



KAILI RESOURCES LIMITED

AGM Presentation

22nd December 2020

Disclaimer



Certain statements contained in this presentation, including information as to the future financial or operating performance of Kaili Resources Limited and its projects, are forward-looking statements. Such forward looking statements:

- Are necessarily based upon a number of assumptions and estimates that, while considered reasonable by Kaili Resources Limited, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;
- Involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and
- May include, among other things, statements regarding targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

Kaili Resources Limited disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to rely on forward-looking statements due to the inherent uncertainty therein.

The information in this presentation relates to exploration results and is based on information compiled by Mr Mark Derriman, Member of the Australasian Institute of Geoscientist. Mr Derriman has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Corporate Overview



Corporate Profile

ASX Code	KLR.AU
Shares on Issue	147.4 million
Share Price (last sale)	\$0.026
Market Capitalisation	\$3.83 million
Ultimate Parent:	
Inner Mongolia Yitai Investment Co Ltd	51.38%

Mineral Projects

Gindalbie/Kookynie Gold (100%)	Yilgarn Craton Western Australia
Halls Creek Cobalt (100%)	Kimberley Region Western Australia

Board & Management

Donghai Zhang	Chairman
Chunlin Liu	Director
Jing Li	Director
Jianzhong Yang	Director
Long Zhao	Executive Director and Company Secretary
Mark Derriman	Consultant Geologist

Business Objectives

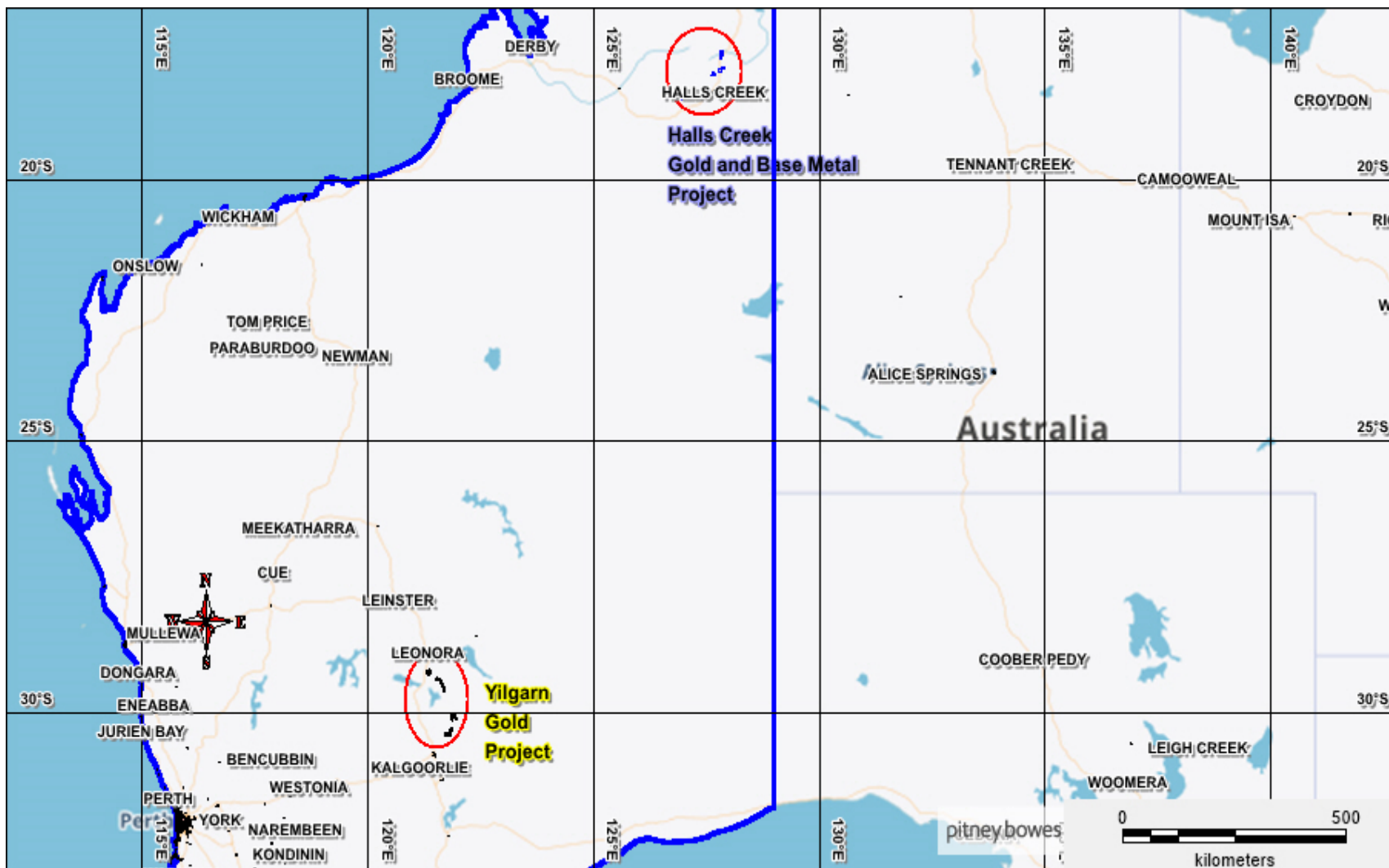


- ❖ **MINERALS EXPLORATION TO PROVE RESOURCES FOR EVENTUAL MINING IN AUSTRALIA**
- ❖ **ACQUIRE MINING DEVELOPMENT IN AUSTRALIA FOR EARLY GROWTH**

Current projects in Western Australia are:

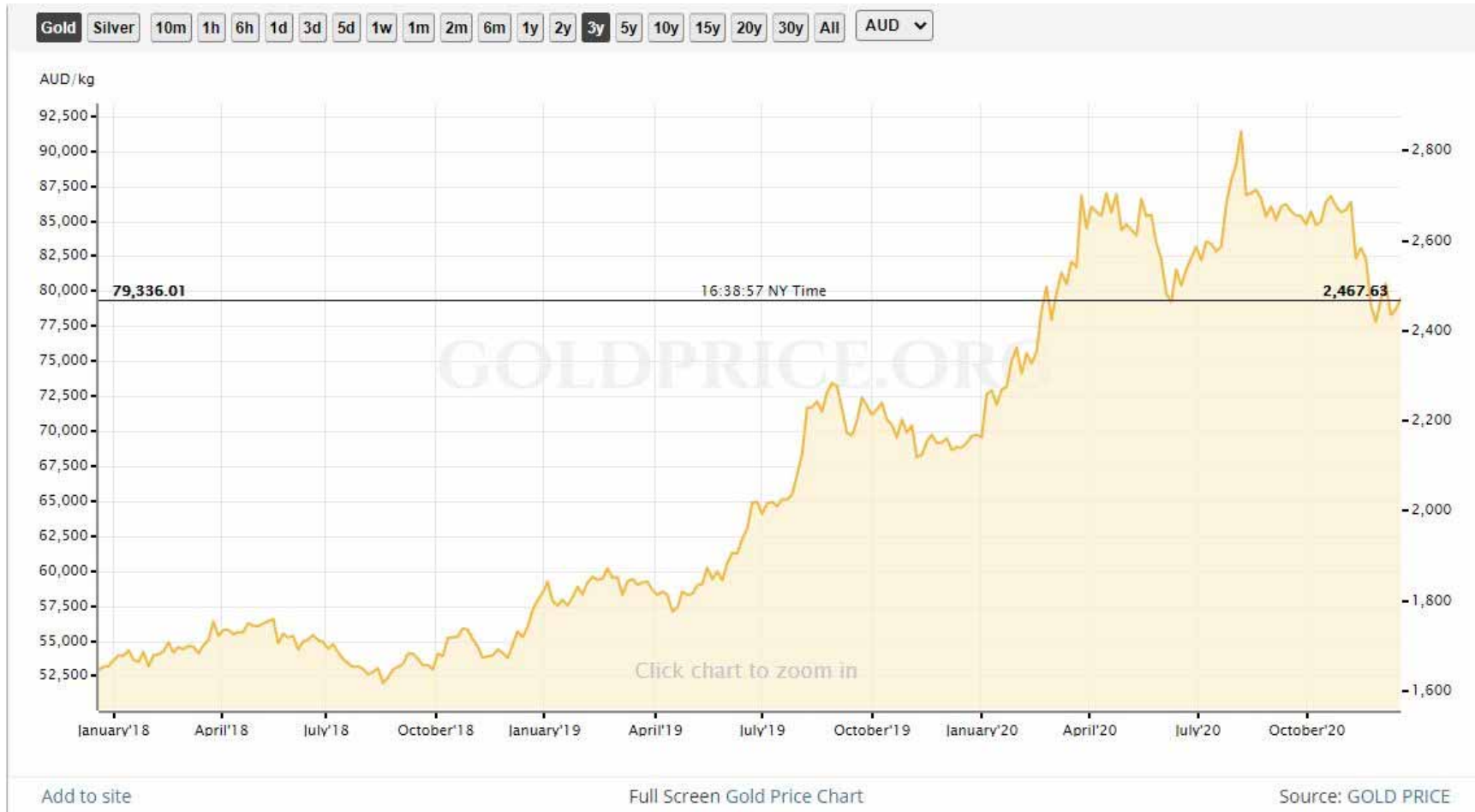
- **Yilgarn Craton: Gindalbie/Kookynie - Gold exploration**
- **Kimberley Region: Halls Creek - Cobalt/Copper/Nickel/Gold exploration**

KAILI RESOURCES PROJECTS LOCATION IN WA



Why Gold?

Risen Prices in current Global Economic Environment



Gold Price in \$AUD 2,472.7/oz 18th December 2020 www.goldprice.org

Why Gold?

Rising prices and steady demand



Current global environment:

- Fragile economies
- Increased trade tensions
- Covid-19 pandemic
- Severe recession
- Low investor and consumer confidence
- High volatility investment

Gold is safe-haven asset with a ready transparent market when produced.

Currently a preferred commodity for investment.

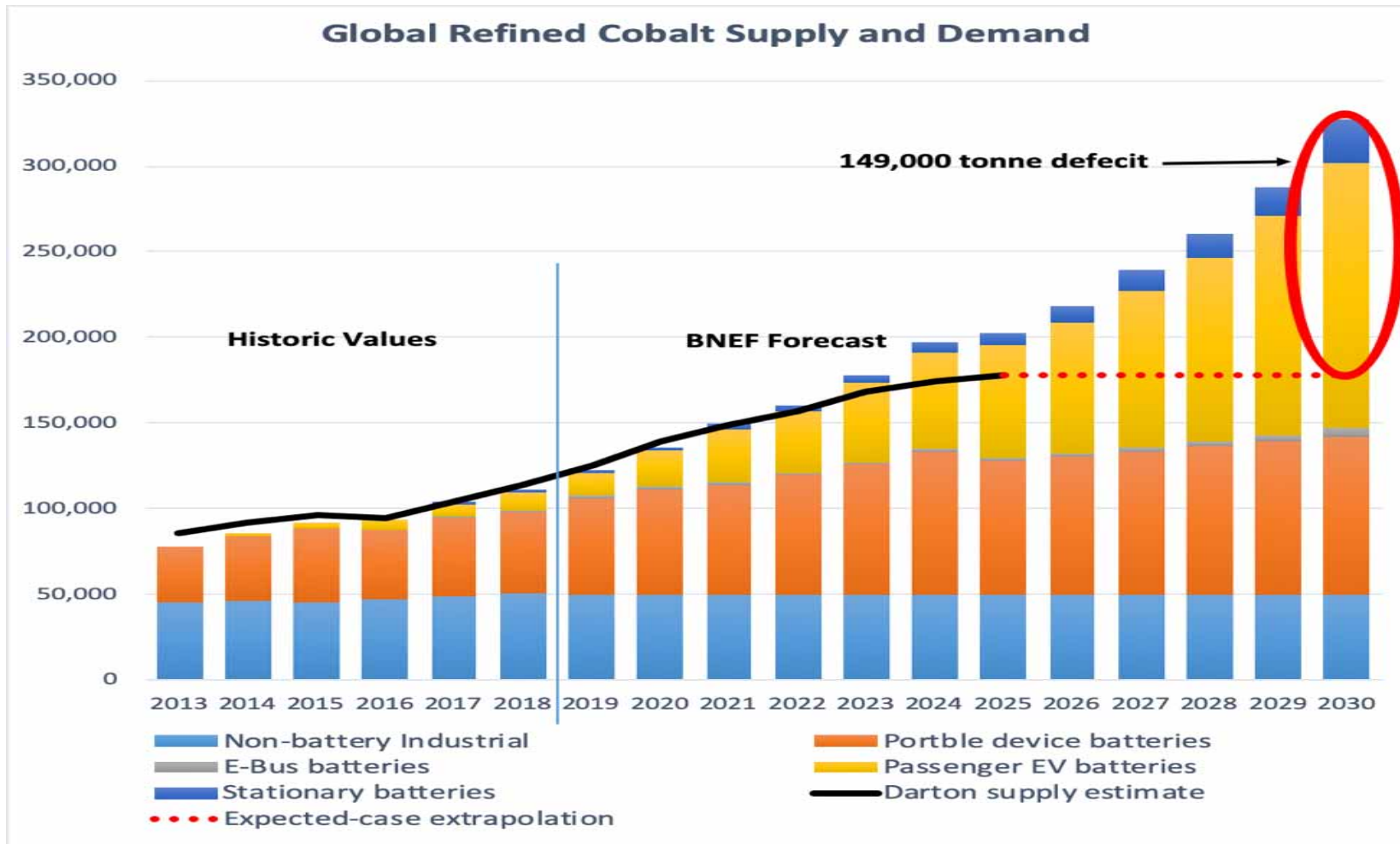
Scarcity: Oversupply not likely as mine-supply growth over time is reasonably predictable.

