

Australian Securities Exchange Announcement

4 January 2022

Project Status Updates

Highlights

- ❖ 5N Type 1 Precursor – Campaign 4 successful
- ❖ Improved new Precursor path to HPA under development
- ❖ Murdoch University Hydrometallurgy undertaking further Vanadium process work

Summary

King River Resources Limited (ASX:KRR) is pleased to provide this end of year update on the ongoing study work which supports the Definitive Feasibility Study (DFS) for the Type 1 Precursor Processing Plant and further Vanadium process optimisation.

PRECURSOR PROJECT – CAMPAIGN 4

This laboratory pilot plant campaign run by Source Certain International (SCI) is a repeat test of the process changes of Campaign 3 where a stage in the Primary Crystallisation flowsheet was not used. As with Campaign 3, Campaign 4 resulted in >99.999% purity so this process reduction will be incorporated into the DFS process design. Removal of this stage in the Primary Crystallisation step is a significant improvement and simplification to the process, and may result in economic benefits to be addressed in the DFS.

The Type 1 Precursor Aluminium salt product from Campaign 4 was produced from an industrial chemical compound feedstock by the ARC Process. SCI assayed the Type 1 Precursor products using the ICP-MS and ICP-AES methods. SCI completed 4 duplicate analyses on the Campaign 4 batch to improve confidence in the results (Figure 1) and the >99.999% purity is an average of the 4 repeat assays. Each Precursor purity result was calculated by the addition of all the assayed element impurities that reported above the detection limit then subtracting this result from 100%. Variability in the results is due to differences in the test sample and the analytical precision. The main contaminants in the Precursor are silicon (Si), potassium (K), sodium (Na) and calcium (Ca).

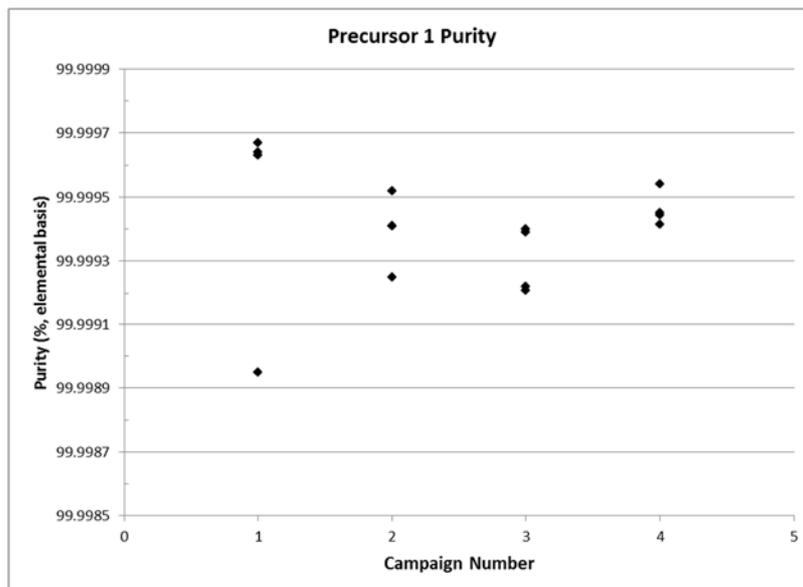


Figure 1: Repeat assays for Type 1 Precursor from Campaign 4

HPA PROJECT – IMPROVED PATH TO HPA

4N HPA has previously been produced by calcining our Type 1 Precursor. Testwork development is underway by SCI to produce our Type 2 precursor, an intermediate Aluminium Compound, which on calcination should provide a more economical and environmentally friendly route to producing 4N HPA. Further details will be reported in 2022.

