

25 July 2019

JUNE 2019 QUARTERLY ACTIVITIES REPORT

Victorian Gold Projects

- Kalamazoo identified a large number of high priority gold exploration prospects within its Victorian Exploration Licence EL6679 (“Wattle Gully”) for follow-up low impact ground geophysical surveys.
- Kalamazoo engaged Planetary Geophysics to conduct detailed Induced Polarisation (IP) and ground magnetic surveys of the top 10 highest ranked prospects with work commencing in the September quarter.
- CSIRO collaborative research project “Mapping Geochemical Gradients at the Wattle Gully Gold Deposit” commenced with the on-site drill core sampling component completed.
- Tender distributed for a two stage 10,000m diamond drilling program.
- Core farm established in centrally located secure premises.

Pilbara Projects

- Kalamazoo developed a plan for further exploration, comprising soil and rock chip sampling programs, mapping and acquisition of various geophysical and spectral imagery, to identify target areas for the upcoming field season.

Cork Tree Project

- Kalamazoo completed its drilling program at the Cork Tree Copper Project in the March 2019 quarter and announced the results in the June 2019 quarter.

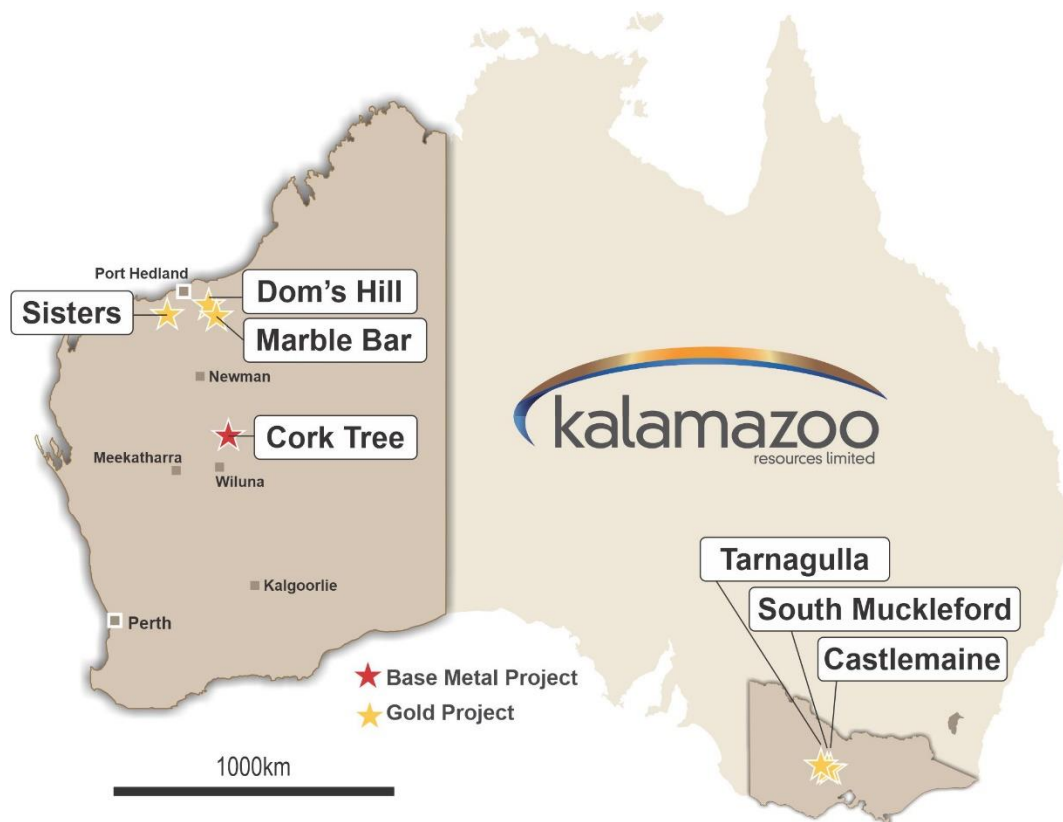


Figure 1: Kalamazoo Project Locations

VICTORIAN GOLD PROJECTS

During the quarter Kalamazoo progressed its Victorian gold exploration strategy based upon a high-grade target deposit model.