Utility: Gold is divisible, indestructible, transportable and can be stored indefinitely - a unique convenient agent of exchange.

Acceptability: Gold has been a widely accepted and used form of currency for much of human history

Why Cobalt?

Forecast deficit supply for Electric Vehicle battery



Source: Bloomberg New Energy Finance cobalt supply and demand forecast (assisted by Darton Commodities)

GINDALBIE/KOOKYNIIE PROJECTS LOCATION



Gindalbie Gold Project

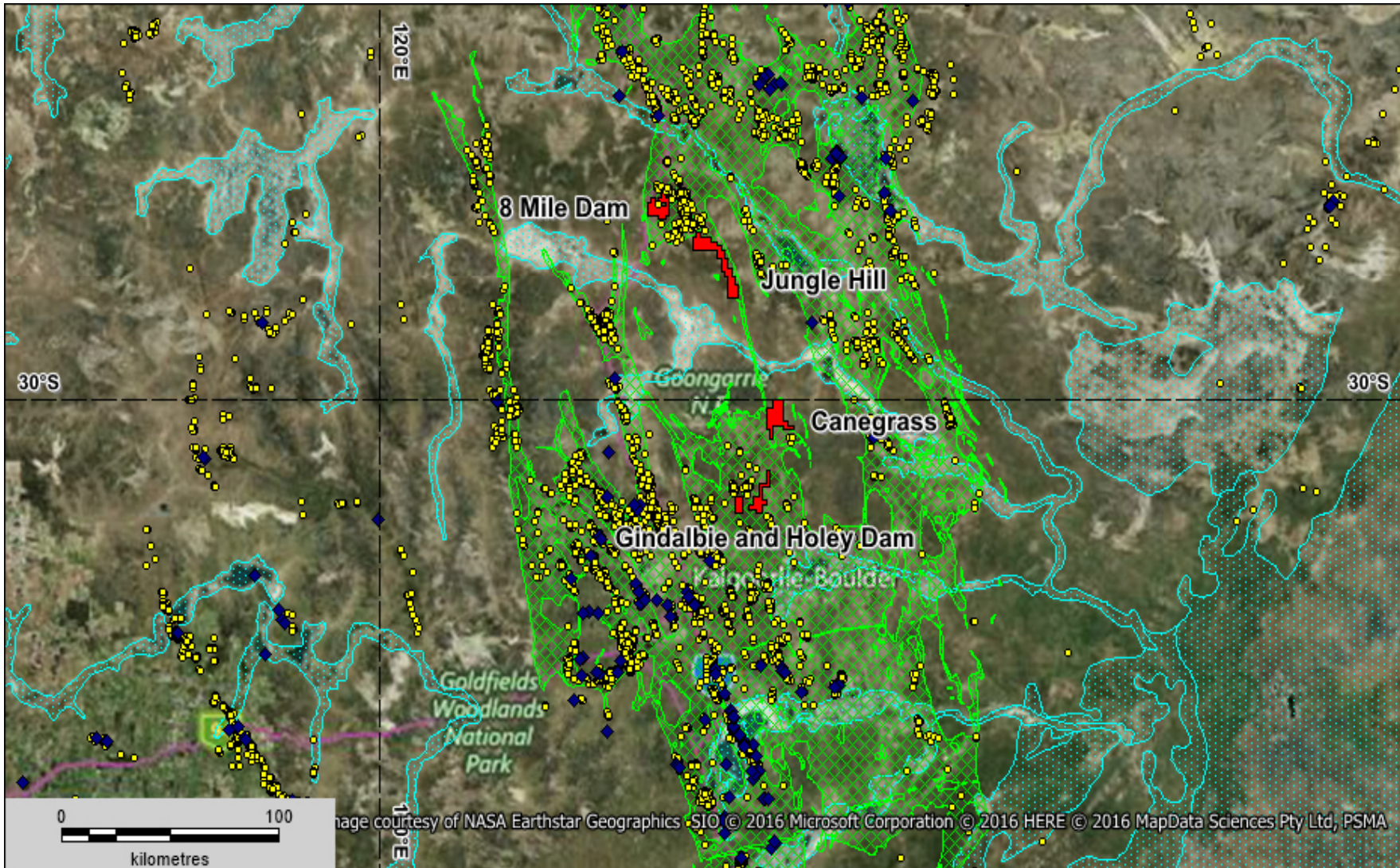


KEY ELEMENTS

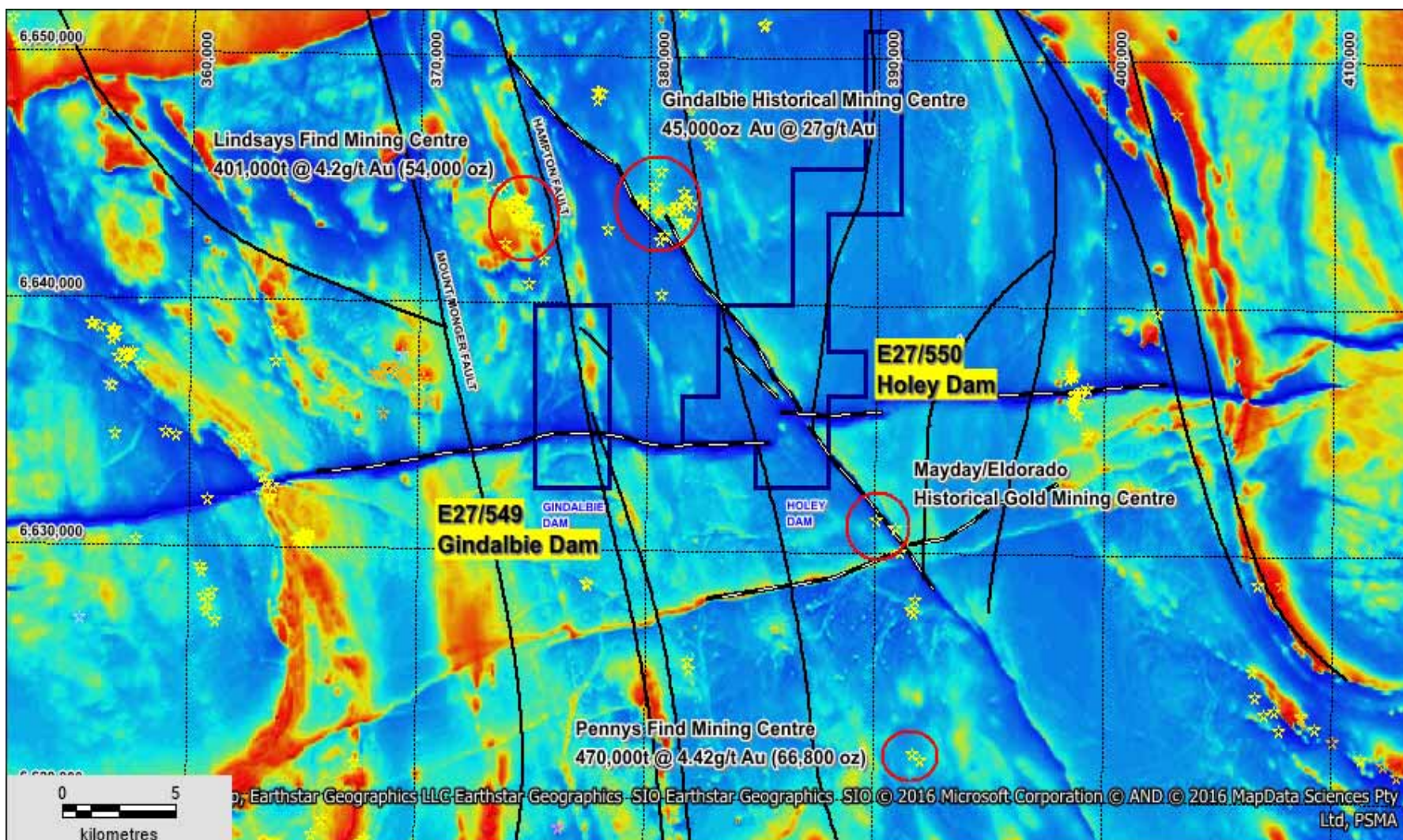
- Within Yilgarn Craton of Western Australia location of several gold producing mines
- 65 km north of Kalgoorlie, famous gold production region with multimillion ozs produced
- Region has large skilled workforce and excellent infrastructure
- Gold processing facilities within 70 km for toll treating option available – save building a mill until justified with a large resource proven
- Landowners supportive and Native Title agreement in process for registration
- Phase 1 aircore drilling completed in 2020 – Best Gold results of 1 m @ 3.96 ppm, 1 m @ 1.08 ppm and 1 m @ 0.88 ppm
- Follow up RC drilling planned for Q1/Q2 in 2021

