



13 December 2019

## Completion of Entitlement Offer

*Not for release to US wire services or distribution in the United States except by KGL Resources Limited to Approved US Shareholders*

### Key points

- ) Entitlement Offer closes, raising approximately \$3.83 million (before costs).
- ) New Shares under the Entitlement Offer will commence trading on Wednesday, 18 December 2019.

On Monday, 18 November 2019, KGL Resources Limited (**KGL Resources**) announced a 1 for 8 non-renounceable rights issue for ordinary KGL Resources shares (**New Shares**) at an offer price of \$0.23 to raise approximately \$8,221,496 (**Entitlement Offer**).

The Entitlement Offer (**Entitlement Offer**) closed at 5.00pm (AEDT) on Tuesday, 10 December 2019 raising approximately \$3.83 million before costs.

The Executive Chairman of KGL Resources, Mr Denis Wood, thanked shareholders for their ongoing support of the company,

“The funds received will enable KGL Resources to continue with its program for 2020 including progressing the studies to take the project to the financing stage.

Drilling for 2019 has been completed with some assays still outstanding but we have been very pleased with the results to date, particularly the drill results announced on 4 December 2019.”

KGL Resources received valid applications under the Entitlement Offer for approximately 16,657,792 New Shares (approximately \$3,831,292.16), representing approximately 47% of the 35,745,636 New Shares offered to eligible shareholders.

The take up included participation by KGL Resources' major shareholders Marshall Plenty and Denis Wood (on behalf of his controlled entities) for their full entitlement, in line with previously announced commitments. KGL Resources did not receive payment from KMP Investments Pte. Ltd., despite having confirmed to KGL Resources that it intended to subscribe for its full entitlement under the Entitlement Offer.

KGL Resources reserves the right, subject to the requirements of the ASX Listing Rules and the relevant law, to place the shortfall within three (3) months of the closing date at a price not less than the issue price of \$0.23.

The issue and allotment of the New Shares under the Entitlement Offer is scheduled to occur on Tuesday, 17 December 2019, and ASX trading of the new shares expected to commence on Wednesday, 18 December 2019.

Shareholders can contact KGL Resources' share registry, Link Market Services Limited, on 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia) between 9.00am and 5.00pm (AEDT) Monday to Friday.

## Further information

If you have any queries, please call Kylie Anderson on (07) 3071 9003 (inside Australia) or +61 3071 9003 (outside Australia) between 9.00am and 5.00pm (AEST) Monday to Friday during the offer period or, alternatively, consult your professional adviser.

## Important information

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. KGL Resources does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.



## Notice under section 708AA(2)(f) Corporations Act – issue of shares under Entitlement Offer – KGL Resources Limited (ASX Code: KGL)

KGL Resources Limited (**KGL Resources**) refers to its 1 for 8 pro rata non-renounceable entitlement offer for the issue of up to 35,745,636 fully paid ordinary shares in KGL Resources to eligible shareholders at an issue price of \$0.23 to raise approximately \$8,221,496 (**Entitlement Offer**).

The Entitlement Offer closed at 5.00pm AEDT on Tuesday, 10 December 2019 (**Closing Date**), raising total proceeds of \$3,831,292.16, with 16,657,792 fully paid ordinary shares in KGL Resources (**New Shares**) to be issued to eligible shareholders on Tuesday, 17 December 2019.

For the purposes of sections 708AA(7) and 708AA(12) of the *Corporations Act 2001* (Cth) (**Corporations Act**), KGL Resources advises:

1. the New Shares are being issued without disclosure under part 6D.2 Corporations Act as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Instrument 2016/84**);
2. this notice is given under section 708AA(2)(f) of the Corporations Act as notionally modified by Instrument 2016/84;
3. as at the date of this notice, KGL Resources has complied with:
  - a. the provisions of chapter 2M of the Corporations Act as they apply to KGL Resources; and
  - b. section 674 of the Corporations Act;
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act as notionally modified by Instrument 2016/84;
5. the issue of New Shares under the Entitlement Offer is not expected to have any material effect or consequence on the control of KGL Resources; and
6. since the notice under section 708AA(2)(f) released to the ASX on 18 November 2019, KGL Resources completed the Entitlement Offer. As disclosed in the Entitlement Offer information booklet and related announcements released to the ASX on 18 November 2019, KGL Resources had received confirmations from major shareholders KMP Investments Pte. Ltd. (**KMP Investments**), Marshall Plenty Investments LLC, and Denis Wood (on behalf of his controlled entities) of their intention to subscribe for their full entitlement under the Entitlement Offer. KGL Resources did not receive payment from KMP Investments, despite having confirmed to KGL Resources that it intended to subscribe for its full entitlement under the Entitlement Offer.

Signed for and on behalf of KGL Resources:

A handwritten signature in black ink that reads 'Kylie Anderson'.

**Kylie Anderson**  
Company Secretary  
KGL Resources Limited