



## **KGL Resources Limited**

(ACN 082 658 080)

### **Offer Booklet**

4 for 15 pro-rata non-renounceable entitlement offer of fully paid ordinary shares in the Company at an Offer Price of \$0.10 per New Share.

The Offer closes at 5.00pm (Sydney time) on 25 July 2024.

### **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

If you are an Eligible Shareholder, this Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. Please call your stockbroker, solicitor, accountant, financial adviser or other professional adviser or the Offer information line on 1300 853 781 (within Australia) or +61 1300 853 781 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

## IMPORTANT NOTICES

Defined terms and abbreviations used in this Offer Booklet are set out in the glossary in Section 7.

### NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.

This Offer Booklet has been prepared and issued by KGL Resources Limited (ACN 082 658 080) (**Company**) and is dated 16 July 2024. This Offer Booklet relates to the entitlement offer by the Company of New Shares to raise gross proceeds of up to approximately \$15.1 million.

The Offer is being made in Australia pursuant to section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73), which allows entitlement offers to be made to investors without a prospectus. This Offer Booklet does not contain all of the information which an investor may require to make an informed investment decision, nor does it contain all the information which would be required to be disclosed in a prospectus, product disclosure statement or other disclosure document under the Corporations Act. The information in this Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Offer Booklet should be read in its entirety before you decide to participate in the Offer. This Offer Booklet is not a prospectus, product disclosure statement or other disclosure document under the Corporations Act and has not been lodged with ASIC.

As this Offer is not being made under a prospectus, investment statement or product disclosure statement, it is important for Eligible Shareholders to read carefully and understand this Offer Booklet and the information about the Company and the Offer that is made publicly available. In particular, please refer to the materials in this Offer Booklet (including the ASX Announcements in Section 5), the Company's annual reports and other ASX announcements made available at [www.kglresources.com.au](http://www.kglresources.com.au) (including the Company's 2023 annual report which was released to ASX on 21 September 2023), and other ASX announcements which may be made by the Company after publication of this Offer Booklet.

By paying for your New Shares through BPAY® or EFT in accordance with the instructions on your personalised Entitlement and Acceptance Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Offer detailed in this Offer Booklet.

### No overseas offering

This Offer Booklet, the accompanying Entitlement and Acceptance Form, and the accompanying ASX Announcements (including the Company's Investor Presentation included as part of this Offer Booklet) may not be distributed or released in the United States and do not constitute an invitation or offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Offer Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933, as amended (**US Securities Act**).

This Offer Booklet is not to be distributed, and no offer of New Shares is to be made, in countries other than Australia and New Zealand unless the Company, in

its discretion, is satisfied that the Offer may be made in compliance with all applicable laws.

No action has been taken to register or qualify the Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your application for New Shares is subject to all requisite authorities and clearances being obtained for the Company to lawfully receive your Application Monies.

### New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

This Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with, or approved by, any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### United States disclaimer

This Offer Booklet, the accompanying Entitlement and Acceptance Form, and the accompanying ASX Announcements (including the Company's Investor Presentation included as part of this Offer Booklet) do not constitute an invitation or offer to sell, or the solicitation of an offer to buy, any securities in the United States.

Neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Offer have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States.

Accordingly, the Entitlements may not be issued to, or taken up or exercised by, and the New Shares may not be offered or sold directly or indirectly to, persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent such persons hold such securities and are acting for the account or benefit of a person in the United States), unless they have been registered under the US Securities Act or offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Offer pursuant to this Offer Booklet may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

### References to "you" and "your Entitlement"

In this Offer Booklet, references to "you" are references to Eligible Shareholders (as defined in Section 1.2) and references to "your Entitlement" (or "your Entitlement

and Acceptance Form") are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders.

#### Times and dates

Times and dates in this Offer Booklet are indicative only and may be subject to change. All times and dates refer to Sydney time. Refer to the "Key Dates" section of this Offer Booklet for more details.

#### Currency

Unless otherwise stated, all dollar values in this Offer Booklet are in Australian dollars (AUD).

#### Privacy

The Company collects information about each applicant provided on an Entitlement and Acceptance Form for the purposes of processing the application and, if the application is successful, to administer the applicant's holding in the Company.

By paying for your New Shares, you will be providing personal information to the Company (directly or through the Company's Share Registry). The Company collects, holds and will use that information to assess your application. The Company collects your personal information to process and administer your shareholding in the Company and to provide related services to you. The Company may disclose your personal information for purposes related to your shareholding in the Company, including to the Company's Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that the Company holds about you. To make a request for access to your personal information held by (or on behalf of) the Company, please contact the Company through the Company's Share Registry.