GINDALBIE/KOOKYNIIE PROJECTS

GOLD OCCURRENCES IN YELLOW

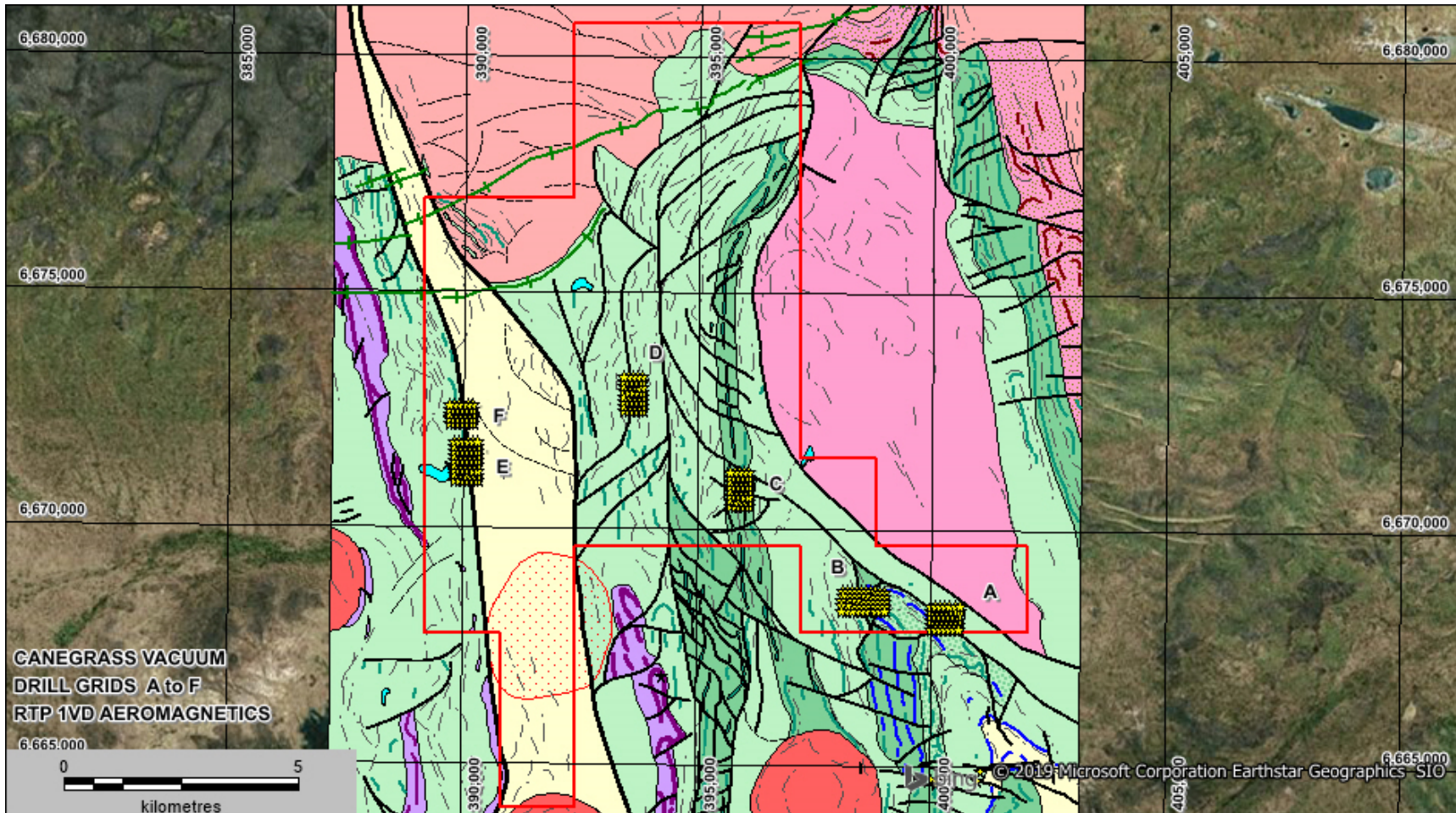


GINDALBIE PROJECT– HOLEY/GINDALBIE DAMS

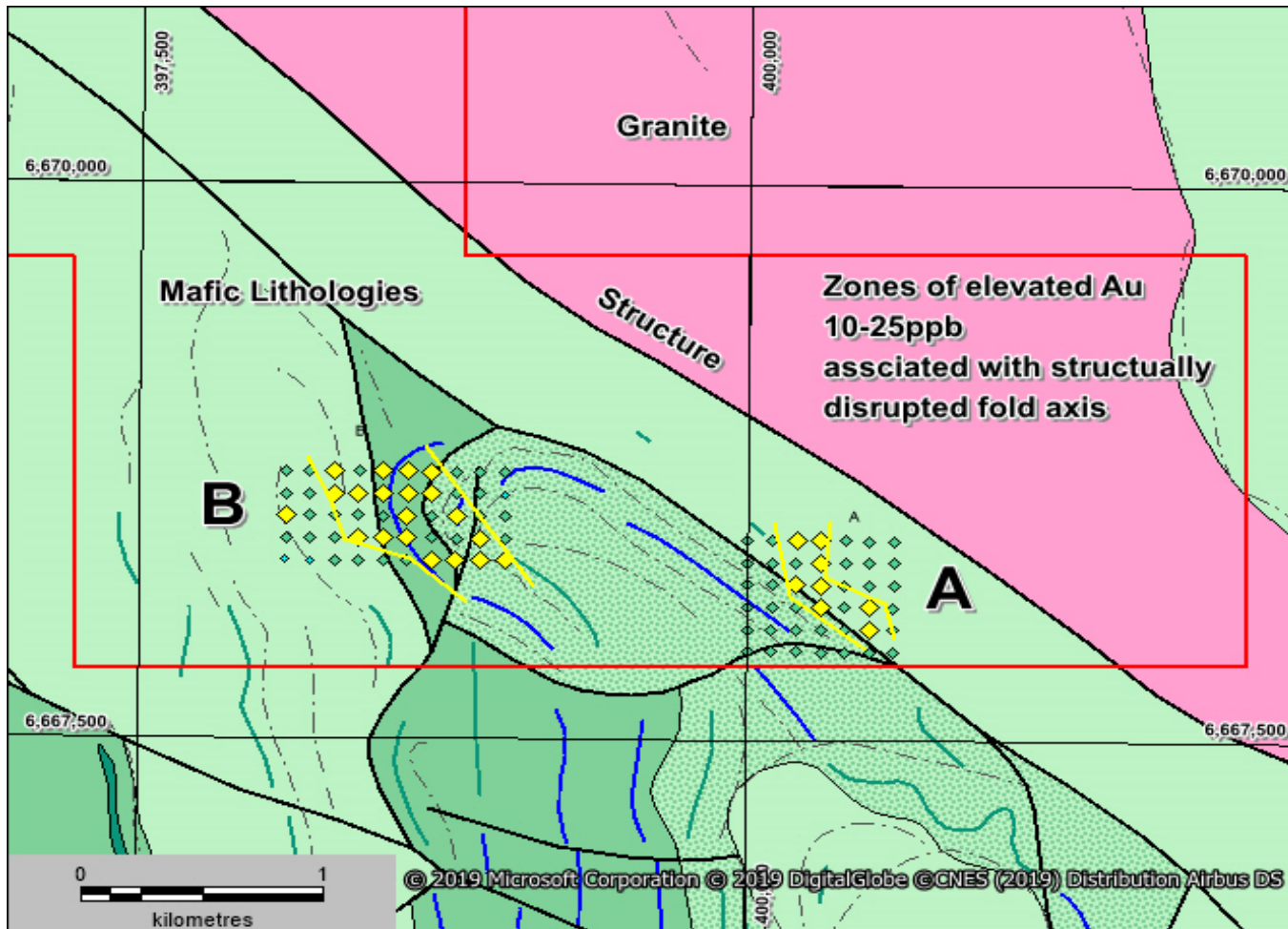


- The drilling was within the Holey Dam and Canegrass Tenements
- Vacuum drilling with 397 holes completed for an average depth of 7m
- A total of 1,516 m was drilled to sample insitu bedrock beneath transported overburden
- The drilling targeted major structures and structural intersections
- Areas of elevated gold were selected for follow up deeper aircore drilling

CANEGRASS VACUUM DRILLING

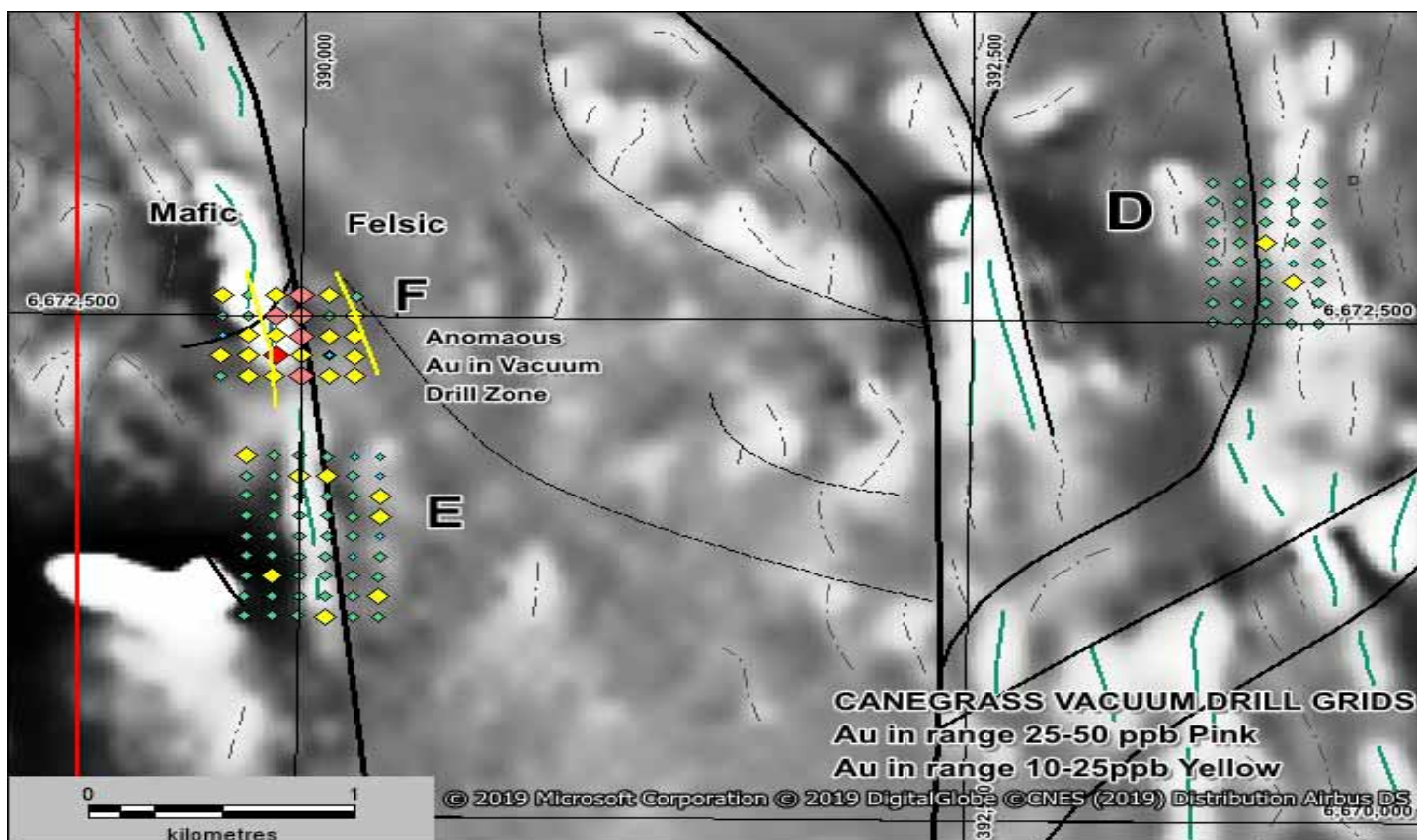


CANEGRASS VACUUM DRILLING



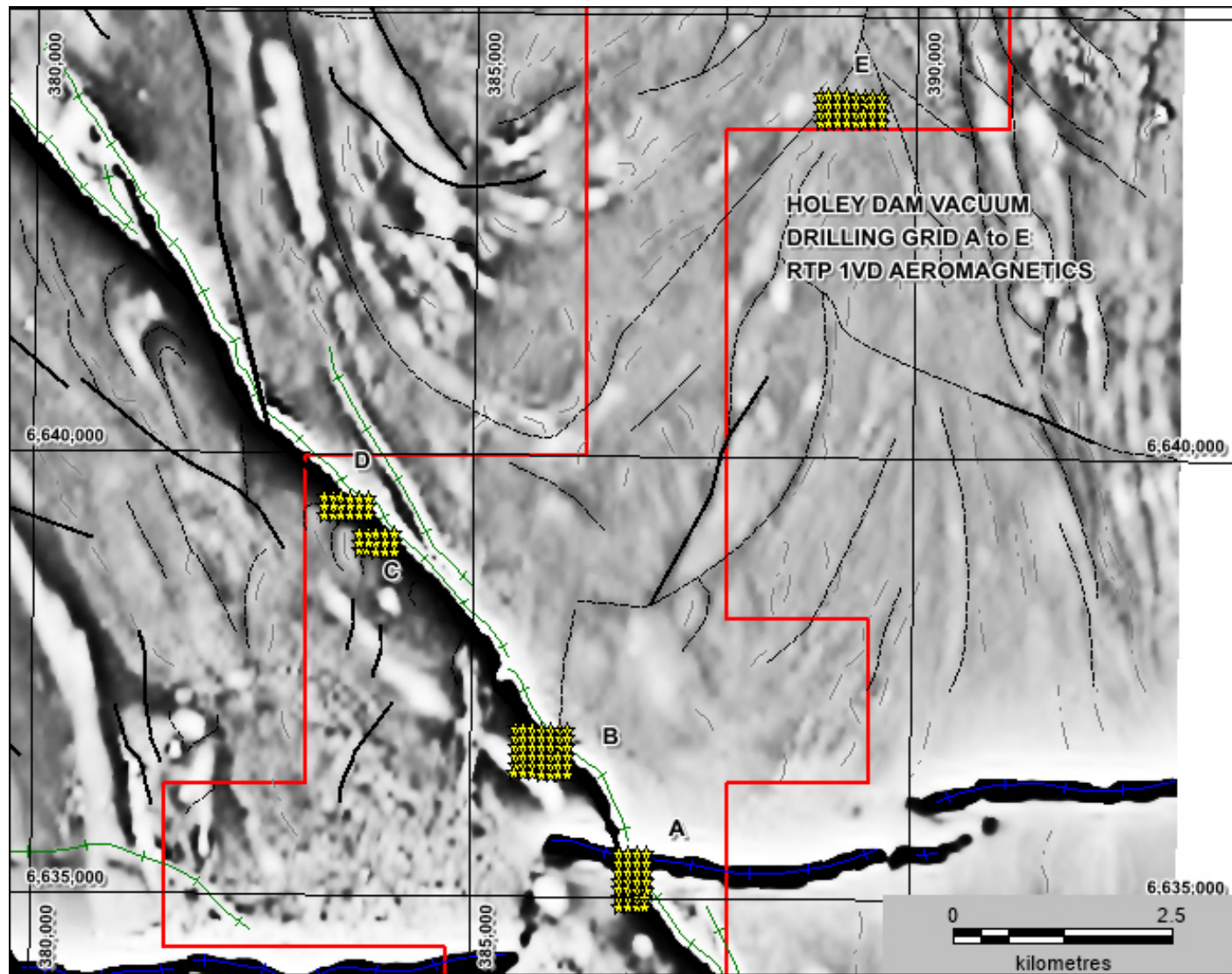
Canegrass Areas A and B showing elevated Au in Vacuum Drilling

