

Developing opportunities in resource rich Indonesia

January 2010

## Company overview

Kalimantan Gold Corporation Limited ("KLG") is an AIM and TSX-V listed mining junior, focused on promising copper, gold and coal prospects in Kalimantan, Indonesia.

In Central Kalimantan, the company has drilled more than 35,000 metres at its KSK copper project, uncovering the potential for a world class deposit.

A recent review of historical data on the project using state of the art techniques and processes has confirmed the potential for major copper deposits below the level of drilling to date.

In East Kalimantan, the company has drilled over 9,500 metres at its Jelai gold prospect which has the potential to yield a major epithermal deposit. The programme has produced some extremely promising drill results and the company is currently evaluating options for developing the project.

Also in East Kalimantan, KLG is developing coal projects through its recently established Coal Division. In December, the company announced the conclusion of its first project, Indobara Pratama, which indicated the potential for a viable, near production mining operation. KLG has negotiated a sale of the project and, subject to due diligence, it will be paid an up front fee and ongoing royalties.

KLG actively supports the Yayasan Tambuhak Sinta (YTS) Foundation which has an outstanding track record in community and social projects close to the exploration areas.



Kalimantan Gold's gold, copper and coal prospects in Indonesia.

## Operating in Indonesia

Understanding Indonesia is an important part of operating there. The country is currently the world's third largest copper producer and the largest exporter of thermal coal with an estimated 35Bt of resources considered suitable for the markets of Asia. It is against this background that both junior and major are being attracted back to the country.

KLG has developed close working relationships at all levels of society, from the local communities surrounding its project areas to the highest tier of decision making.

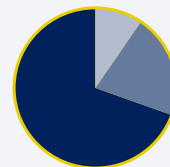
## Shareholder Information

Issued and outstanding (December 2009): 133,547,127

Warrants	0
Options	5,442,000
Fully Diluted	138,989,157

### Shareholder Base

Directors & Management, 7%  
Kalimantan Investment Corporation, 24%  
Shares held by public, 69%



AIM code: KLG; TSX-V code: KLG

### Institutional Shareholders include:

Golden Arrow Global Mining Fund  
El Oro, Exploration Company plc  
Macquarie Bank  
Passport Capital

## Directors

Peter Bojtos P. Eng*	Non Executive Chairman
Rahman Connelly*	Deputy Chairman Chief Executive Officer
Doris Meyer C.G.A.*	Chief Financial Officer and Director
Faldi Ismail*	Non Executive Director

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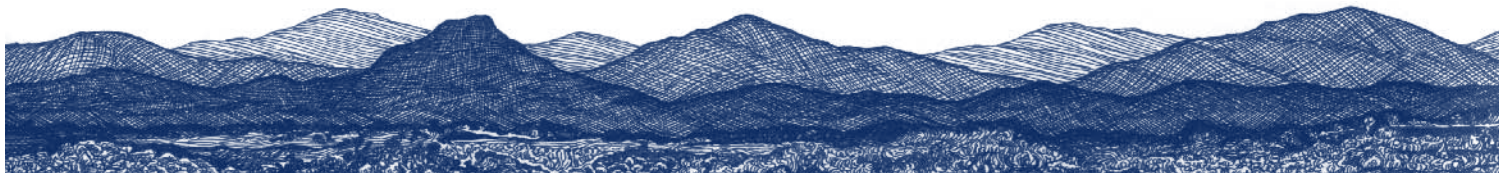
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World class ambition, world class potential



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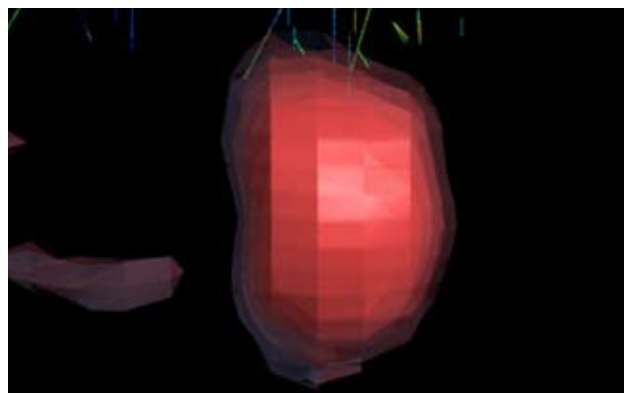
## KSK Copper Porphyry

### Inversion technology identifies world class potential

KSK is a 941 sq km 6th generation Contract of Work comprising a total of 38 mineral prospects. The company has completed 35,500 meters of drilling and has identified several prospects which are acknowledged to hold potential world class copper-gold porphyry deposits.

