

**ASX Announcement  
19 September 2018**

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

**Directors**

Chairman  
*Hon. David Johnston*  
Managing Director  
*Mr Terry Larkan*  
Technical Director  
*Mr Peter Batten*  
Non-Executive Director  
*Mr Sean O'Brien*

**Operations**

CFO & Company Secretary  
*Mr Phillip Hartog*

**Issued Capital**

Ordinary Shares  
2,514,347,391  
Unlisted Options  
144,500,000  
Adviser Options  
250,000,000  
Performance Shares  
750,000,000

**Share Price – 18  
September 2018**

\$0.008

**ASX Code**

KLH

**Further Contact:**

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## Geophysical Survey Update

Kalia Limited (“Kalia” or “the Company”) provides the following update for the geophysical survey underway in Bougainville.

### Summary

- Optimum flying lines have been determined to be at 45° to latitude
- Flying height set at 65metres above surface
- Helicopter availability 100% to date
- Close on quarter of area covered to date
- Analysis shows data collected to be of high quality
- Conditions have limited the flying window to morning hours
- Electromagnetic atmospheric conditions has negatively impacted conditions for survey time in flying window

The helicopter was mobilised to Bougainville at the end of August 2018.

After testing flying conditions and calibrating equipment Thomson Aviation determined that the flying lines should be at 45° to latitude given the topography and at a height of 65 metres above ground. The quality of the data collected using these parameters has been analysed and assessed by Fathom Geophysics Australia Pty Ltd to be of high quality.

The flying window has been limited to mornings because of cloud and jungle mist that develops from mid-morning. Electromagnetic atmospheric conditions has limited surveying activity during available flying windows because of the negative impact on quality of data.

Notwithstanding these challenges a quarter of the area has been covered and good quality data collected.

Terry Larkan, Managing Director of Kalia, said “Conditions are challenging and the survey may take a little longer to complete. However, we will have high quality data for available for analysis when completed. We are operating in what is acknowledged to be a target rich environment and we are excited to see what new information this survey will reveal.

On the ground our geologists are busy. The plan for opening access to areas for exploration is progressing to schedule. We have committed to work with the Autonomous Bougainville Government to assist the landowners in the landowners’ efforts to organise themselves into formal associations. The organisation of the landowner groups into formal associations addresses a number of historical issues that were obstacles to us gaining access permission from individual landowners.

Our strategy over the past 6 months of working in the communities with the Department of Minerals and Energy is yielding results. Our geologists are busy, and the information flow will increase.”