CANEGRASS VACUUM DRILLING

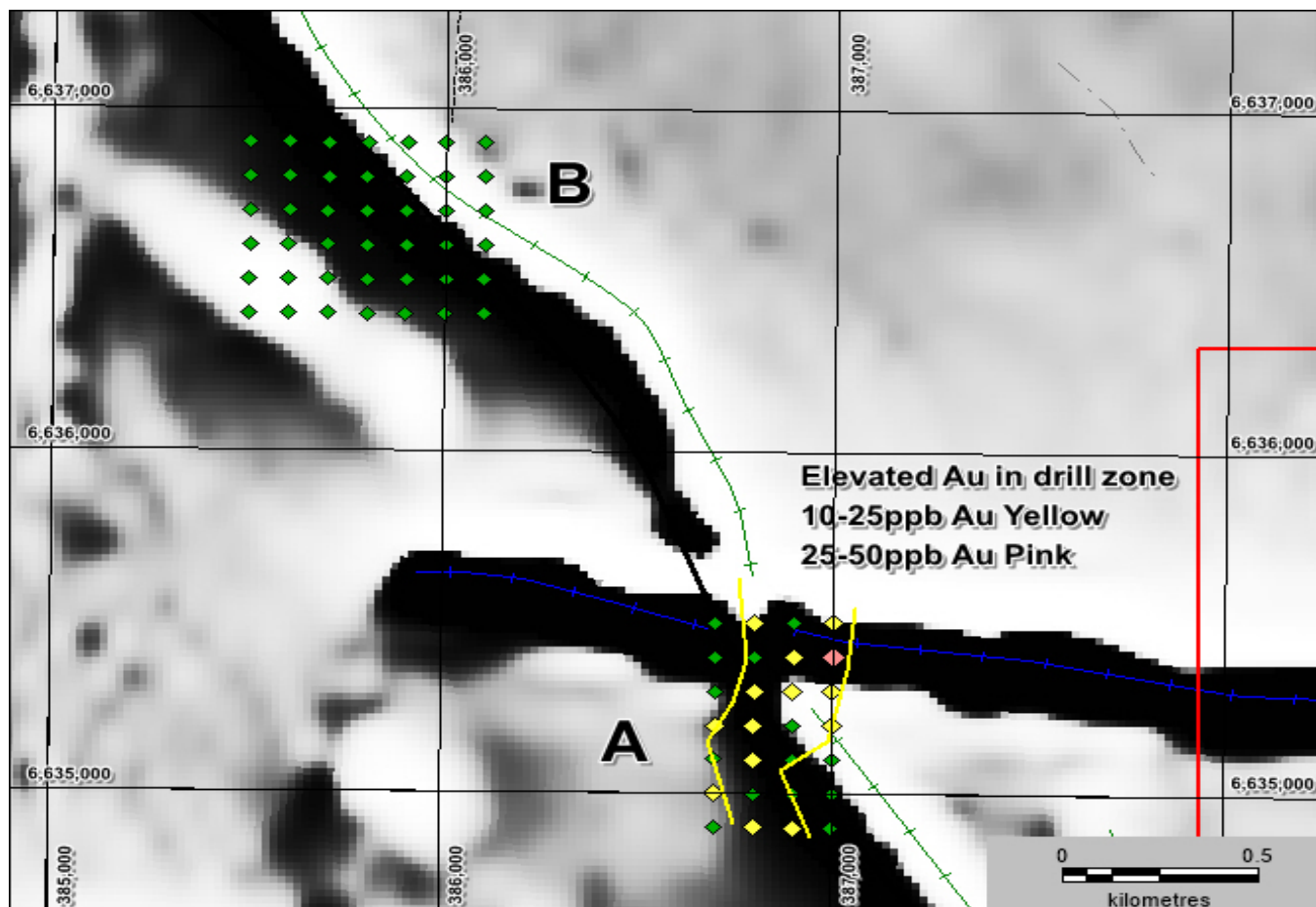


Canegrass Areas F,E,D with elevated Au in Vacuum Drilling

HOLEY DAM VACUUM DRILLING

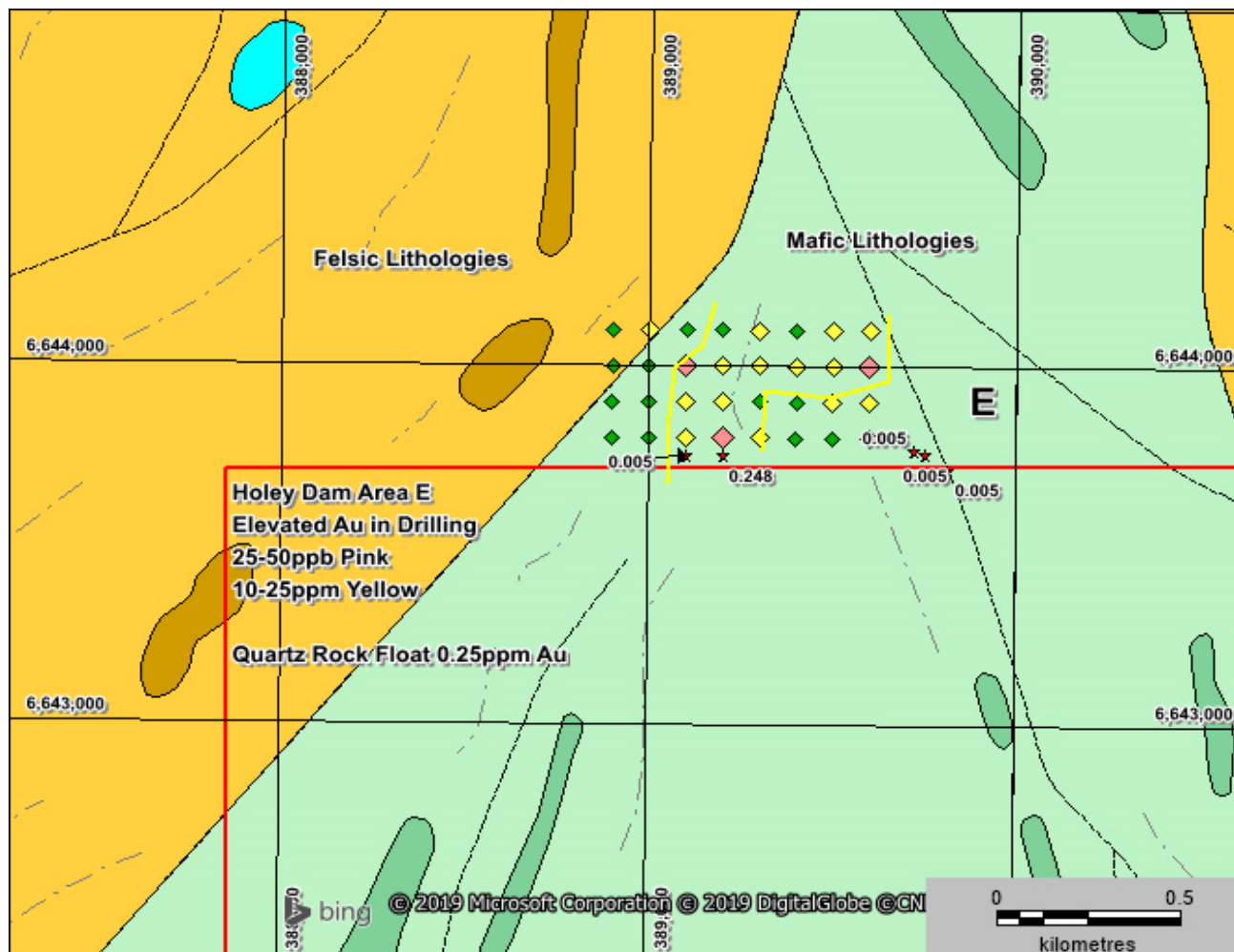


HOLEY DAM VACUUM DRILLING



Holey Dam Areas A and B with elevated Au in Vacuum Drilling

HOLEY DAM VACUUM DRILLING



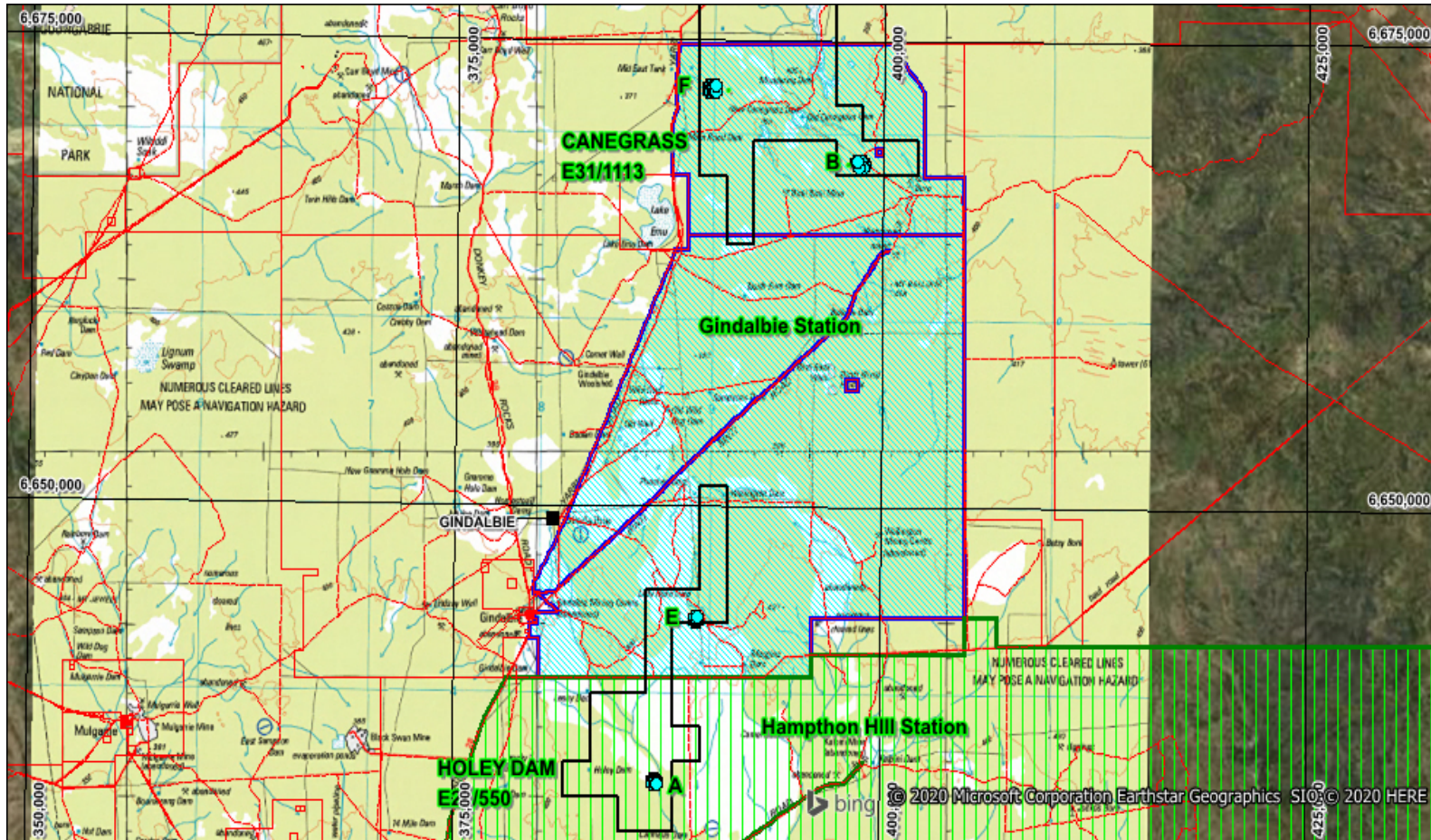
Holey Dam Area E with elevated Au in Vacuum Drilling

