

ASX Announcement

Completion of Entitlement Offer



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Completion of Entitlement Offer Raising \$23.04 million (95.2% of Total Offer)

On 13 April 2022, KGL Resources Limited (KGL or the Company) announced a 1 for 6 non-renounceable entitlement offer of fully paid ordinary shares in KGL (New Shares) at an offer price of \$0.37 to raise up to \$24.2 million (Entitlement Offer).

The Entitlement Offer closed at 5.00pm (AEDT) on Thursday, 5 May 2022, raising a total of **\$23.04 million** before costs including application shares under the top-up facility, representing a total take-up rate of approximately **95.2%**.

The Managing Director of KGL, Mr Simon Finnis, thanked shareholders for their ongoing, strong support of the Company, and said:

“The Feasibility Study is on target for completion in mid-2022. The study was extended to allow for potential business case advantages to be investigated and incorporated, including the benefits of the Glencore offtake agreement and the updated Jervois mineral resource.

The funds raised under the Entitlement Offer will allow the completion of the Feasibility Study and the continuation of the Front End Engineering Design (FEED). Based on the outcomes of the Feasibility Study, the funds will also go towards placing orders for long lead time items and commencement of early works.”

KGL received valid applications under the Entitlement Offer for 62,273,962 New Shares, (including 21,922,553 New Shares under the top-up facility) representing approximately 95.2% of the 65.39 million New Shares offered to shareholders.

The applications included participation by KGL’s major shareholders, KMP Investments Pte Ltd (KMP) and Denis Wood (on behalf of his controlled entities). KMP, in line with previously announced intentions, applied for 6.5 million top-up shares in addition to taking up its pro-rata entitlement, representing an additional contribution of \$2.405 million. This will result in KMP’s shareholding in the Company increasing by 1.61%. This increase in shareholding will require shareholder approval under the ASX Listing Rules and the Company will seek approval to issue these top-up shares to KMP at a soon to be called Extraordinary General Meeting.

KGL reserves the right, subject to the requirements of the ASX Listing Rules and applicable law, to place the remaining shortfall from the Entitlement Offer within three (3) months of the closing date at a price not less than the issue price of \$0.37 per New Share.

The issue and allotment of the New Shares under the Entitlement Offer is scheduled to occur on Thursday, 12 May 2022, and ASX trading of the New Shares on the ASX is expected to commence on Friday, 13 May 2022.

This announcement has been approved by the directors of KGL Resources Limited.