

Brisbane, Australia (ABN Newswire) - KGL Resources (ASX:KGL) is pleased to announce that reverse circulation (RC) drilling at Jervois has continued to extend high-grade mineralisation. Individual one metre intercepts were up to 25.4% zinc (KJC138) and 23.5% lead (KJC136) at Reward North, 7.34% copper (KJC163) at Bellbird East and 404 g/t silver (KJC159) at Green Parrot.

Significant results from this program include:

Green Parrot

KJC159 - 14m @ 1.49% Cu, 0.64% Pb, 0.3% Zn, 160.5g/t Ag, 0.09g/t Au from 160 m

Including 3m @ 3.83% Cu, 1.08% Pb, 0.17% Zn, 404g/t Ag, 0.2g/t Au from 170 m

3m @ 1.77% Cu, 0.2% Pb, 0.35% Zn, 117.1g/t Ag, 0.24g/t Au from 190 m

Reward North

KJC 138 - 3m @ 7.76% Pb, 10.29% Zn, 0.07% Cu, 86.6g/t Ag, 0.06g/t Au from 34 m

KJC140 - 4m @ 5.03% Pb, 6.91% Zn, 0.24% Cu, 48.2g/t Ag, 0.04g/t Au from 57 m

Bellbird East

KJC161 - 6m @ 1.36% Cu, 2.72% Pb, 6.92% Zn, 19.3g/t Ag, 0.06g/t Au from 65 m

KJC163 - 7m @ 2.1% Cu, 1.11% Pb, 2.19% Zn, 17g/t Ag, 0.03g/t Au from 51 m

A ~10,000m RC drilling program was commenced in early February at the Bellbird, Marshall-Reward and Green Parrot Resources. Particular emphasis was placed on targeting poorly drilled portions of these resources that have potential for high-grade mineralisation and are within or close to the proposed open pits or planned underground mine development. The final assays have been received and work is now commencing on updating the Jervois resource.

Drilling beneath the 2014 Green Parrot pit shell has intercepted copper mineralisation with associated high silver assays (KJC159 14m @ 1.49% Cu, 160.5g/t Ag from 160m). Green Parrot primarily contains high-grade lead-zinc mineralisation with associated copper, hosted by calcsilicate within micaceous schist. Deformation has resulted in the formation of high-grade lead-zinc lenses surrounded by wide zones of lower grade mineralisation. Copper mineralisation intersected in the most recent drilling is likely to result in a deepening of the pit and additional drilling will be required to fully delineate the copper mineralisation which remains open at depth.

Several zones of shallow lead-zinc-silver mineralisation were identified in 2014 beyond the northern wall of the proposed Marshall-Reward open pit. Follow up drilling in 2015 has confirmed and extended these zones with a best result of 3m @ 7.76% Pb, 10.29% Zn, 86.6g/t Ag from 34m in KJC138. This new zone is likely to be captured in a new open pit following the planned resource update and pit optimisation.

Additional drilling conducted to test the surface occurrences at the Bellbird East trend, 150m east of Bellbird, has intersected more high-grade copper-lead-zinc mineralisation that appears to be improving with depth (KJC161 6m @ 1.36% Cu, 2.72% Pb and 6.92% Zn, 19.3g/t Ag). Bellbird East extends for several hundred metres and is now interpreted to be the north-eastern extension of the Killeen zinc prospect. Poor access has limited previous drilling in the area that is located on the southern wall of the proposed Bellbird open pit. Additional drilling will be required to fully evaluate the potential at Bellbird East.

Simon Milroy, the Managing Director of KGL Resources comments, "KGL's commitment to drilling at Jervois continues to deliver excellent results. Intersections from the recently completed RC drilling program are likely to generate increases in both the open pit and underground resources that will be announced in July 2015. It is also particularly pleasing to see new mineralised trends discovered."

To view all tables and figures, please visit:
<http://media.abnnewswire.net/media/en/docs/ASX-KGL-860022.pdf>

About KGL Resources Limited:

[KGL Resources Ltd.](#) (ASX:KGL) is an Australian mineral exploration company focussed on increasing the high grade Resource at the Jervois Copper-Silver-Gold Project in the Northern Territory and developing it into a multi-metal mine.

Source:

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