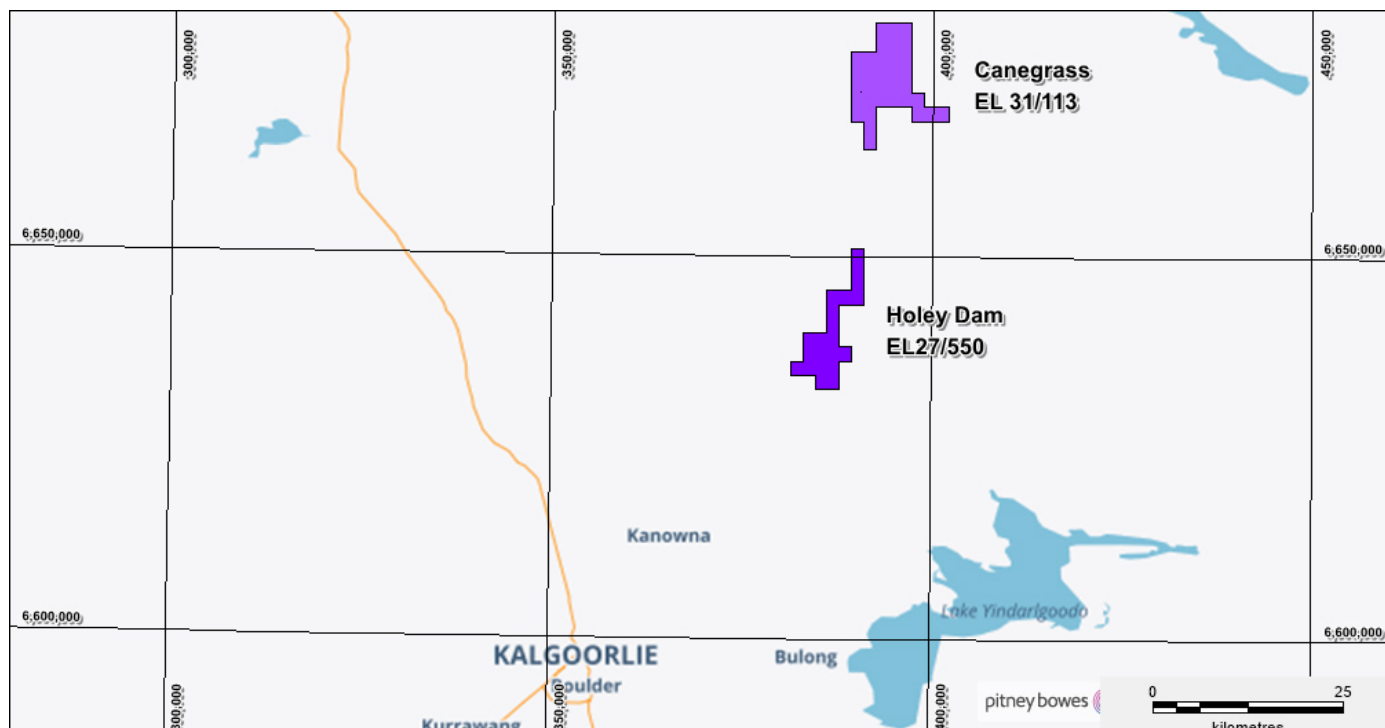


21<sup>st</sup> June 2019

## Gindalbie Gold Project Drilling Commences

Kaili Resources Limited is pleased to announce that its 100% subsidiary company Kaili Gold Pty Ltd has commenced drilling on its Gindalbie Gold Project located 50km north of Kalgoorlie in Western Australia (Figure 1). The drilling commenced on the 20<sup>th</sup> June within ELs 31/113 (Canegrass) and 27/550 (Holey Dam). A total of 397 vacuum drill holes are planned for 5 areas at Holey Dam and 6 areas at Canegrass. The drill holes are planned for a maximum depth of 12m to test beneath transported sediment cover.



**Figure 1: Location of the Gindalbie Gold Project to the NE of Kalgoorlie**

As drilling progresses further announcements will be made.

