



Announcement Summary

Entity name

KGL RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

Monday February 22, 2021

The Proposed issue is:

☒ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
KGL	ORDINARY FULLY PAID	28,024,573

Ex date

Wednesday February 24, 2021

+Record date

Thursday February 25, 2021

Offer closing date

Tuesday March 16, 2021

Issue date

Tuesday March 23, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

KGL RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

52082658080

1.3 ASX issuer code

KGL

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Monday February 22, 2021

1.6 The Proposed issue is:

☒ A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

KGL : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

KGL : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)



The quantity of additional +securities to be issued	For a given quantity of +securities held
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What will be done with fractional entitlements?

Maximum number of +securities proposed to be issued (subject to rounding)

Fractions rounded up to the next whole number

28,024,573

Offer price details for retail security holders

In what currency will the offer be made?

What is the offer price per +security for the retail offer?

AUD - Australian Dollar

AUD 0.42000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ No

Will a scale back be applied if the offer is over-subscribed?

☒ No

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Part 3C - Timetable

3C.1 +Record date

Thursday February 25, 2021

3C.2 Ex date

Wednesday February 24, 2021

3C.4 Record date

Thursday February 25, 2021



3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Monday March 1, 2021

3C.6 Offer closing date

Tuesday March 16, 2021

3C.7 Last day to extend the offer closing date

Thursday March 11, 2021

3C.9 Trading in new +securities commences on a deferred settlement basis

Wednesday March 17, 2021

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Friday March 19, 2021

3C.11 +Issue date

Tuesday March 23, 2021

3C.12 Date trading starts on a normal T+2 basis

Wednesday March 24, 2021

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Friday March 26, 2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

3E.1a Who is the lead manager/broker?

Morgans Corporate Limited

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Management Fee of 1.5% of gross proceeds

Selling Fee of 3.5% of gross proceeds excluding the major shareholder, the Wood family entities and others as agreed.

3E.2 Is the proposed offer to be underwritten?

☒ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ Yes



3E.3a Will the handling fee or commission be Dollar based or Percentage based?

☒ Percentage based (%)

3E.3b Amount of any handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible security holders

1.000000 %

3E.3c Please provide any other relevant information about the handling fee or commission method

Capped at \$150 per application

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Proceeds from the Equity Raising will be applied to further developing KGL's Jervois Copper Project and investigating additional exploration targets in the area

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Any country excluding Australia, New Zealand, Singapore or an Approved US Shareholder

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Nominees and custodians that hold Shares should note that the Entitlement Offer is only being made to Eligible Shareholders. KGL is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Nominees and custodians may not distribute any part of this offer document, and may not permit any beneficial shareholder to participate in the Entitlement Offer, in any country outside Australia except:

- (a) to beneficial shareholders of KGL resident in New Zealand or Singapore; and
- (b) with the consent of KGL, to beneficial shareholders of KGL resident in certain other countries where KGL may determine it is lawful and practical to make the Offer.

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.kglresources.com.au

3F.7 Any other information the entity wishes to provide about the proposed issue



3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ No