

ASX Announcement
09 January 2018

Kalia Limited is exploring for copper, gold and energy metals in Australia and the Mt Tore region on Bougainville Island

Directors

Chairman

Hon David Johnston

Managing Director

Mr Terry Larkan

Technical Director

Mr Peter Batten

Operations

Company Secretary

Ms Anna MacKintosh

Issued Capital

Ordinary Shares

2,030,847,391

Unlisted Options

48,000,000

Adviser Options

250,000,000

Share Price – 08
January 2018

\$0.014

ASX Code

KLH

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Exploration Land Access Agreement and Director Changes

Kalia Limited (“the Company”) is pleased to announce the signing of the Exploration Land Access and Compensation Agreement (“Land Access Agreement”) as well as the following changes to its directorship with immediate effect:

- Mr. Nick Burn has resigned as Executive Director.
- Mr. Peter Batten is appointed as Technical Director

Under the Bougainville Mining Act of 2015, in addition to the granting of the exploration licences, the Company is required to conclude a Land Access Agreement directly with the landowners before full exploration activity can commence. The required Land Access Agreement, prescribed format, was agreed and signed with the Toremana Resources Owners Association, representing the seven major clans on Exploration Licence 03 and Exploration Licence 04 in the northern part of Bougainville Island, on 7 January 2018.

The conclusion of the Land Access Agreement enables the full exploration programme to proceed. As a result, Mr. Burn who has been an Executive Director with the Company since October 2016, has resigned his position on the Board but will remain with the Company on the same remuneration and conditions as he had, focussing on the development of the Company’s Australian assets.

Mr. Batten, a Geologist with 35 years of experience in the resources industry as a geologist, mine manager and consultant, will take an Executive Director role as the Technical Director.

Mr. Batten’s grounding is as an exploration geologist and has worked on nickel, gold, graphite, uranium and iron ore focussed projects. Mr. Batten has worked in Bougainville, projects across Australia as well as in Botswana, Brazil, Guinea, Iceland, India, Indonesia, Philippines, Myanmar, Namibia, New Zealand, South Africa, Sweden, USA and Zimbabwe.

Mr. Batten has previously held director positions with listed companies; Berkeley Resources (ASX), Bannerman Resources (ASX; TSX; NSX), White Canyon Uranium (ASX; TSX-V), Walkabout Resources (ASX) and De Grey Mining (ASX).

Mr. Batten will remain on his existing remuneration package of \$250,000 per year and have the right to participate in any performance incentive plan that the Company provides.

The Hon. David Johnston, Chairman of Kalia, stated, “The Company thanks Nick Burn for his contribution and services as Executive

Director and look forward to his ongoing support on our non-Bougainville assets.

The Company is in the process of reviewing its directorship, specifically the non-executive roles. However, the importance of having Peter in place as the Technical Director, providing focus and a direct channel from the boardroom table to the work on the ground in Bougainville, has resulted in this change ahead of further appointments.

Our stated aim is to identify drilling targets and to start drilling activities on our highly prospective licence areas on Bougainville in 2018. Peter will be responsible for escalating operations from the early on ground exploration activities, started in Q4 2017, into the full scale exploration programme, now that we have concluded the Land Access Agreement with the landowners.

Peter has played an important role in getting us to this stage in Bougainville and is known by the communities in our area of operation. Our joint venture partner, Toremana Resources Limited and the landowner organisation, Toremana Resources Owners Association, are supportive of Peter's appointment and his role in the exploration activities.

We look forward to announcing the results of exploration work as these become available.”

Terry Larkan
Managing Director