Castlemaine Gold Project (EL6679 & ELA6752)

Kalamazoo has identified a large number of high priority gold exploration prospects within its Victorian Exploration Licence EL6679 (“Wattle Gully”) for follow-up investigation. These prospects have been defined from a combination of features such as the presence of prospective fault/fold structures, gold mineralised reefs, historical workings, low exploration maturity and historical drill hole intersections. These prospects have received only limited, shallow historical drilling and have not seen any systematic modern geophysical exploration techniques. These prospects range in size up to 2km² and are located within the Castlemaine Diggings National Heritage Park and a commercial Pine Plantation.

Kalamazoo subsequently secured the services of Planetary Geophysics to conduct detailed Induced Polarisation (IP) and ground magnetic surveys of the top 10 highest ranked prospects which commenced in July 2019. These geophysical surveys will involve approximately 40 line km of IP survey lines and 360 line km of ground magnetic lines spread across the top ten ranked prospects. The ultimate aim of the geophysical surveys is to identify and map gold mineralised structures for follow-up diamond drill testing, with survey results expected in August 2019.

Of note there have been no ground geophysical surveys conducted within the Castlemaine Gold Project since the 1960s and the area is only covered by broad, regional-scale aeromagnetic and ground gravity data. The application of modern ground geophysical survey techniques to high ranking prospects is a key feature of

Kalamazoo’s exploration strategy. This is keeping with the Company’s philosophy of conducting exploration in a “smarter”, low impact, reconnaissance-style methodology that minimises any disturbance to the environment and the local Community. These activities essentially reduce the amount of ground disturbance and exploration drilling required to effectively explore a prospective area.

During the quarter Kalamazoo advanced its collaborative research project with CSIRO referred to as “Mapping Geochemical Gradients at the Wattle Gully Gold Deposit” (ASX: KZR 19 March 2019). The aim of the study is to apply modern, high-tech, core logging and laboratory techniques to historical diamond drill holes to better characterise and understand primary gold mineralisation within the Castlemaine goldfield. The study is utilising some of the approximately 80,000m of historical diamond drill core samples held by Kalamazoo. Progress to date the on-site drill core sampling stage has been completed with the next stage of laboratory analyses in progress. This is a 6-month research project which is expected to be completed in October 2019.

A contract Scope of Work document outlining a proposed two stage 10,000m diamond drilling program to take place in the latter parts of 2019 and early 2020 was distributed to reputable drilling contractors. This tender process closed 30 June 2019 with three quotations received. The proposed contract involves approximately 25 x 400 m (nominal depth) diamond drill holes (10,000 m). The drilling contract process will be completed in the September 2019 quarter.