Using advanced “inversion” technology, a recent study on the project produced 3D profiles of a large magnetic body (see image, right) just below the existing drilling. This is in line with the results of surface geology and drilling to date and, in confirming the project’s potential, has lead to renewed joint venture interest from a number of major mining companies.

Dr. Peter Pollard who reviewed the results of the recent study commented: “the focus of major mining companies has shifted to exploring for deeper porphyry copper systems such as those that potentially exist within the KSK CoW. Most recent discoveries have been made by exploring deep targets near known systems (e.g. Oyu Tolgoi, Resolution, Pebble West) or exploring beneath younger cover (e.g. Spence and Gaby Sur).”



A 3D image of KSK’s Mansur prospect. One previous drill hole displaying strong porphyry alteration came close to intercepting the top of a magnetic body whose diameter is 800 meters and vertical depth 1,000 meters

## Jelai

### Specialist studies indicate potential major gold resource – jv interest

A series of encouraging results (see below) indicate the potential for a major resource at the property, a low sulphidation epithermal vein system which was previously drilled by Ivanhoe Mines (Indochina Goldfields), which completed 26 holes over 4000 meters. The company subsequently drilled 100 holes over 9595 meters.

Last year, the project was reviewed by leading economic geologist Dr Peter Pollard who confirmed its substantial resource potential. In his report, Dr Pollard concluded that KLG’s exploration “has met with considerable success and has enhanced the chance of delineating a major gold resource in the Jelai district.”

The company is evaluating options for progressing the project, including developing a small scale mine or entering into a jointventure.

#### Sample Jelai drill results

Hole	From	To	Metres	Au (g/t)	Ag (g/t)	Vein
JCM-69	22.75	28.75	6.00	15.84	81.19	Mewet
includes	22.75	23.50	0.75	62.27	256.00	
JCM-68	36.65	39.10	2.45	4.45	11.03	Mewet
JCM-67	121.00	130.50	1.30	12.92	16.05	Mewet
includes	129.20	130.50	1.00	2.23	2.4	
JCM-76	14.10	27.00	12.90	2.23	5.92	Mewet
includes	18.70	20.20	1.50	17.10	36.80	
JCM-81	34.30	41.20	6.90	24.70	22.49	Mewet
includes	39.80	41.20	1.40	53.27	35.60	
JCM-92	21.00	25.00	4.00	13.27	18.78	Sembawang South
includes	23.05	25.00	1.95	26.01	34.1	
JCM-27	12.55	18.50	5.95	2.15	4.20	Sembawang Central
JCM-26	42.00	47.20	5.20	5.60	2.70	Sembawang Central
includes	43.40	44.60	1.20	17.33	7.50	
JCM-13	32.00	36.75	4.75	10.43	14.60	Sembawang South
JCM-27	21.95	27.35	5.40	11.74	5.05	Lipan
includes	23.45	24.95	1.50	30.68	13.80	
JCM-38	21.95	27.35	5.40	11.74	5.05	Lipan
includes	23.45	24.95	1.50	30.68	13.80	

## Coal

### First coal project closed – ongoing opportunities

KLG has positioned itself to play a part in Indonesia’s still burgeoning coal sector. Drawing on its local knowledge and the resources of its new coal division, KLG’s strategy is to identify coal deposits, enter into option or participation agreements, undertake drilling to confirm the potential size and quality of deposits, then market and onward sell, typically retaining an interest or royalty in the project.

KLG has concluded the first of such projects at Indobara Pratama. KLG drilling confirmed the potential for a resource of around 270MT, averaging 4,915 kcal/kg and these drill results helped to identify a purchaser. In December 2009 KLG negotiated an agreement to sell an 80% interest whereby, subject to satisfactory due diligence, KLG will receive US\$6m in cash over 12 to 18 months as well as a 50 cent per tonne royalty on production which is expected to commence in 2010, scaling up to 10 MT pa.



Coal takes to the river near the KLG prospect