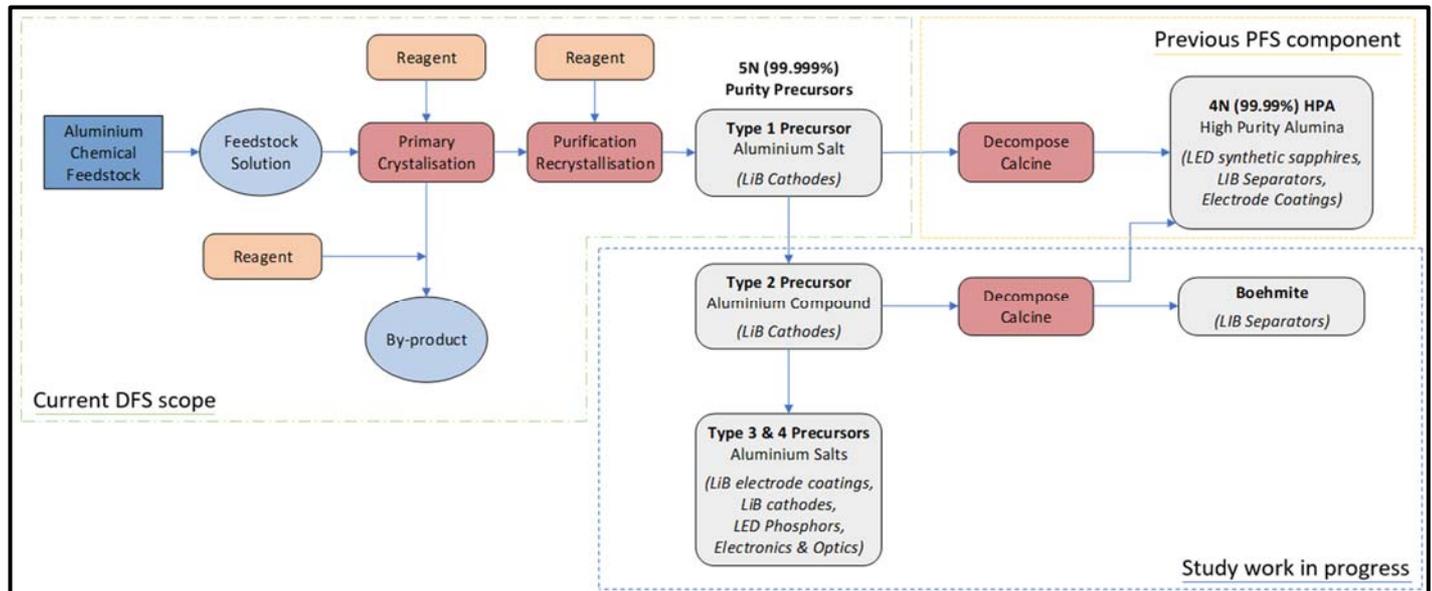


Figure 2: Updated Flowsheet

P-CAM PRODUCTION TESTWORK

KRR has been trialling using its Type 1 Precursor Aluminium Salt in the production of precursor Cathode Active Materials (P-CAM) used in the manufacture of cathodes of lithium-ion batteries. The focus of the testwork has been to produce a P-CAM of nickel-cobalt-aluminium (NCA) chemistry and previous reported tests have been successful in producing the targeted chemical composition (KRR ASX release 8 September 2021). Scanning Electron Microscopy (SEM) and sizing tests confirm that further work is required to achieve the correct morphology and particle size distribution and this work is underway.

VANADIUM UPDATE

KRR has engaged the Hydrometallurgy Research Group at Murdoch University led by Professor Aleks Nikoloski to develop and optimise processing option(s) for the extraction and recovery of vanadium, titanium, iron products from magnetite-ilmenite concentrates from our Speewah vanadium project. The research activities will initially focus on understanding the feed properties and developing suitable salt roasting process(es) for the extraction of vanadium. Subsequent testwork will optimise the selected roasting processes for the simultaneous extraction of vanadium, the recovery of by-products, including TiO₂ for pigment production and direct reduced metallic iron, and the development of a preliminary flow sheet and key process parameters for scale up and further detailed engineering processing plant design.

This announcement was authorised by the Chairman of the Company.