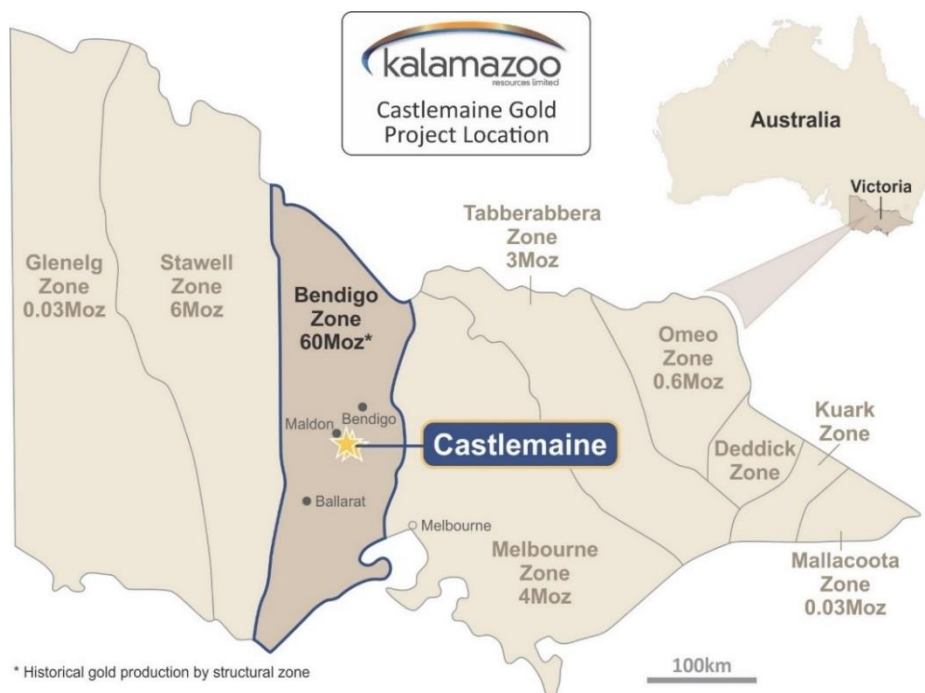


Figure 2: Castlemaine Gold Project Location

Tarnagulla Gold Project (EL6780)

Initial exploration activities have commenced which include desktop studies and historical data compilations with plans for field reconnaissance and validation exercises to commence in the September 2019 quarter.

South Muckleford Gold Project (EL6959)

The exploration licence EL6959 “South Muckleford” (~93km²), located in the southern Maldon goldfield was applied for during the June quarter and was subsequently granted in July 2019.