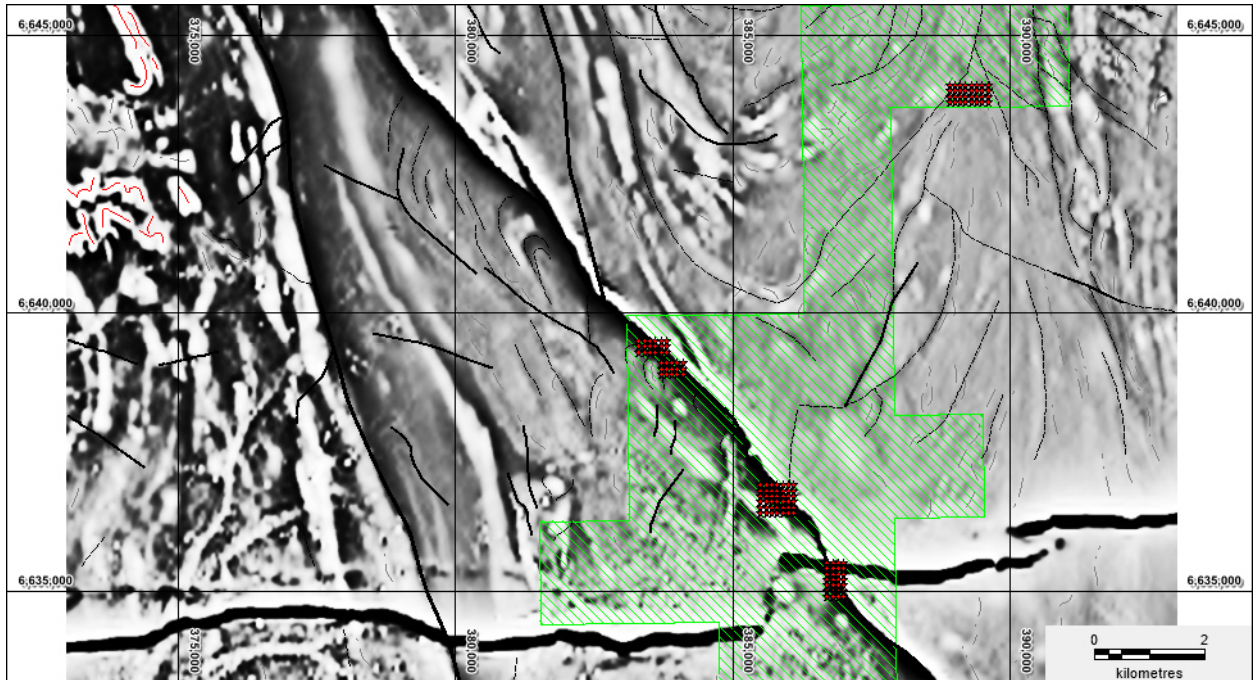


**Figure 2: Strataprobe Vacuum Drill Rig**

The drill program is planned to test several gold structural/geochemical targets in the Canegrass and Holey Dam tenements. Shallow (<12m) grid based Vacuum drilling has been planned along E-W lines with vertical hole depths anticipated to be < 12m (Figures 3 and 4). The Pathfinder/Strataprobe Vacuum drilling rig (Figure 2) represents a relatively light weight drilling solution, particularly for reliable geochemical sampling. The rig can be towed by a Polaris Ranger 800XP ATV on flat terrain although the better method is to use a small 4WD loader that bends rather than removes the vegetation on a drill traverse. The extra wide tyres on the vacuum rig also provide the advantage of a “soft” footprint.

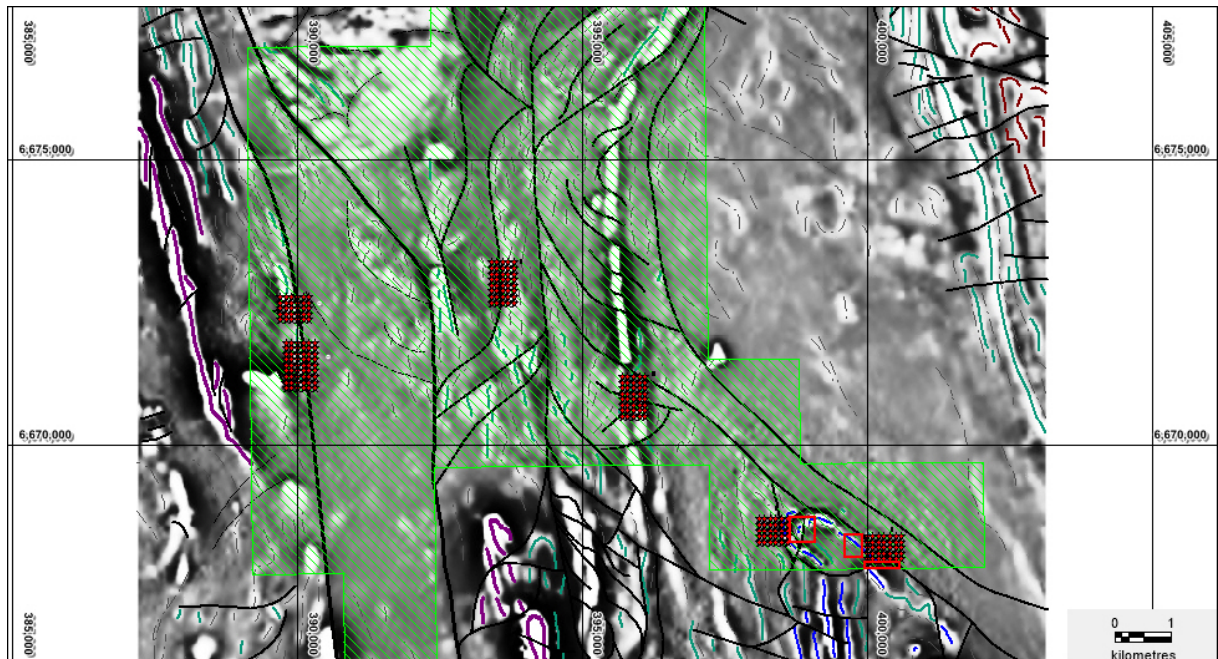
A heritage survey has been completed prior to this drilling operation. In addition a Program of Works (POW) has been approved by the WA Department of Mines Industry Regulation and Safety (DMIRS).

Bottom of hole (BOH) samples will be collected in pre numbered calico bags for despatch to ALS in Kalgoorlie for gold (Au) analyses in addition to BOH samples being collected in plastic chip trays for later multi element pXRF analyses by the Company’s Delta Premium instrument.



**Figure 3: Canegrass Tenement – 1VD aeromagnetic image showing structure and proposed vacuum drill traverses.**

**The red boxes are drill areas recently added to the POW**



**Figure 4: Holey Dam Tenement – 1VD aeromagnetic image showing structure and proposed aircore drill traverses.**

*(The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities 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, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.)*

**Jing Li**  
Director