Anthony Barton

Chairman

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Statement by Competent Person

The information in this report is based on information compiled by Mr Ken Rogers (BSc Hons) and fairly represents this information. Mr Rogers is the Chief Geologist and an employee of King River Resources Ltd, and a Member of both the Australian Institute of Geoscientists (AIG number 2359) and The Institute of Materials Minerals and Mining (IMMM number 43552), and a Chartered Engineer of the IMMM. Mr Rogers has sufficient experience in 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, Mineral Resources and Ore Reserves. Mr Rogers consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Appendix 1: King River Resources Limited HPA Project JORC 2012 Table 1
SECTION 1 : SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling Techniques	<p><i>Nature and quality of sampling (e.g. 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.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>This ASX Release dated 4 January 2022 provides an update on KRR Precursor-HPA Project, including the production of 5N Precursor used to make precursor Cathode Active Materials (P-CAM) and high purity alumina (HPA) from an Aluminium chemical compound feedstock produced from other industrial chemical processes.</p> <p>Chemical precipitation and recrystallisation purification methods of KRR's ARC process have been used in the separation and precipitation of the high purity Aluminium Precursor compound reported in this announcement. The details of the process are a trade secret and commercial in confidence.</p> <p>The Type 1 Precursor Aluminium Salt product reported in this announcement represents the results of Campaigns 2 and 3 of a series of planned test runs using KRR's laboratory scale pilot plant at the SCI laboratory.</p> <p>Campaign 1, 2, 3 and 4 Precursor Type 1 products reported in this announcement used 9.5kg, 9.5kg, 7.385kg and 8.995kg samples respectively of the industrial chemical feedstock.</p> <p>Analytical duplicate subsamples were taken from the Precursor sample for analysis.</p>
Drilling techniques	<p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).</i></p>	Not Applicable. The samples were generated from a feedstock of an industrial chemical.
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p>	Not Applicable.
	<p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p>	Not Applicable.
	<p><i>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.</i></p>	Not Applicable.
Logging	<p><i>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.</i></p>	Not Applicable.
	<p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p>	Not Applicable.
	<p><i>The total length and percentage of the relevant intersections logged.</i></p>	Not Applicable.
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p>	Not Applicable.
	<p><i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></p>	Not Applicable.
	<p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p>	Not Applicable.
	<p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p>	Not Applicable.
	<p><i>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.</i></p>	Not Applicable.
	<p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	Sample sizes are considered appropriate to the grain size of the material being sampled.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Source Certain International (SCI), previously TSW Analytical, Testwork Testwork on the Aluminium chemical feedstock includes chemical precipitation, solid liquid separations, and purification steps, that produce purified intermediate Precursor precipitates. Assays are conducted on solutions and solid precipitates. SCI is an established analytical service provider that has developed a reputation for providing accurate analyses of complex samples. The company's expertise has assisted with the development of hydrometallurgical flow-sheets for multi-element ore concentrates. The Aluminium Precursor products have been assayed using ICP-AES and ICP-MS. Samples are digested in nitric acid and then suitably diluted prior to analysis using ICP-AES and ICP-MS instrumentation. The primary and mother liquors have been analysed using ICP-AES and ICP-MS. The samples were diluted suitably for the appropriate ICP based analysis. Dilutions are used to bring the analyte concentration into the optimum analytical range of the ICP instrument used and to reduce matrix interference complications during quantification. Precipitation efficiency has been determined using the mass of the total analyte in the Precursor product divided by the mass of the total analyte in the initial liquor solution used. The resulting fraction is multiplied by 100 to give percent precipitation efficiency. SCI uses in-house standards and Certified Reference Materials (CRMs) to ensure data are "Fit-For-Purpose".
	<i>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.</i>	Not Applicable.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Source Certain International (SCI) SCI reports concentrations as micrograms per gram ($\mu\text{g/g}$) in the solid (unless otherwise stated). Instrumental response is measured against AccuTrace High Purity multi-element standards (Choice Analytical) to achieve quantitation. Data are subjected to in-house QA and QC procedures where an independent analyst recalculates instrumental output and compares the newly generated data set with the original. Lack of equivalence between the two data sets triggers an internal review and if necessary re-analysis of the entire data set. Under these circumstances a third independent analyst will assess all generated data prior to sign off. Initial equivalence between the two data sets, generated by the analyst and reviewer, will clear data for remittance to the customer. In addition to these procedures, samples are regularly sent to selected analytical laboratories in Western Australia for confirmation of the analytical data obtained. Once completed, all reports are then reviewed by an independent analyst prior to submission to the customer and where necessary, relevant changes such as wording that may give rise to possible ambiguity in interpretation will be modified prior to the final report being sent to the customer. In order to validate analytical data, SCI circulates duplicate samples to selected analytical laboratories in Western Australia for confirmation of their results.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Assay results have been verified by alternative SCI laboratory company personnel. SCI has completed analytical duplicate analyses on all batches produced.
	<i>The use of twinned holes.</i>	Not applicable - no drilling. Multiple samples have been produced and assayed.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Not applicable
	<i>Discuss any adjustment to assay data.</i>	Not applicable.
	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys),</i>	Not Applicable.