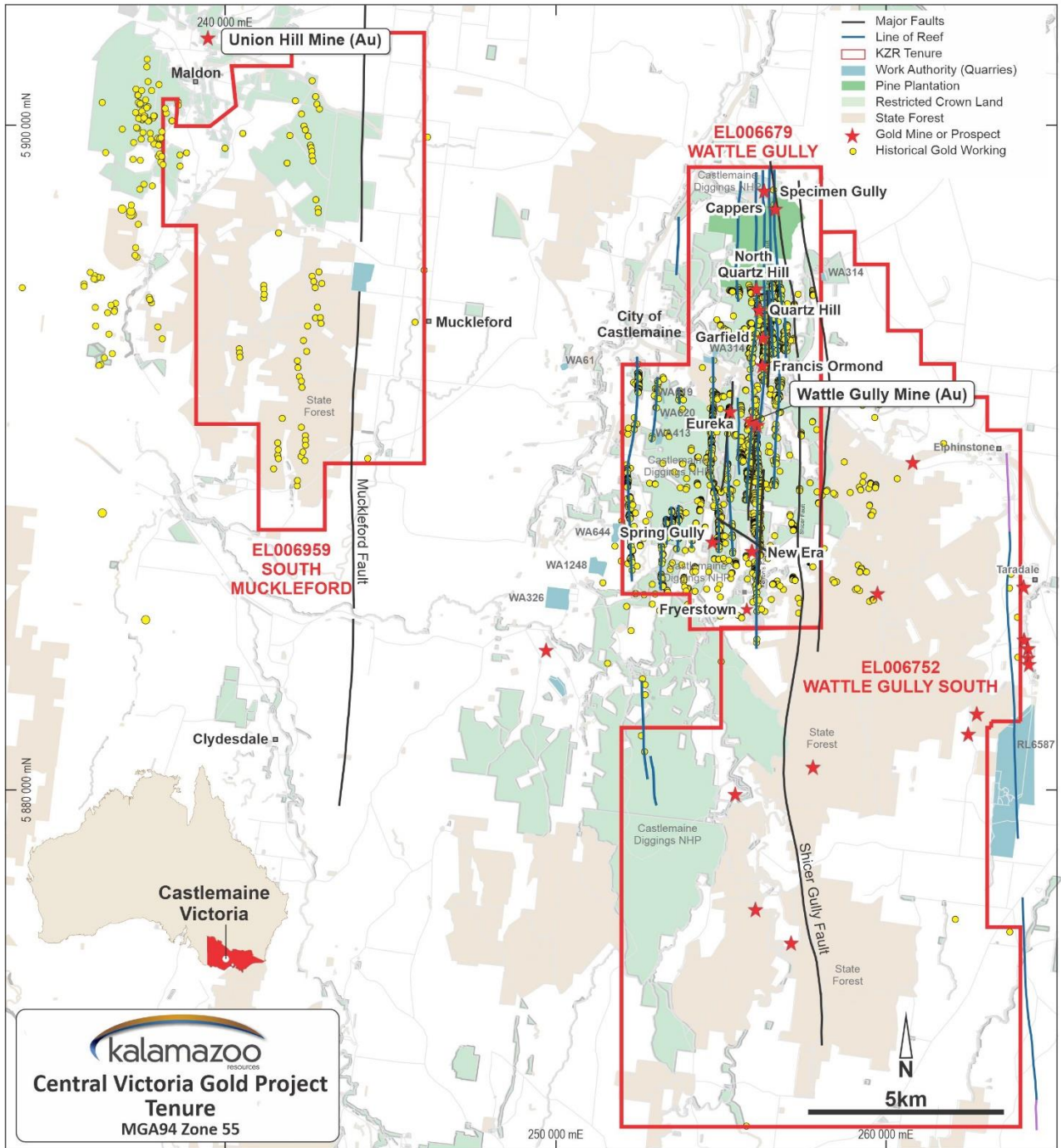


Figure 3: Castlemaine and South Muckleford Gold Project Locations
(note EL6959 and EL6752 were granted post 30 June 2019)

