

Killi set for maiden drilling program to grow resource at newly-acquired WA iron ore project

Drilling approvals received for the Lodestone deposit, paving the way for 20,000m program targeting the known magnetite mineralisation which extends for ~20km beyond current resource

HIGHLIGHTS

- Killi is preparing for its first drilling program at the Lodestone iron ore deposit in WA's Mid-West after receiving all regulatory approvals
- Drilling is planned to expand and upgrade the existing 110Mt JORC Inferred Resource¹
- Lodestone is a highly valuable iron ore deposit, with a niche product well suited to the next generation of electric arc furnace steel mills
- There is strong global demand for this high-purity iron ore feedstock, meaning Killi can expect to attract a significant price premium for its product
- Lodestone's strong outlook is also underpinned by its location just 200km from the Port of Geraldton and its access to adjacent, under-utilised power and rail infrastructure
- Approvals received for this initial drilling program comprise of 155 reverse circulation and 35 diamond core holes, with drilling targeting both resource growth and increase in category for future mining studies
- Lodestone's unique iron ore characteristics include:
 - A very distinctive, coarse-grained mineralization capable of producing a high grade, high value concentrate (68% - 70% Fe) from very coarse grind sizes of up to 250µm
 - The current resource delivers a 69% Fe concentrate with very low impurities which attracts a substantial premium to the 62% index
 - The resource covers only ~20% of the 25 km strike of known magnetite mineralisation – highlighting the potential for significant resource growth
- Killi has announced a \$15m share placement, with \$10.8m raised under Tranche 1 and Tranche 2 subject to shareholder approval, giving it a strong cash position of ~\$18.5m.

"We have an outstanding opportunity to create rapid growth for shareholders by growing the Lodestone resource. We know the magnetite mineralisation continues for another 20km, which gives us a lot of low-hanging fruit for the upcoming drilling.

"At the same time, we will progress metallurgical tests and other work to maximise the speed at which we can unlock the value of the project.

"It is already clear that our product will be in strong demand from electric arc furnace operators and will therefore attract a significant premium to the benchmark iron ore price.

"The combination of this strong demand for a high-quality product, costs savings which will stem from accessing existing infrastructure and simple ore processing means Killi is very well-positioned to deliver an excellent outcome for shareholders.

"Given this opportunity, our aim is to move as quickly as we can on all fronts".

— Killi Chairman Nev Power

¹ Lodestone MRE - ASX Announcement 11 June 2026



Killi Resources Limited (ASX: KLI) is pleased to announce that approvals for drilling at the Lodestone Iron Project in WA's Mid-West region have been granted by the Western Australian Government.