Criteria	JORC Code explanation	Commentary
Location of data points	trenches, mine workings and other locations used in Mineral Resource estimation.	
	Specification of the grid system used.	Not Applicable.
	Quality and adequacy of topographic control.	Not Applicable.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Not Applicable.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not Applicable.
	Whether sample compositing has been applied.	Not Applicable.
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.	Not Applicable.
	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.	Not Applicable.
Sample security	The measures taken to ensure sample security.	Chain of Custody is managed by the Company until feedstock samples pass to Source Certain International, for subsampling, assaying, and hydrometallurgical test work. The Aluminium feedstock sample was delivered to the metallurgical laboratory by the Company or a competent agent. The chain of custody passes upon delivery of the samples to the metallurgical laboratory. Products, Residues and Duplicates of all samples are retained at the Company's Perth laboratory to insure against any sample loss
Audits or Reviews	The results of any audits or reviews of sampling techniques and data.	No external audits have been completed.

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.	Not Applicable.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Not Applicable.
Geology	Deposit type, geological setting and style of mineralisation.	Not Applicable.
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: <ul style="list-style-type: none"> o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. o If the exclusion of this information is justified on the basis that the information is not 	Not Applicable.

Criteria	JORC Code explanation	Commentary
	<i>Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Not Applicable.
	<i>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.</i>	Not Applicable.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	Not Applicable.
Relationship between mineralisation widths and intercept lengths	<i>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 (e.g. 'down hole length, true width not known').</i>	Not Applicable.
Diagrams	<i>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.</i>	Not Applicable.
Balanced reporting	<i>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.</i>	Reports on previous metallurgical and study results can be found in ASX Releases that are available on our website, including announcements 1 April 2010, 15 July 2010, 9 November 2010, 8 February 2012, 21 April 2017, 21 August 2017, 9 October 2017, 4 December 2017, 30 January 2018, 27 February 2018, 21 March 2018, 25 June 2018, 23 July 2018, 15 October 2018, 19 November 2018, 18 January 2019, 1 March 2019, 21 March 2019, 22 March 2019, 9 May 2019, 7 June 2019, 27 September 2019, 26 November 2019, 6 December 2019, 22 January 2020, 24 March 2020, 23 April 2020, 13 May 2020, 17 June 2020, 7 September 2020 and 13 October 2020, 11 November 2020, 19 November 2020, 26 November 2020, 15 December 2020, 25 March 21, 30 April 2021, 21 May 2021, 16 June 2021, 22 July 2021, 27 July 2021, 8 September 2021, 4 October 2021, 2 December 2021 and 10 December 2021.
Other substantive exploration data	<i>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.</i>	Not Applicable.
Further work	<i>The nature and scale of planned further work (e.g. 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.</i>	Further metallurgical tests and mini-pilot plant testwork runs are underway to refine the ARC process and produce Precursor and HPA products.