HOLEY DAM VACUUM DRILLING RIG



Vacuum Drill Rig in Operation and the Low Impact Nature of the Drilling

CANEGRASS AIRCORE DRILLING IN 2020



2020 Aircore drilling areas in Holey Dam(A,E) and Canegrass Tenements(B,F)

GINDALBIE PROJECT– AIRCORE DRILLING 2020



- The drilling was within the Holey Dam and Canegrass Tenements
- Aircore drilling in September 2020 with 50 holes completed for an average depth of 37 m
- A total of 1,866 m was drilled to sample fresh bedrock beneath transported overburden and saprolite clays
- The drilling targeted major structures and structural intersections
- Gold: seven samples > 0.1ppm to a maximum of 3.96 ppm
- Copper: five samples > 200ppm to a maximum of 620 ppm
- Sulphur: six samples > 2% to a maximum of 4.1%
- The highest gold was associated with 5,400 ppm Cr and 700 ppm Ni

Holey Dam Area E

- The drilling intersected dolerite and ultramafic rocks
- Quartz veining in some holes
- The best intersections were 4 m @ 0.29 ppm Au from 25 m to 29 m and 4 m @ 0.42 ppm Au including 1 m @ 1.08 ppm Au
- The spectral mineralogical study highlighted white mica and tourmaline in several samples. These minerals are likely alteration products especially tourmaline that occurs as an alteration mineral adjacent to some orogenic gold deposits
- The mica/tourmaline trend will be tested with deeper RC drilling in Q1/Q2 2021

Canegrass Area F

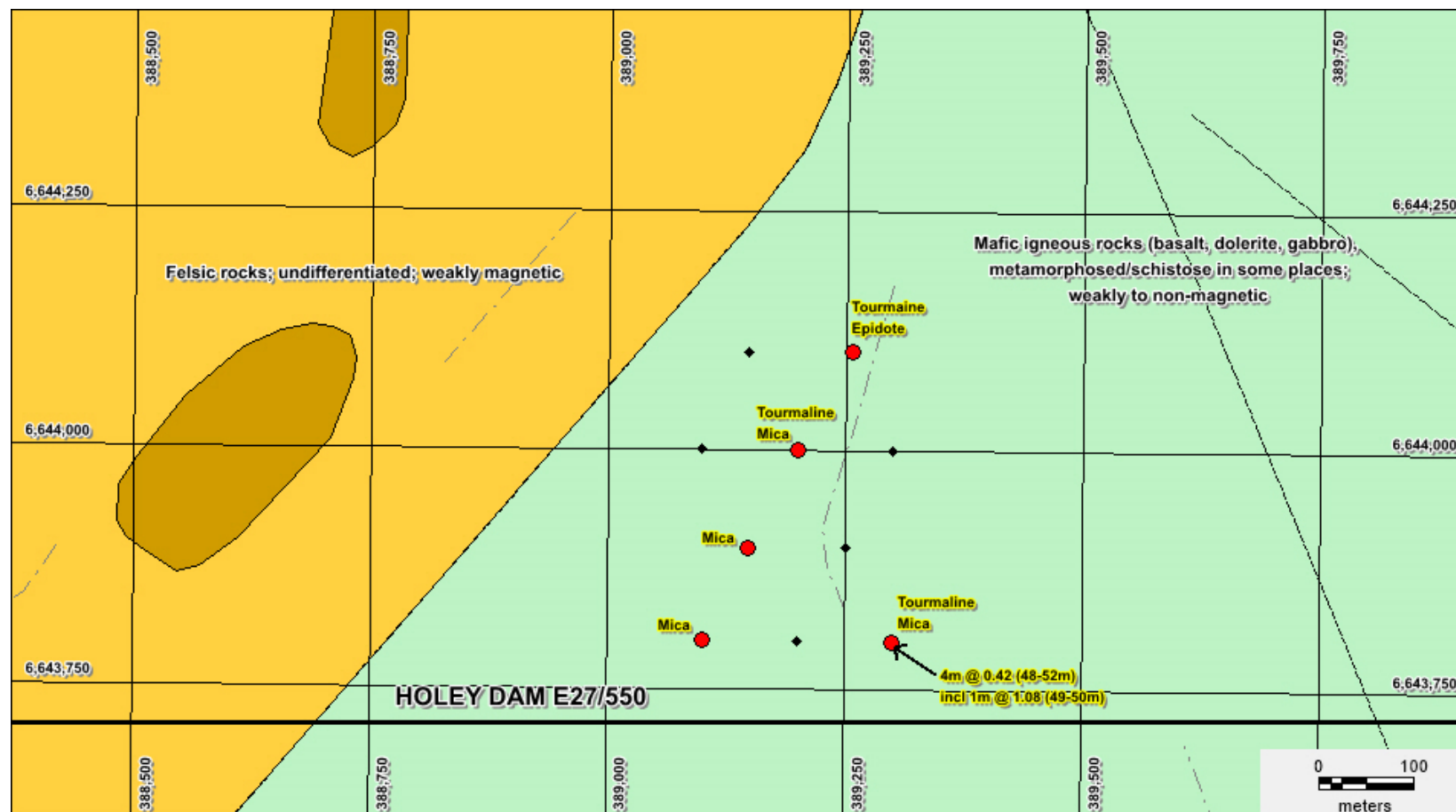
- The drilling intersected altered and mineralised gabbro in addition to basalt and ultramafic rocks adjacent to the Emu Fault
- White mica, carbonate and chlorite minerals were noted in the spectral mineralogical study and these are possible alteration products associated with the movement mineralising fluids along the Emu Fault
- Area F is associated with an aeromagnetic high adjacent to the Emu Fault which may be an expression of gabbroic rocks
- Significant gold intersection included 1 m @ 3.96 ppm, 1 m @ 0.48 ppm and 1 m @ 0.88 ppm
- The white mic “alteration trend” is aligned with the Emu Fault and linear magnetic high, the highest gold is located along the southern most drill line
- Q1/Q2 2021 follow up deeper RC drilling will target the mica alteration trend associated with the Emu Fault and linear magnetic high

CANEGRASS AIRCORE DRILLING



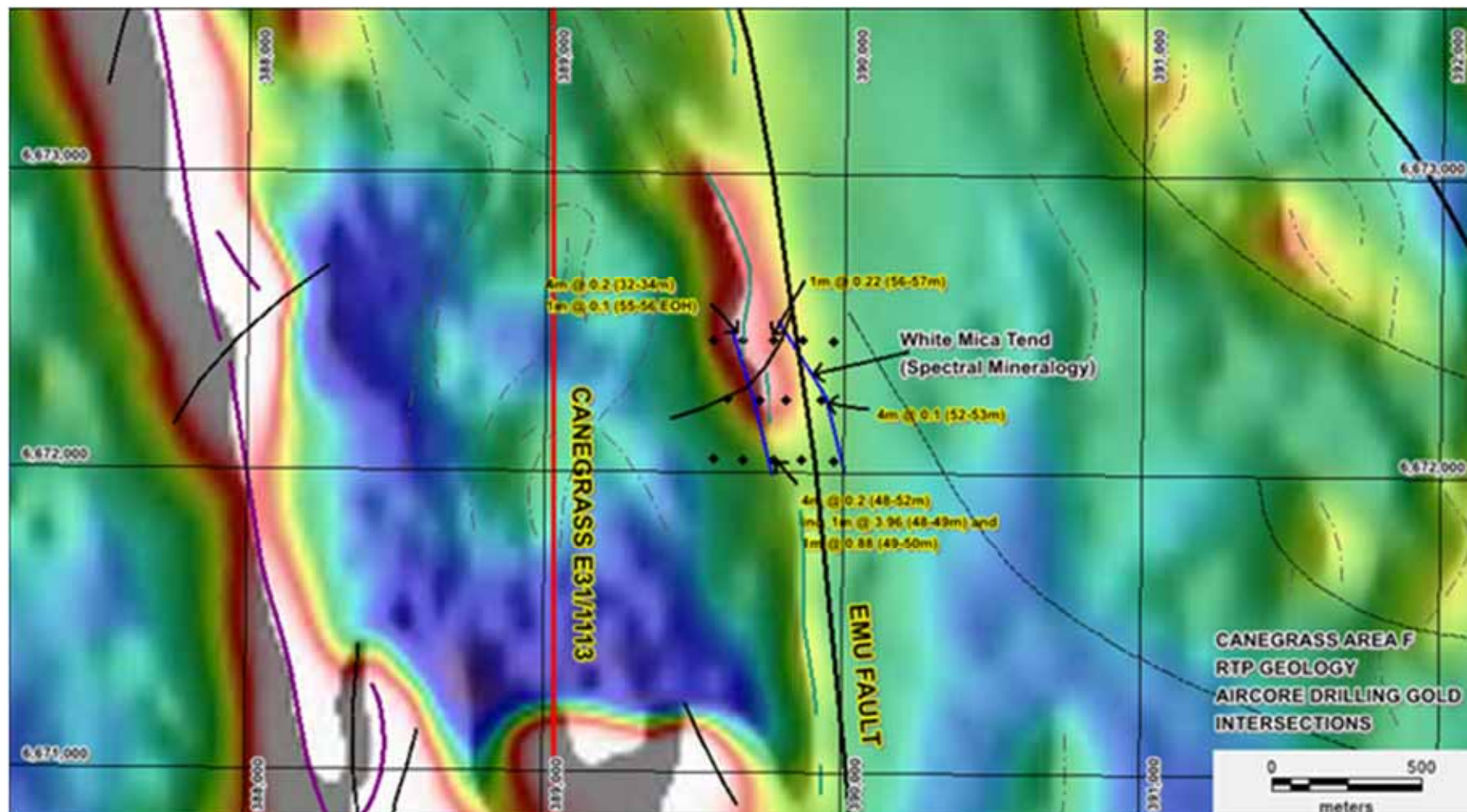
Aircore Drill Rig in Operation – Holey Dam Project