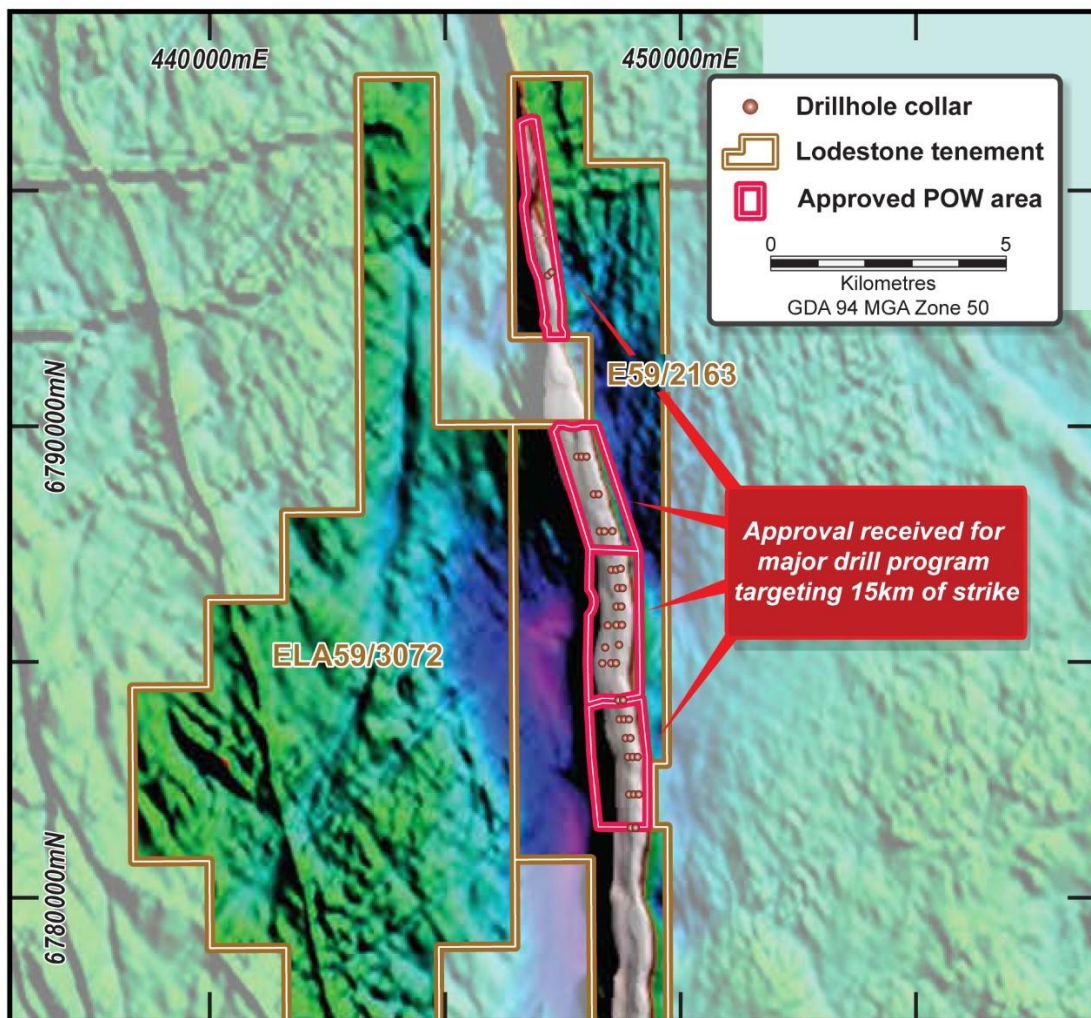
Killi recently announced an agreement to acquire Lodestone (ASX announcement 11 June 2026), a project with distinct competitive metallurgical advantages, located just ~200km from the Port of Geraldton and surrounded by high quality infrastructure including sealed roads, rail and grid power.

The granting of drilling permits is the final regulatory step required to commence planned resource expansion drilling. The drill program is designed to materially grow the existing Inferred Resource, testing approximately 15 km of the 25 km strike of known magnetite mineralisation. In addition, the Company is seeking to upgrade much of the current deposit to the Indicated Resource category to position it for future mining studies.

Proposed Drilling Campaign

Killi's immediate focus at Lodestone is to increase geological confidence, improve metallurgical understanding and position the project for future resource upgrades.

The initial drilling proposed for the Lodestone Project includes 155 reverse circulation ("RC") and 35 diamond core (DD) holes (Figure 1).



Killi Receives Approvals for Major Drill Program

Figure 1: Lodestone Iron Project – Drill Collar Locations for Upcoming Drill Program

The drilling program has been designed with the following primary objectives:

- To significantly grow the resource base and to upgrade the category of existing resources
- Testing proximal and parallel zones of mineralisation potentially exploitable by an open-pit mining operation on the main horizon of mineralisation (adding meaningful additional tonnages)
- Infill and extensional drilling to test approximately 15 km of the Lodestone magnetite system
- Provide metallurgical samples and geological information for future processing and engineering studies
- Deliver a resource of sufficient confidence to underpin an economic study and future development pathway

Priority work includes infill drilling between existing sections, extensional drilling along strike and further DTR and density test work to support future resource updates and development studies.

Additional work on the partly oxidised zone, including higher-intensity magnetic separation test work and improved weathering definition, will assess its potential to support future classified resource estimates.

The Company is currently in the process of securing drilling contracts for 20,000 to 40,000 metres of RC and 1,000 to 2,000 of DD drilling.

Overview of the Lodestone Iron Ore Project

The Lodestone Iron Project is located in the Mid-West region of Western Australia, east of the wheatbelt town of Morawa, between the Karara (Ansteel - active) and Koolanooka (Baowu - inactive) iron ore mines (Figures 2).

