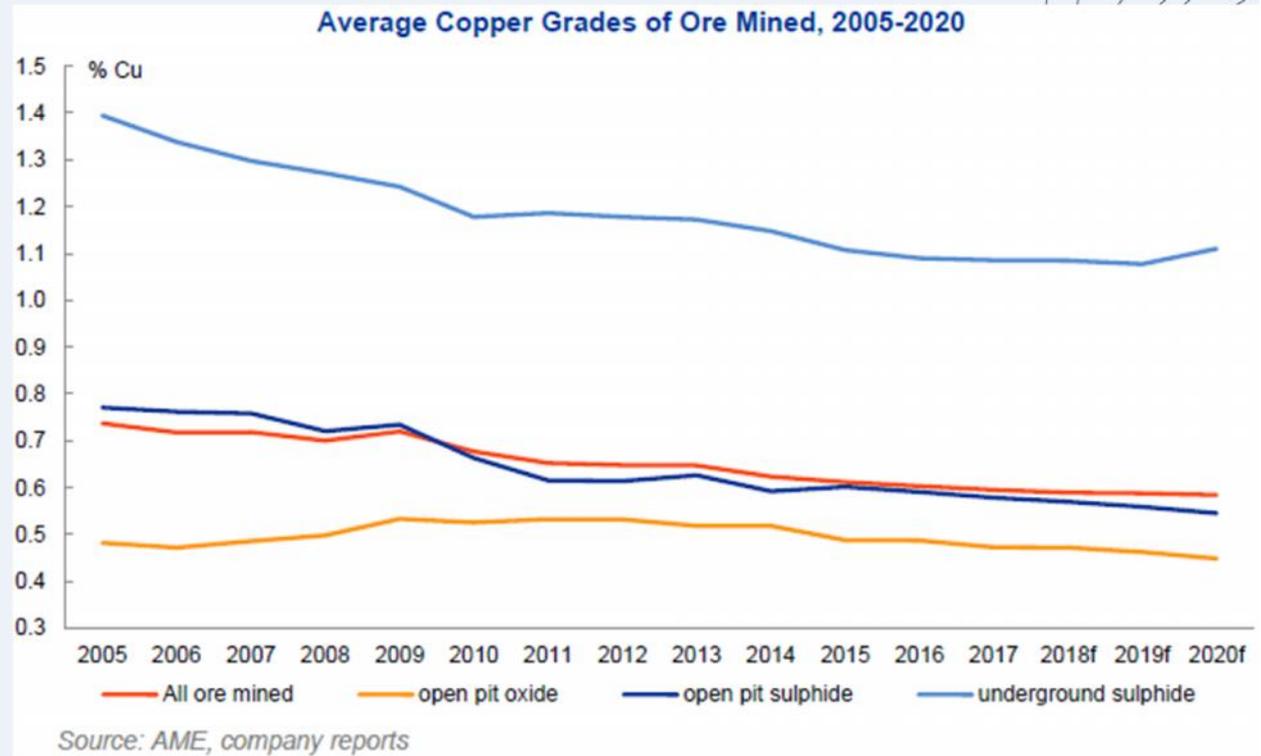
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Copper Market

World Copper Mines and declining grade



- Escondida Chile started 1990
- Collahuasi Chile 1998
- El Teniente Chile 1905
- Morenci USA 1937
- Cerro Verde Peru 1976
- Antamina Peru 2001
- Buenavista Mexico 1899
- Chuquicamata Chile 1915
- Las Bambas Peru 2016
- Los Pelambres Chile 1990
- Grasberg 1988.





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