HOLEY DAM AIRCORE DRILLING



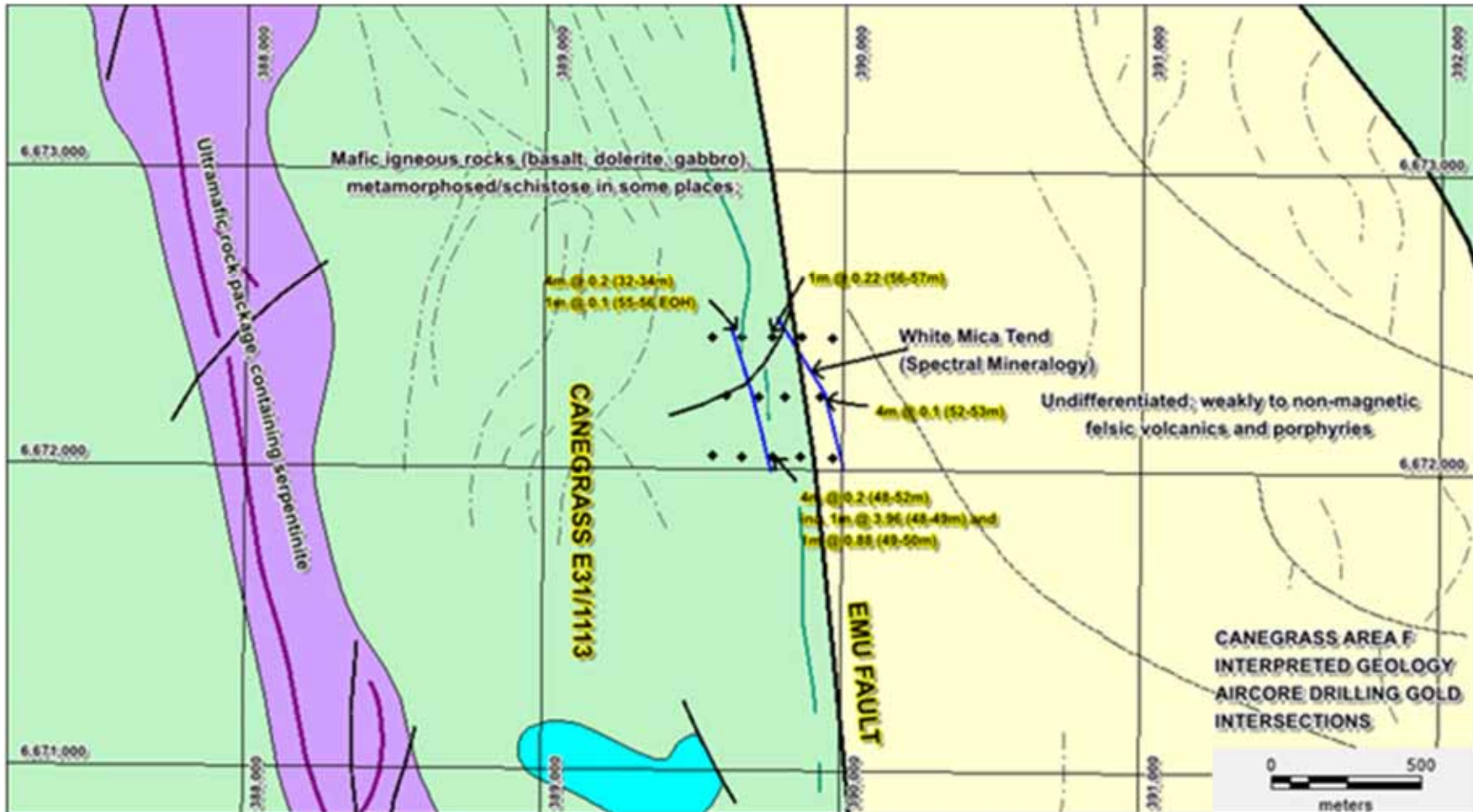
Aircore drilling with anomalous gold and mica/tourmaline from spectral mineralogical analyses

CANEGRASS AIRCORE DRILLING



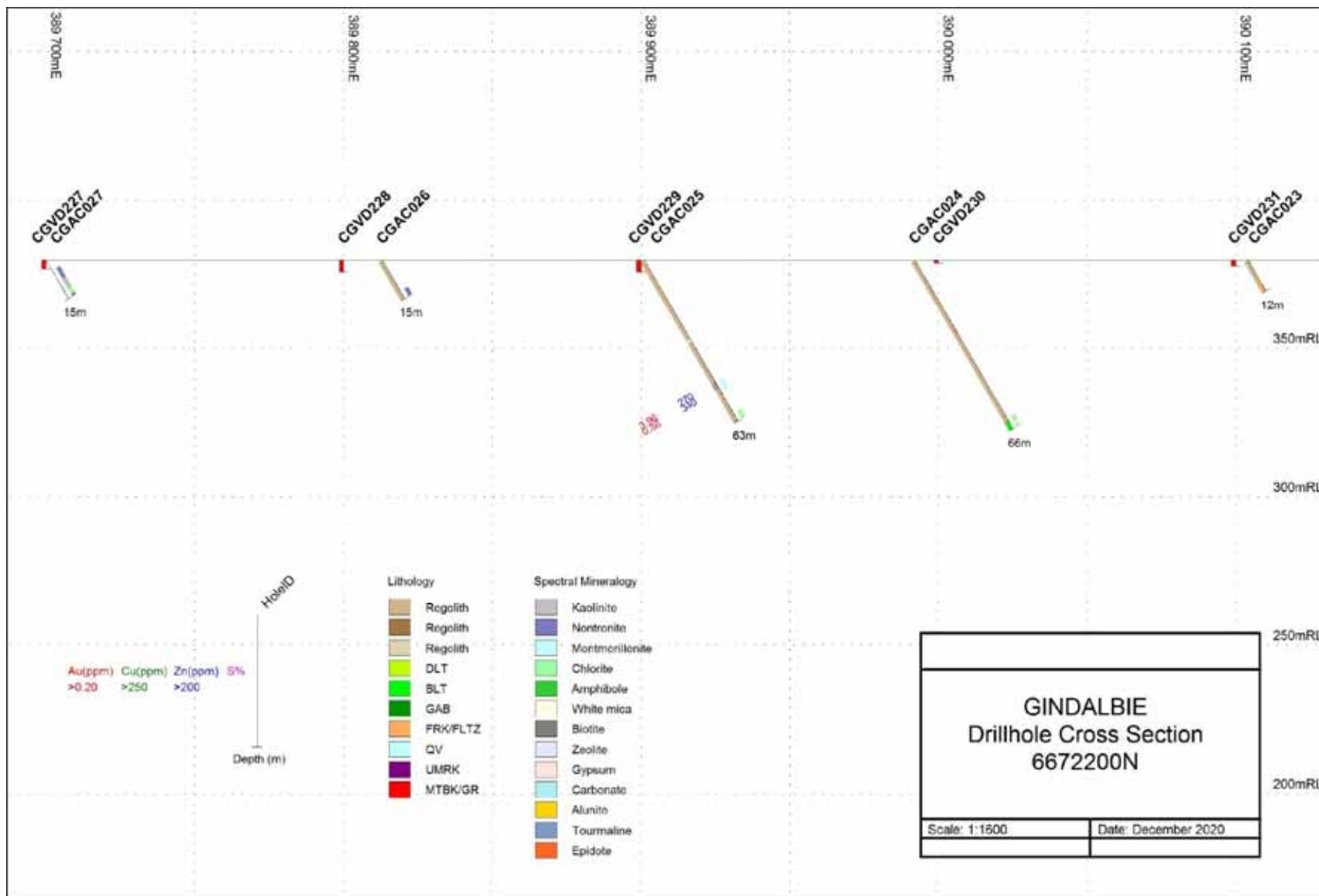
Magnetic image showing drilling grid, Mica alteration? trend and anomalous gold intersections

CANEGRASS AIRCORE DRILLING

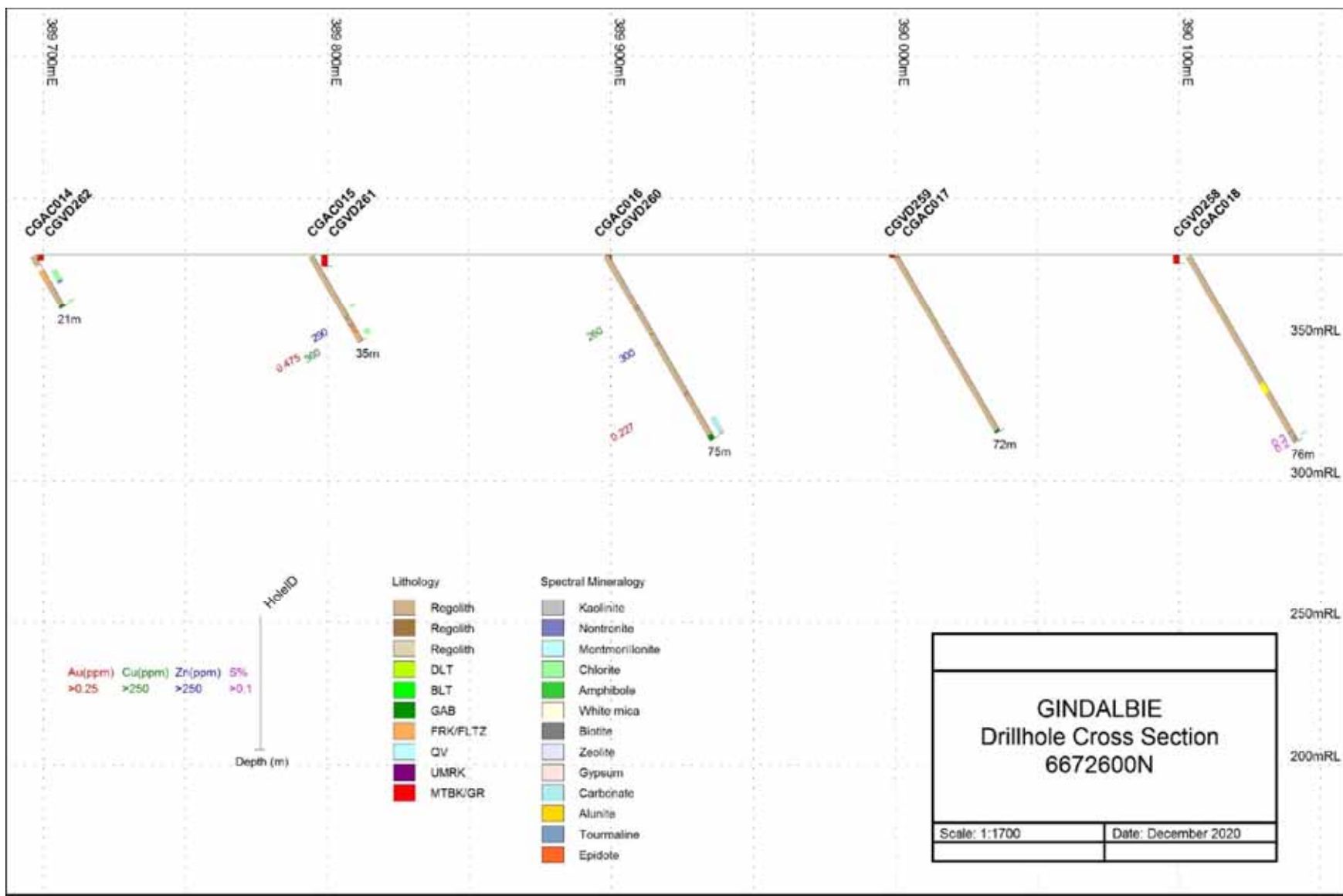


Interpreted geology showing drilling grid, Mica alteration? trend and anomalous gold intersections