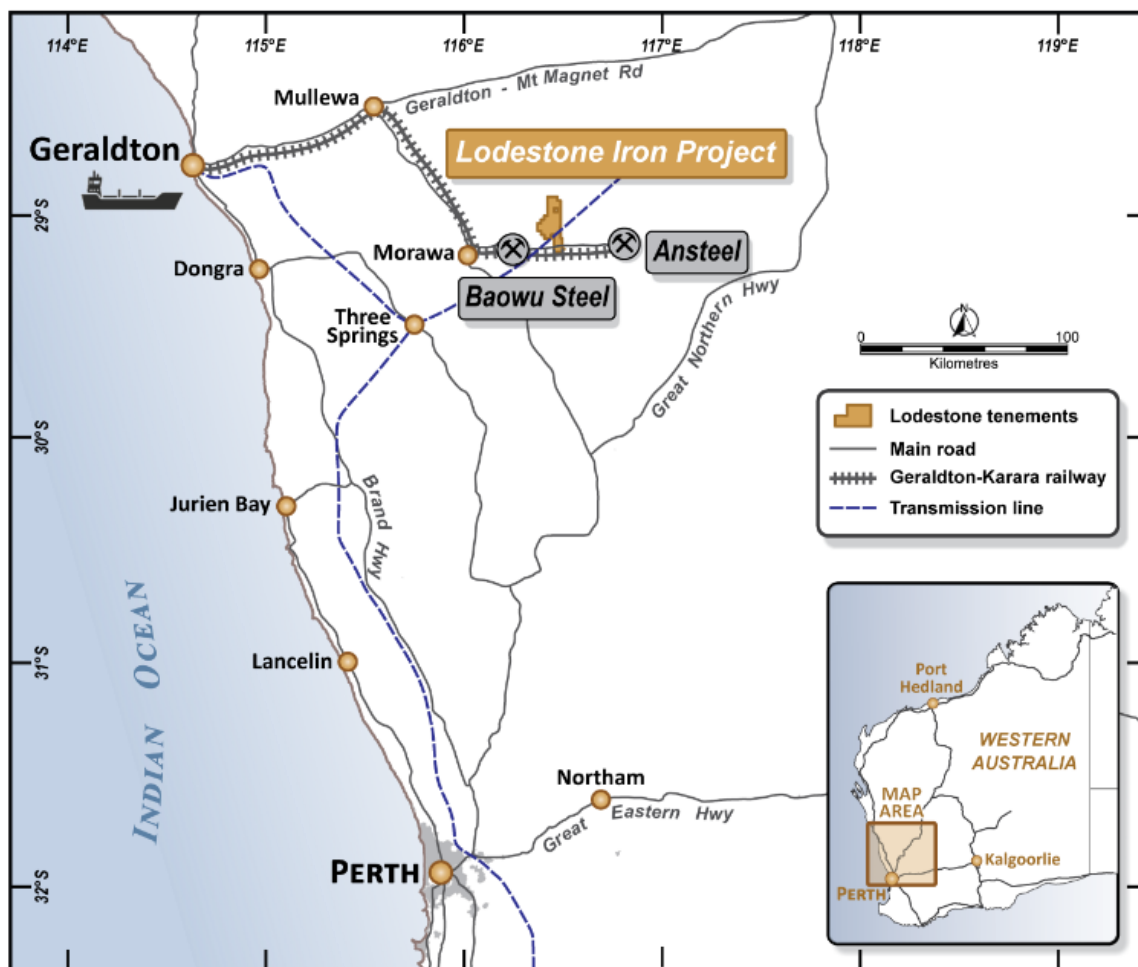


Figure 2: Lodestone Iron Project – Located in the heart of the Mid-West Iron Ore District

Technical information regarding the Lodestone Project have been provide in ASX announcement dated 11 June 2026.

Lodestone's standout ore characteristics can potentially deliver a high-purity, high-quality magnetite concentrate in the range of 68 – 70% Fe achievable at very coarse grind sizes of up to 250 microns. These unique ore

characteristics, combined with the high-quality existing infrastructure, point to relatively low capital costs. 68-70% Fe product typically attracts a substantial premium over the 62% Fe price index which can drive much higher operational margins.

The current Inferred Resource stands at **110Mt at 33 % Davis Tube Recovery (“DTR”) Mass Recovery (“MR”), grading 69% Fe in concentrate, at a 0% DTR MR lower cut-off.**

Table 1: Lodestone Iron Project Inferred Resources (Fresh Zone) for key elements by DTR Mass Recovery cut-offs. For more complete tabulation refer to ASX announcement 11 June 2026.

Class	Lower cut-off DTR Mass Recovery %	Million Tonnes	DTR Mass Recovery %	DTR Concentrate		
				Fe %	SiO ₂ %	Al ₂ O ₃ %
Inferred	0	110	33	69	3.9	0.08
	10	110	33	69	3.9	0.08
	20	98	35	69	3.9	0.07
	30	77	38	69	3.4	0.05

Grades and tonnages Numbers have been rounded.