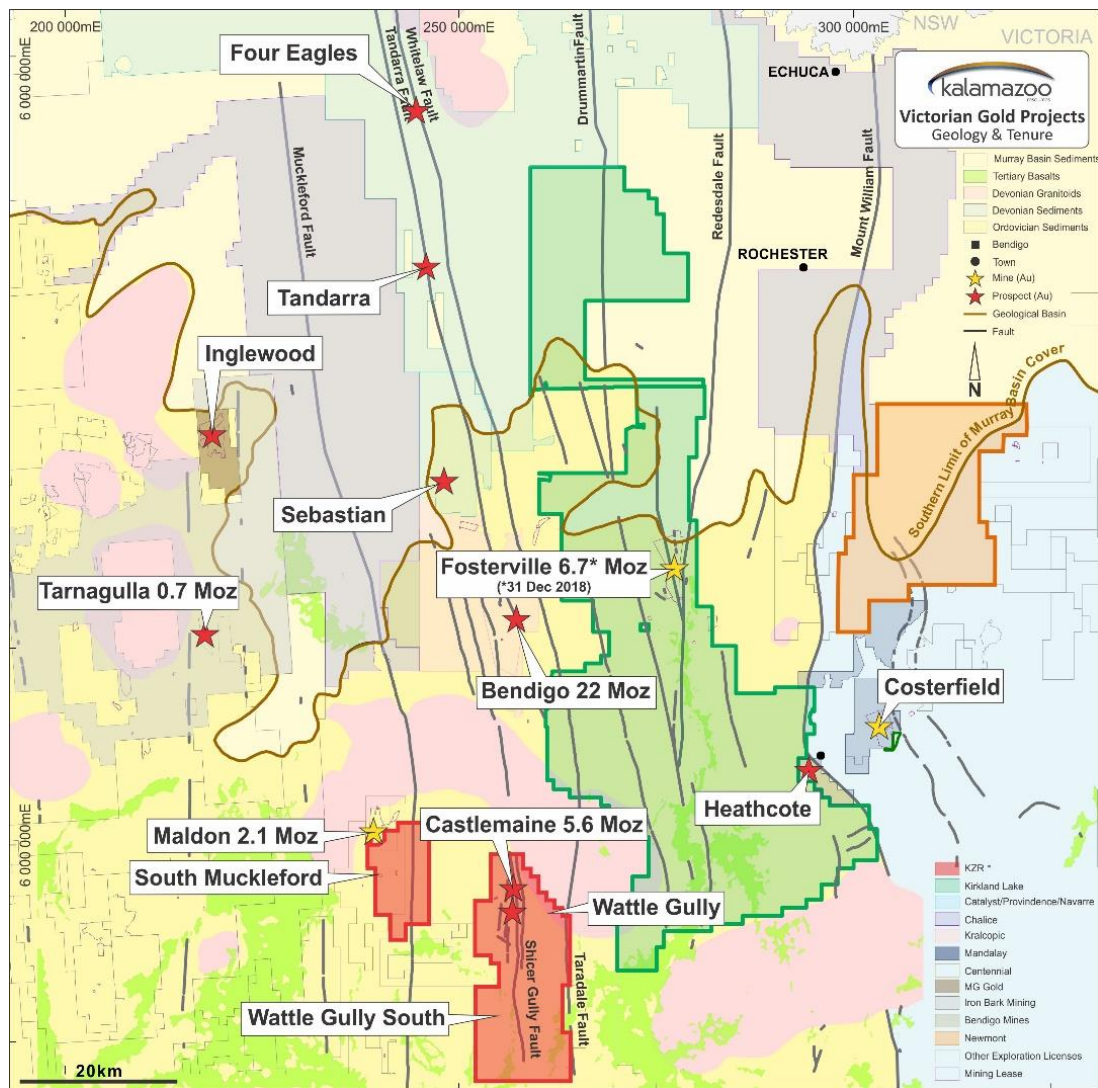


Figure 4: Regional Geology, Structures, Gold Projects and Wattle Gully Project Tenements

PILBARA GOLD PROJECTS

No field work was conducted during the quarter. The focus of work conducted was on planning for further soil and rock chip sampling programs, mapping and acquisition of various geophysical and spectral imagery to define targets for the upcoming field season.

The DOM's Hill Gold Project consists of two granted tenements and two exploration license applications (E45/4722, E45/4887, ELA45/4919 and ELA45/5146) located 110km south east of Port Hedland within the Archaean East Pilbara Region (Figure 5). The project contains an array of exploration targets including advanced prospects with significant gold grade intersections and is considered prospective for a range of gold, nickel, cobalt and base metal deposits.

The Sisters Gold Project (E47/2983, 80% interest in mineral rights other than lithium) comprises one granted 136km² exploration licence located 100km south west of Port Hedland and is prospective for epigenetic gold mineralisation associated with the Mt Wohler Shear, a prospective splay off the gold mineralised Mallina Shear Zone.

The Marble Bar Project comprises one granted 48km² tenement (E45/4724, 100% mineral rights other than lithium) located 6.5km east of Marble Bar and 11km north-west of ASX-listed Calidus Resources' Klondyke Gold Project located within the Warrawoona Gold project area.

The southern boundary of E45/4724 is adjacent to Calidus' tenement E45/4555 which contains the high grade Klondyke Gold deposit. Approximately 12km of the prospective Warrawoona Formation stratigraphy occurs within E45/4724. The tenement straddles the western intrusive contact of the Archaean Mt Edgar Batholith and the adjacent basalts, amphibolites and ultramafic units of the Warrawoona Formation. Major northerly trending arcuate regional structures traverse the project.

During the June quarter, Kalamazoo reviewed and subsequently relinquished E45/5046 due to a prospectivity downgrade.