CANEGRASS AIRCORE DRILLING 6672200N



CANEGRASS AIRCORE DRILLING 6672600N

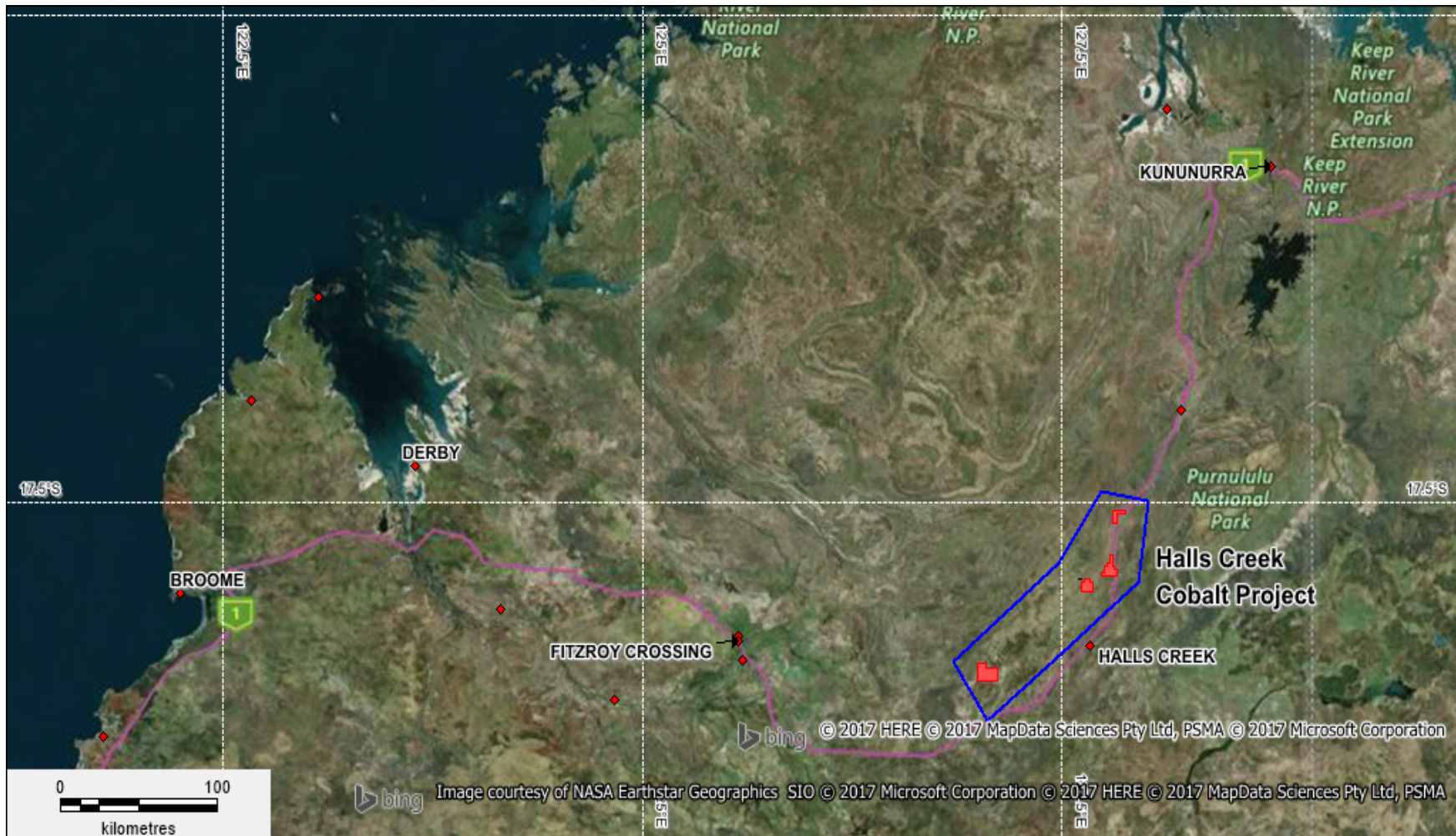


WA HALLS CREEK COBALT, COPPER, NICKEL AND GOLD PROJECT

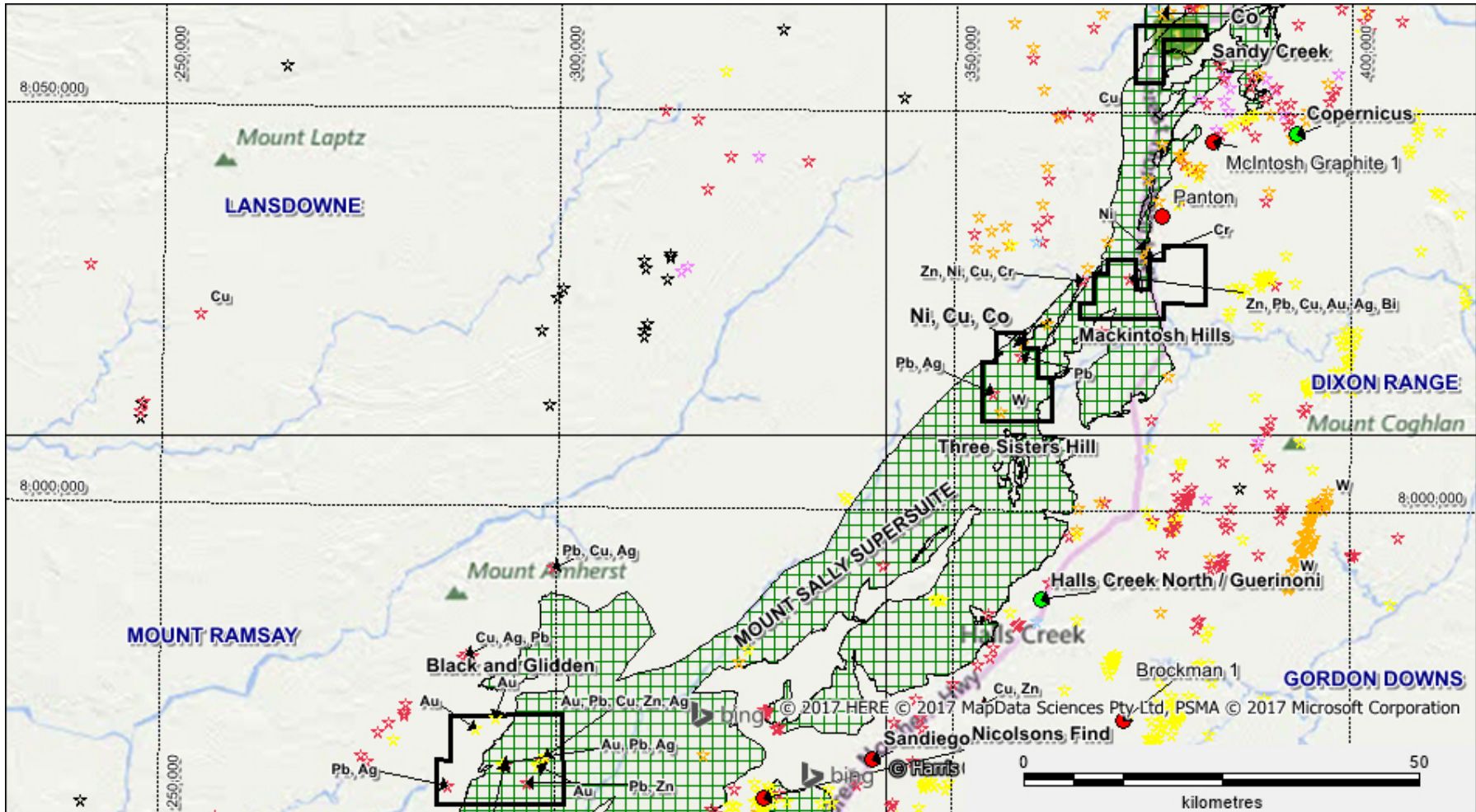


- Located in Kimberly Region of WA
- 80 km from the town of Halls Creek
- The target commodity is Co with subsidiary commodities – Au, Cu, Pb, Zn, Ni and W
- The cobalt occurs in ultramafic intrusive rocks such as norite, gabbro and gabbronorite
- These rocks are within a broader unit – Sally Downs Supersuite
- There is a cobalt occurrence in one of the four tenements