The initial MRE reported relates to approximately 5 km strike section of the eastern magnetite body that is largely covered by 400 metres section lines, underpinned by 25 RC holes totalling 3,112 metres (Figure 3).

The MRE accounts for ~20% of the total defined strike of the magnetite mineralisation. Approximately 12 km of the Lodestone magnetite body is exposed and magnetic imagery indicates an essentially continuous 25 km of magnetite horizon extending the length of the Project.

The Lodestone deposit dips about 50-60° west and comprises an eastern unit (up to ~80 m true thickness) flanked by narrower magnetite lenses (~10 m thickness) in both hanging and foot walls, and a poorly defined (largely unexposed and sparsely drilled) western unit (~40 m thickness) located 150-200 m west of the main magnetite body.

The Lodestone Deposit is conspicuously coarsely metamorphically recrystallised, especially in the central and southern part of the tenure, comprising laminated to banded medium to coarse grained (1-5 mm) grained magnetite and quartz, with minor amphibole. At surface the magnetite is partly to largely oxidised to haematite, limonite and goethite, and wall rocks are variably weathered to clay saprolite.

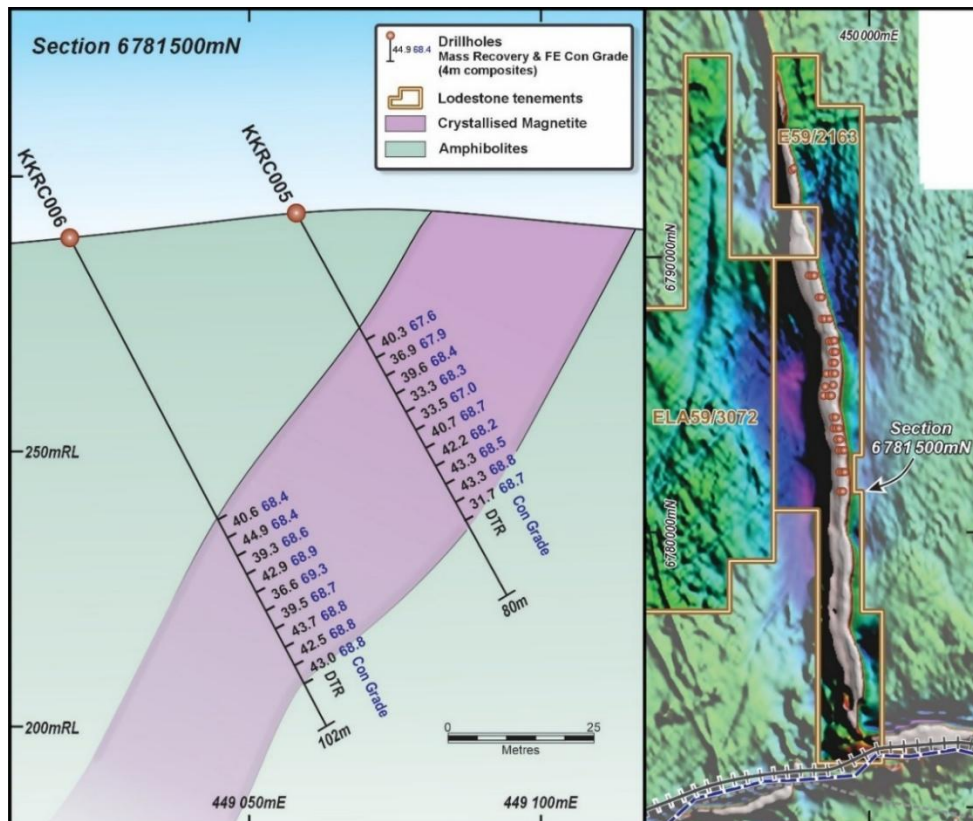


Figure 3: Representative Drill Hole Cross Section - annotated with DTR Mass Recovery and Fe % concentrate grade, from (4m composites samples. Image on the right is an aeromagnetic image annotated with tenements and drill hole collar locations.

About Killi Resources Limited

Killi Resources Ltd ("Killi" (ASX: KLI) is an Australia-based and focused explorer employing a methodical and disciplined approach to exploring for valuable mineral deposits across Australia (Figure 4).

The Company has agreed to acquire the Lodestone Iron Ore Project in the heart of the Midwest Iron Ore District in Western Australia. The Lodestone Iron Ore Project hosts an Inferred Mineral Resource Estimate of approximately 110Mt at 33% mass recovery for a 69% Fe concentrate.

