
Australian Securities Exchange Announcement

24 March 2020

Dear Shareholders

In this time of market volatility surrounding the Coronavirus pandemic, I wanted to provide a brief update on current activities at King River Resources Limited ("KRR") as well as our plans going forward.

Importantly we are focused on the safety of our employees, directors, consultants, contractors and advisors. Office attendance and face to face meetings have been curtailed given the social distancing that most groups are observing, and non-essential travel has been eliminated. As the Speewah Specialty Metals ("SMM") Project is in the Prefeasibility Study ("PFS") development stage, we can work remotely with our consultants, laboratories and advisors, and for the time being there has been little impact on productivity. However, this may change as laboratories and corporations introduce stricter protocols to protect their staff. As our exploration assets are in northern Australia, which is currently experiencing the wet season, there has been no field activities and none are planned until the government provides further advice on the pandemic and movements in Australia.

Our current focus with the PFS is on four areas, each of which is progressing well:

- **Metallurgy and Process Flowsheet Development.** Beneficiation magnetic separation testwork and sulphuric acid leaching tests are nearing completion at Nagrom in Perth. This testwork will provide the final parameters for input into the PFS. Hydrometallurgical refining testwork by TSW Analytical in Perth is focussing on producing a >99.99% high purity alumina (>4N HPA) product and increasing the final purification efficiencies. As reported on 6 December 2019, a 99.98% Al₂O₃ HPA was produced. Final steps are underway but have been delayed and will take longer than planned due to disruption caused by the coronavirus protocols and some equipment issues. In addition, new ideas have presented to potentially improve recovery efficiencies and reduce reagent consumptions, which are presently being investigated. We do not expect this extended completion of testwork to have an impact on our other activities.
- **Process Plant Design and Costings.** Como Engineers are progressing work on the process plant and remains on track for delivery pending the final flowsheet parameters. This work will provide estimates of our capital and operating costs for the PFS.
- **Mining Study and Reserve Estimate.** CSA Global (an ERM Group company) have completed the initial pit optimisations and the pit designs for the HPA scenario, and will be completing the mining schedule and starting on the mining cost estimate this week.
- **Environmental, Social and Permitting Study.** Animal Plant Mineral ("APM") is updating the environmental and social studies for a smaller scale HPA operation. This will include background studies into the permitting requirements for the project.

Each of these four activities is critical for completion of the PFS and is well advanced. Our plan remains to complete the PFS and then evaluate market conditions before accelerating toward completion of a definitive feasibility study. While uncertainty exists with respect to the duration of the current economic slowdown, it is clear that the future is bright for the HPA business.

We anticipate positive developments in coming weeks. Please don't hesitate to reach out to me at the contacts below if you would like to learn more. In the interim, keep well and stay safe.

Yours sincerely

Anthony Barton

Chairman

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Statement by Competent Person

The information in this report that relates to Exploration Results, Mineral Resources, Metallurgy, Previous Studies and ongoing Studies is based on information compiled by 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) and The Institute of Materials Minerals and Mining (IMMM), and a Chartered Engineer of the IMMM. Mr. Rogers has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to 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.

This announcement was authorised for release by the Chairman of the Company.

Anthony Barton

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