WA HALLS CREEK PROJECT LOCATION

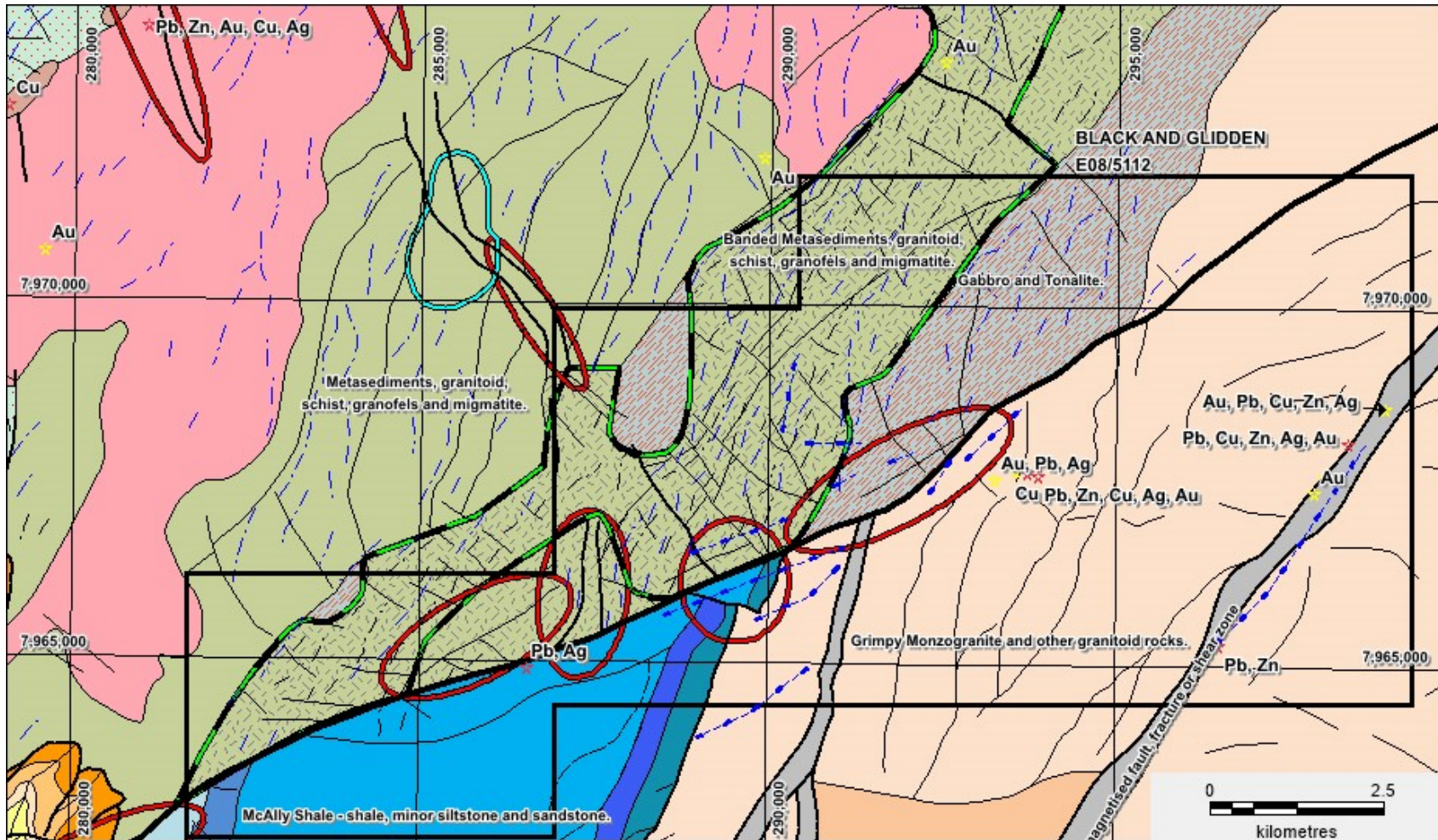


HALLS CREEK PROJECT TENEMENTS AND MINERAL OCCURRENCES



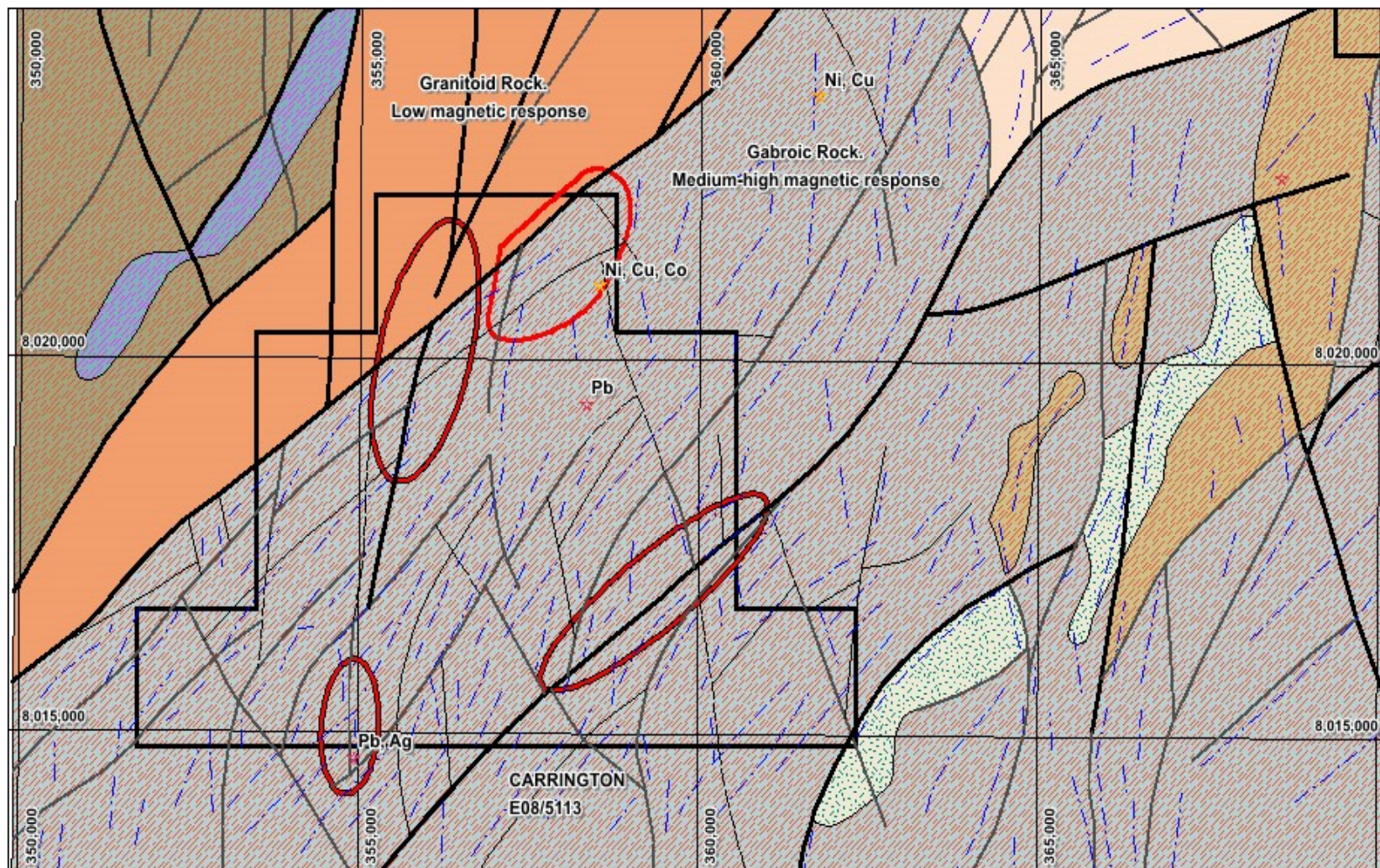
KAILI IRON PTY LTD

BLACK AND GLIDDEN TARGETS



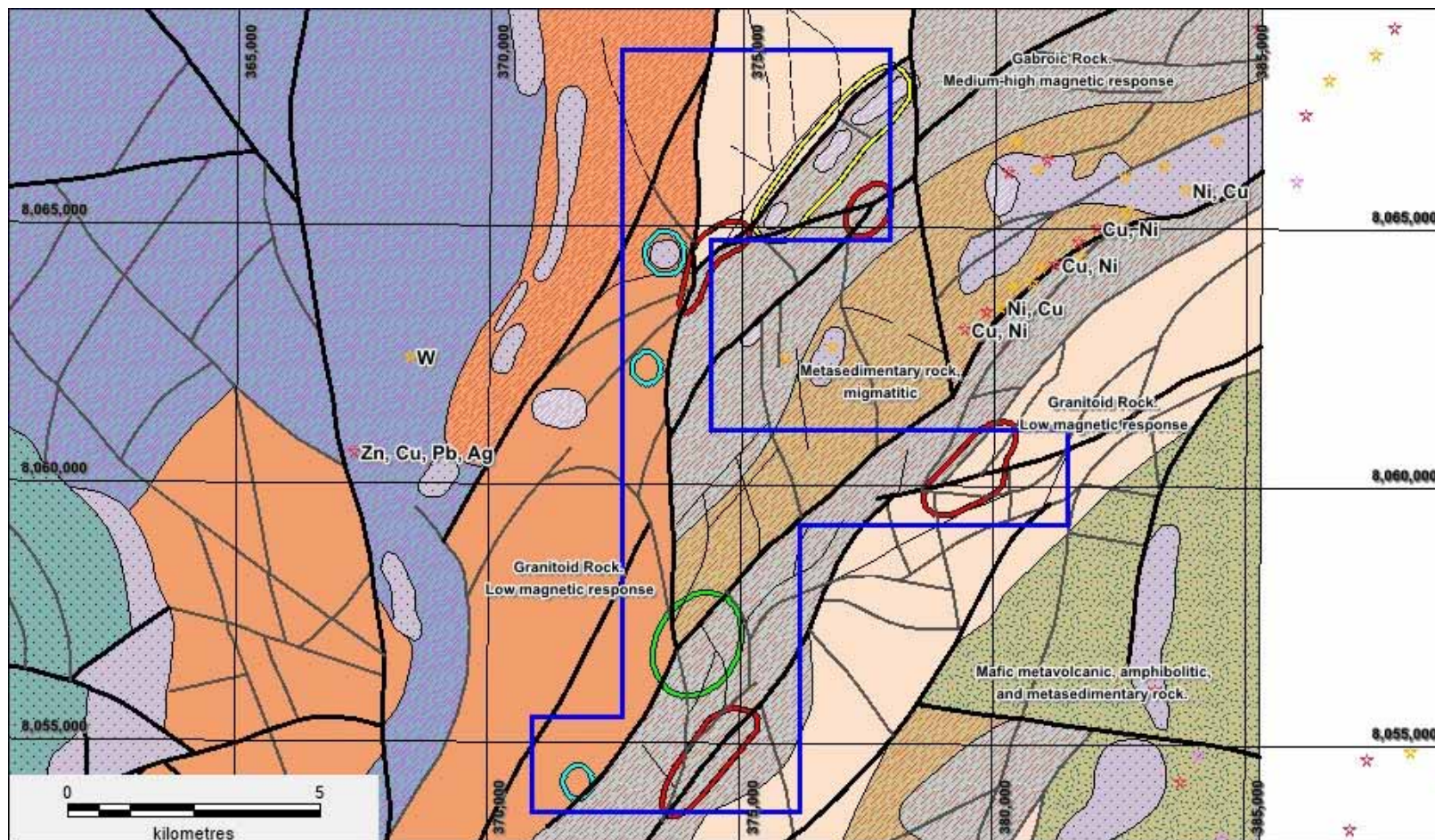
Black and Glidden Interpreted Geology Structure Mineral Occurrences and Targets

CARRINGTON TARGETS



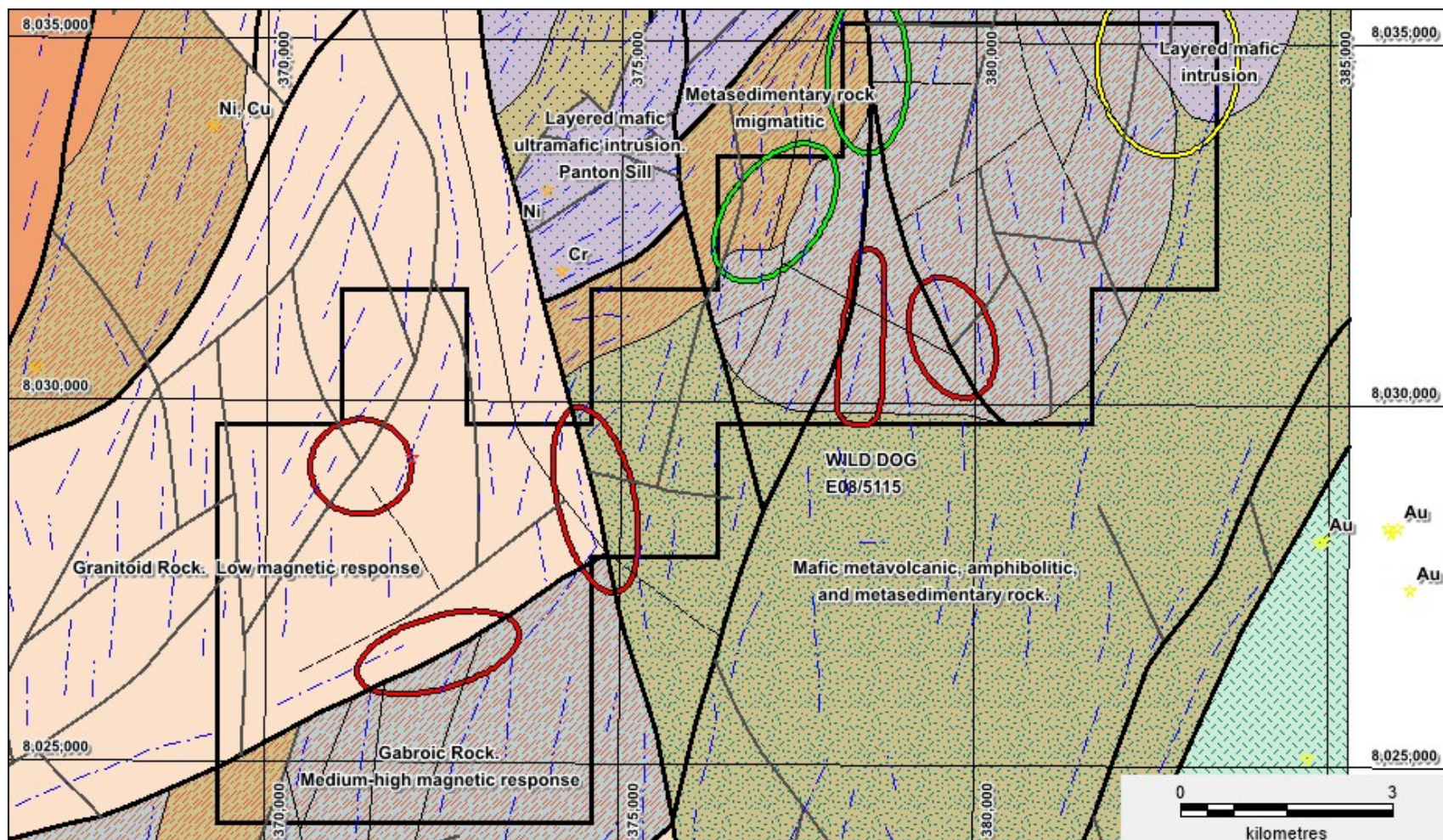
Carrington Interpreted Geology Structure Mineral Occurrences and Targets

SANDY CREEK TARGETS



Sandy Creek Interpreted Geology Structure Mineral Occurrences and Targets

WILD DOG TARGETS



Wild Dog Interpreted Geology Structure Mineral Occurrences and Targets

Halls Creek Phase 1 Exploration

- Phase 1 exploration planned for Q2 in 2021 after wet season
- The surficial sampling and mapping of the target areas will involve a combination of helicopter, vehicle and foot traverses
- The field work will involve collection of stream and rock samples within the designated target areas shown in the preceding slides
- In addition several targets generated by Earth AI following an artificial intelligence study of the areas will also be sampled and geologically mapped

ASX Announcements



Notes Specific - ASX Announcements AGM Presentation

The following announcements were lodged with the ASX (including supporting JORC Reporting Tables) and details for each of the sections noted in this Presentation and can be found in the announcements. Note that these announcements are not the only announcements released to the ASX since the last AGM on 18 December 2019 but specific to exploration reporting. The Company confirms that it is not aware of any new information or data that materially affects the information previously reported;

Update on Exploration Projects 14th December 2020
Drilling Results at Gindalbie Gold Project Yilgarn Craton WA 3rd December 2020
Third Quarter 2020 Activities Report 20th October 2020
Drilling Completed at Gindalbie Gold Project in WA 21st September
Drilling Completed at Holey Dam Gold Prospect 17th September 2020
Drilling Commenced at Gindalbie Gold Project 15th September 2020
Second Quarter 2020 Activities Report 29th July 2020
WA Gold Project Site Work and Heritage Survey Completed 7th July 2020
Drilling to Commence at Gindalbie Gold Project 11th June 2020
Field Exploration Work Program 5th May 2020
Business Continuity Program under COVID-19 Impacts 24th April 2020
First Quarter 2020 Activities Report 22nd April 2020
Annual Report to Shareholders 31st March 2020
Fourth Quarter 2019 Activities Report 30th Jan 2020

The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Mark Derriman competent person who is a member of the Australian Institute of Geoscientists (AIG). Mark Derriman is a consultant of Kaili Resources Limited. Mark Derriman has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mark Derriman consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.