The Company's other projects include the 100% ownership of the West Tanami Gold Project in Western Australia, and two gold-copper exploration projects in Queensland - the Mt Rawdon West Project near Bundaberg and the Ravenswood Project in the Charters Towers region, both well-endowed mineral provinces that are significantly underexplored and amenable to new large-scale discoveries. The Company also retains copper rights to the Balfour Project in the Pilbara of Western Australia (tenure held by Black Canyon (ASX: BCA)).

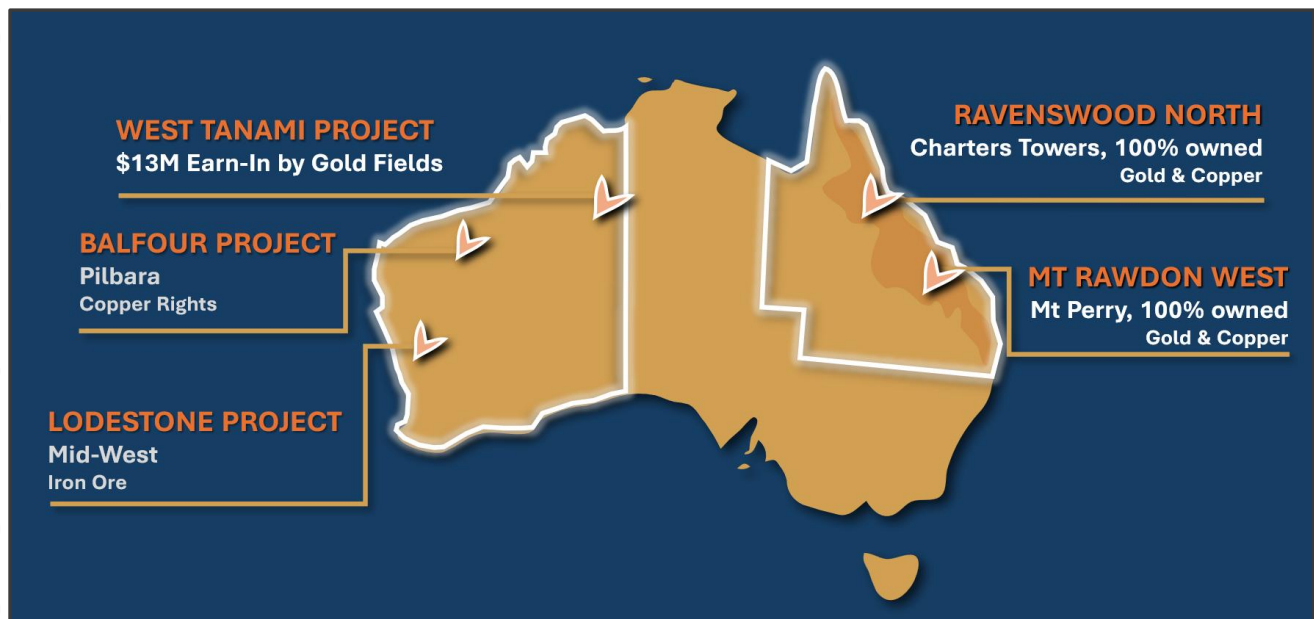


Figure 4: Location of all Killi Resources Projects in Australia

Compliance Statement

The information in this announcement that relates to the Lodestone Iron Project maiden Mineral Resource Estimate has been prepared and reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The supporting technical information is based on material provided within ASX announcement dated 11 June 2026.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Lodestone Iron Project maiden Mineral Resource Estimate and that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed. The form and context in which the Competent Persons' findings are presented have not been materially modified.

Competent Person's Statement

The information in this announcement that relates to the mineral resource estimate for the Lodestone Iron Ore Project, geology, exploration results and other technical matters is based on, and fairly represents, information compiled by Dr Stuart Owen, Principal Geologist, Matakita Minerals Pty Ltd, who is a Member of the Australian Institute of Geoscientists. Dr Owen has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code, and consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear. Dr Owen does not hold any securities in the Company and does not currently receive any incentive payment dependent on the results of the Mineral Resource Estimate.

Forward Looking Statements

This ASX announcement contains certain statements that may constitute “forward looking statement”. Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

Forward looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

The Company believes that it has a reasonable basis for making the forward-looking Statements in the announcement based on the information contained in this and previous ASX announcements.

This announcement has been authorised for release by the Board of Killi Resources Limited.

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Webinar Details:

Investors, analyst and media can register to join the webinar via the link below:

<https://www.bigmarker.com/read-corporate/killi-resources-asx-kli-investor-update>