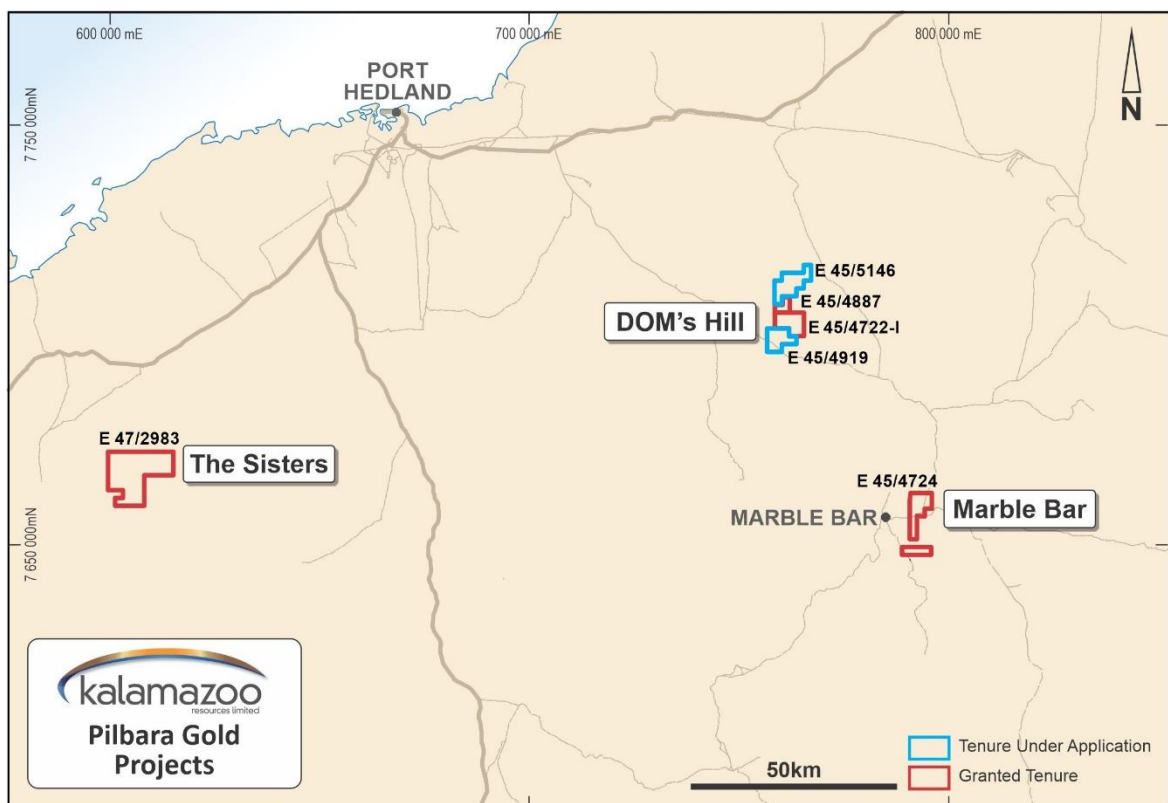


Figure 5: Location of Sisters, DOM's Hill and Marble Bar Gold Project Tenements

CORK TREE COPPER PROJECT

The Cork Tree Project consists of six granted Exploration Licences (E52/2056, E52/2057, E52/3042, E52/3514, E52/3515 and E52/3540) comprising 117 blocks and covering approximately 370km² mainly within the Earahedy Basin and partly along the contact with the Yerrida Basin.

The project area is strategically located in the Doolgunna region, which hosts Sandfire Resources' (ASX: SFR) DeGrussa and Monty Copper Mines and the Thaduna Copper deposit, Enigma Copper prospect and Horseshoe Lights Copper-Gold mine. Kalamazoo believes the region to be prospective for copper and potentially lead-zinc mineralisation.

During the March quarter Kalamazoo completed a reverse circulation drilling program testing base metal potential at the Elmo Prospect and the Cork Tree Copper Prospect in E52/2056 and E52/2057 respectively (ASX: KZR 24 April 2019). The program comprised of four holes for 624 metres.

There were five anomalous copper intersections of note (>500ppm Cu), all located within E52/2057, with three intervals reporting copper greater than 1,000ppm (0.1% Cu), with a maximum of 2,140ppm (0.21% Cu).

During the June quarter resampling and assay of copper anomalous intervals identified in composite RC samples from the two holes at the Cork Tree Copper prospect within E52/2057 was completed (ASX: KZR 18 June 2019).

CORPORATE

The Company had cash of \$0.8million at 30 June 2019.

During the quarter the Company applied for participation in the Junior Minerals Exploration Incentive (JMEI) and received an allocation of up to \$825,000 in JMEI tax credits for the 2019 / 2020 tax year.

In July 2019 the Company completed a placement raising \$1.2 million (before costs) through the issue of 10,000,000 shares at \$0.12c per share along with a one for two attaching option exercisable at \$0.25 and expiring on 10 July 2020.

