
Australian Securities Exchange Announcement

26 July 2021

Kwinana HPA Project

Kwinana High Purity Alumina (HPA) Pre-feasibility study (PFS) completed and demonstrated the potential for King River (KRR) to be a producer of high value, high purity, alumina sourced from an industrial chemical feedstock and utilising the new KRR ARC HPA process.

Summary of the main outputs of the PFS released to the ASX on 16 June 2021 were:

- Production rate of 9,000 tonnes per annum of High Purity Alumina (HPA)¹ of 4N purity
- Unit cash costs of A\$8,987 (US\$6,740)² per tonne HPA, or A\$8.99 (US\$6.74)² per kg HPA, during full production
- Annual EBITDA of A\$193M (US\$145M)²
- Annual pre-tax Free Cash Flow (FCF) of A\$190M (US\$142M)²
- Pre-production project capital cost estimate A\$203.4M (US\$152.6M)²
- Project NPV before tax A\$1,043M (US\$782M)² and IRR before tax 50.8%

The Kwinana HPA Project is owned by ARC Specialty Metals Pty Ltd, a wholly owned subsidiary of KRR. The Kwinana HPA Project uses the Company's ARC process to produce 4N HPA, a crystalline white powder which is almost pure aluminium oxide (Al₂O₃), from an industrial chemical feedstock.

The PFS outlines the potential for KRR to be a significant world producer of high value HPA outside of Japan, USA, Europe and China. HPA is an essential ingredient in the production of light emitting diodes (LED) and lithium ion battery and separators, both of which are used in clean energy and high technology applications, such as lighting and electric vehicles (EV).

The demand for high quality HPA is expected to increase significantly.

HPA is designed to be produced by a processing plant at Kwinana using locally produced or imported aluminium chemical feedstock. KRR's ARC HPA process flowsheet uses conventional crystallisation purification and calcination technologies and unit components, and readily sourced reagents. The flowsheet has been demonstrated through laboratory scale testwork to produce high recoveries of alumina into a high purity HPA product. It is considered commercially scalable and will be tested by pilot plant programs.

Full details of the PFS should be reviewed on the Company's website and/or the ASX website with report dated 16 June 2021.

¹ – In this announcement and the PFS high purity alumina (HPA) is to be read as 4N HPA of ≥ 99.99% purity unless otherwise stated.

² – \$ are Australian (A\$) and United States (US\$) dollars using an exchange rate of A\$1.00 = US\$0.75.

Speewah Project

Metallurgical testwork of the Speewah Project continued with focus to extract high purity vanadium and titanium products to address the current interest in battery metals and master alloy compounds of the green economy, results and updates will be provided when available.

Gold Project

Exploration and review of the Gold Projects continued on the Mt Remarkable and Treasure Creek projects, results and updates will be provided when available.

Corporate

King River Resources completed its Research & Development tax rebate lodgement and received a rebate in early July of \$382,463 (ASX announcement 6 July 2021).

The Company's cash position as at 30 June 2021 was \$6,124,218.

With regards to the item 6.1 of the Appendix 5B, released concurrently with this quarterly activities report, the Company provides the following in relation to payments to related parties that totalled \$35,295 for the quarter:

- Office representation expenses of \$1,350 are costs paid to an associate entity of Directors; and
- The director fees for the quarter paid of \$33,945.

Statement by Competent Person

The detail in this report 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 by the Chairman of the Company.

Anthony Barton

King River Resources Limited

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**TABLE 1: SCHEDULE OF TENEMENTS HELD AT 30 JUNE 2021
SPEEWAH MINING PTY LTD and WHITEWATER MINERALS PTY LTD
(wholly-owned subsidiaries of King River Resources Limited)**

Tenement	Project	Ownership	Change During Quarter
E80/2863	Speewah (held by Speewah Mining Pty Ltd)	100%	
E80/3657		100%	
E80/4468		100%	
E80/4972		100%	
E80/4973		100%	Expired 22/05/21
L80/43		100%	
L80/47		100%	
M80/267		100%	
M80/268		100%	
M80/269		100%	
E80/5007	Mt Remarkable (held by Whitewater Minerals Pty Ltd)	100%	
E80/5133		100%	
E80/5176		100%	
E80/5177		100%	
E80/5178		100%	
ELA80/5192		100%	
ELA80/5193		100%	
E80/5194		100%	
E80/5195		100%	
E80/5196		100%	

Note:

E = Exploration Licence (granted)

M = Mining Lease (granted)

ELA = Exploration Licence (application)

L = Miscellaneous Licence (granted)

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TABLE 2: SCHEDULE OF TENEMENTS HELD AT 30 JUNE 2021
TREASURE CREEK PTY LTD
(wholly-owned subsidiary of King River Resources Limited)

Tenement	Project	Ownership	Change During Quarter
EL31617	Tennant Creek	100%	
EL31618		100%	
EL31619		100%	
EL31623		100%	
EL31624		100%	
EL31625		100%	
EL31626		100%	
EL31627		100%	
EL31628		100%	
EL31629		100%	
EL31633		100%	
EL31634		100%	
EL32199		100%	
EL32200		100%	
ELA32344		100%	
ELA32345		100%	

Note:

EL = Exploration Licence (granted)

ELA = Exploration Licence (application)

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