For further information, please contact:

Mr Luke Reinehr

CEO and Executive Chairman

Please direct email enquiries to admin@kzr.com.au

TABLE 2 TENEMENT INFORMATION IN ACCORDANCE WITH LISTING RULE 5.3.3

Project / Tenement ID	State	Status	Interest at start of quarter	Interest at end of quarter	Notes
SNAKE WELL PROJECT					
E59/2137	WA	Granted	100%	0%	1.
E59/2239	WA	Granted	100%	0%	1.
E59/2240	WA	Granted	100%	0%	1.
M59/0041	WA	Granted	100%	0%	1.
M59/0474	WA	Granted	100%	0%	1.
M59/0476	WA	Granted	100%	0%	1.
M59/0477	WA	Granted	100%	0%	1.
M59/0565	WA	Granted	100%	0%	1.
PILBARA PROJECT					
E47/2983	WA	Granted	80%	80%	80% interest in minerals other than lithium.
E45/4722	WA	Granted	100%	100%	
E45/4724	WA	Granted	100%	100%	100% interest in minerals other than lithium.
E45/4887	WA	Granted	100%	100%	
E45/4919	WA	Application	-	-	
E45/5046	WA	Granted	100%	0%	Surrendered 20 June 2019
E45/5146	WA	Application	-	-	
CORK TREE PROJECT					
E52/2056	WA	Granted	51%	100%	
E52/2057	WA	Granted	51%	100%	
E52/3042	WA	Granted	100%	100%	
E52/3514	WA	Granted	100%	100%	
E52/3515	WA	Granted	100%	100%	
E52/3540	WA	Granted	100%	100%	
CASTLEMAINE PROJECT					
EL006679	VIC	Granted	100%	100%	
EL006752	VIC	Application	-	-	
TARNAGULLA PROJECT					
EL006780	VIC	Granted	0%	100%	
SOUTH MUCKLEFORD PROJECT					
EL006959	VIC	Application	-	-	

Notes:

1. On 12 February 2019 the Company announced that it had completed the sale of its Snake Well Gold Project in Western Australia.

About the Victorian Gold Projects

Kalamazoo's newest gold assets are the Wattle Gully and Wattle Gully South gold projects, which cover almost all the historical Castlemaine Goldfields, the South Muckleford project and the Tarnagulla project. The project areas are located approximately 100 kilometres northwest of Melbourne and are well serviced by a network of roads, railway and air services. The project area lies within easy distance of the major regional population centres of Ballarat and Bendigo. It consists of two granted exploration licences and two exploration licence applications. Castlemaine was one of the richest gold fields in Victoria, having produced 5.6 million ounces from both alluvial and underground sources. The Castlemaine Goldfield is a north trending mineralised zone approximately 10km long and 4km wide, located within the highly mineralised Bendigo-Ballarat zone of the Lachlan Fold Belt.

About the Pilbara Tenements

Kalamazoo acquired between 80% and 100% equity in three highly prospective gold projects in the Pilbara during 2018. The tenements have the potential to host significant gold mineralisation and are located in highly prospective locations within close proximity to some of the Pilbara's most exciting developing gold projects.

About the Cork Tree Project

Kalamazoo's copper asset is the Cork Tree Project, located 830km north east of Perth, 120 kms north-north west of Wiluna and 160 kms north east of Meekatharra, in the Mid-West region. The project can be accessed from Meekatharra via the Great Northern Highway, then the graded Neds Creek Station road. It consists of six granted exploration licences. Sandfire's DeGrussa ore processing facility lies some 30km west of the project area.

Competent Persons Statement

The information in this release relating to the exploration data for all Western Australian projects is based on information compiled by Mr Lance Govey, a competent person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Govey is an employee of BinEx Consulting who is engaged as the Exploration Manager WA for the Company. Mr Govey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Govey consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information for the Victorian Projects is based on information compiled by Dr Luke Mortimer, a competent person who is a Member of The Australian Institute of Geoscientists. Dr Mortimer is an employee engaged as the Exploration Manager Eastern Australia for the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves'. Dr Mortimer consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding Kalamazoo's plans with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that Kalamazoo's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Kalamazoo will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Kalamazoo's mineral properties. The performance of Kalamazoo may be influenced by a number of factors which are outside the control of the Company and its Directors, staff and contractors.