#### Governing law

This Offer Booklet, the Offer, and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Queensland, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of Queensland, Australia and courts competent to hear appeals from those courts.

#### Forward-looking statements

This Offer Booklet 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 Offer Booklet 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. The Company does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Offer Booklet will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

To the maximum extent permitted by law, the Company and its related bodies corporate, and their respective directors, officers, employees, advisors and agents (together, the **Relevant Parties**) disclaim any responsibility for any errors or omissions in such information, including the financial calculations, projections and forecasts and indications of, and guidance on, future earnings and performance and financial position. Such forward-looking statements relate to future events and expectations and are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors and

are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or production, many of which are beyond the Company's control, that may cause actual results to differ materially from those predicted or implied by any forward-looking statements. No representation or warranty is made by or on behalf of the Company or the Relevant Parties that any projection, forecast, calculation, forward-looking statement, assumption or estimate contained in this Offer Booklet should or will be achieved or that actual outcomes will not differ materially from any forward-looking statements. Graphs used in this Offer Booklet (including data used in the graphs) are sourced from third parties and the Company has not independently verified the information. Although reasonable care has been taken to ensure that the information in this Offer Booklet is accurate and that the opinions expressed are fair and reasonable, they are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and the Relevant Parties, and no reliance can be placed for any purpose whatsoever on the information contained in this Offer Booklet or on its completeness. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements, depending on a variety of factors.

Recipients of this Offer Booklet are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the significant volatility, uncertainty and disruption caused by the current economic climate and the geopolitical tensions across a number of areas worldwide. Refer to the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 for a summary of certain general and specific risk factors that may affect the Company.

Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

#### Past performance

Investors should note that past performance, including the past share price performance of the Company and the pro forma historical information in the Company's Investor Presentation included in Section 5, is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guidance as to) future Company performance including future share price performance. The pro forma historical information is not represented as being indicative of the Company's views on its future financial condition and/or performance.

#### Risks

Refer to the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 for a summary of certain general and specific risk factors that may affect the Company.

#### Trading in New Shares

The Company and its affiliates and related bodies corporate have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Company's Share Registry or failure to maintain your updated details with the Company's Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

Refer to Section 6 for details.

## **Table of contents**

---

<b>LETTER FROM THE CHAIR</b>	<b>2</b>
<b>SUMMARY OF THE OFFER</b>	<b>4</b>
<b>KEY DATES</b>	<b>4</b>
<b>1. OVERVIEW OF THE OFFER</b>	<b>6</b>
<b>2. SUMMARY OF OPTIONS AVAILABLE TO YOU</b>	<b>10</b>
<b>3. HOW TO APPLY</b>	<b>12</b>
<b>4. AUSTRALIAN TAX CONSIDERATIONS</b>	<b>20</b>
<b>5. ASX ANNOUNCEMENTS (INCLUDING INVESTOR PRESENTATION)</b>	<b>23</b>
<b>6. ADDITIONAL INFORMATION</b>	<b>24</b>
<b>7. GLOSSARY</b>	<b>32</b>

---

## LETTER FROM THE CHAIR

16 July 2024

Dear Shareholder

As a valued Shareholder, I am pleased to invite you to participate in a 4 for 15 pro-rata non-renounceable entitlement offer of new fully paid ordinary shares in the Company (**New Shares**) at an offer price of \$0.10 per New Share (**Offer Price**) to raise gross proceeds of up to approximately \$15.1 million (**Offer**).

Funds from the Offer will be used in accordance with the Company's strategic objectives:<sup>1</sup>

**1. Position the Company to commence production to coincide with chronic copper shortfall**

Finalise feasibility study update in approximately Q3 – Q4 of calendar year 2024. Market uncertainties abating, the Company plans to be in a position to commence production in 2027.

**2. Continue drill plans to extend the life of the Jervois Project**

Current drilling campaigns are aimed around and within the existing Mineral Resource. The Company's focus is to increase the quality and size of the Mineral Resource. Recent drilling announcements continue to show the prospectivity of the Jervois Project. Further holes are planned at Reward Deeps, Marshall and Rockface.

**3. Undertake exploration at depth**

Over the years, geophysical studies have indicated magnetic and gravity anomalies at depth. The Company's recent focus has been on the large anomaly under the southern end of the J structure near Rockface. Funds from the Offer will be used to complete the inversion study, defining further targets in this area and undertake one further deep hole based on this modelling.

The background to the Offer and the key risks facing the Company in the next 12 to 24 months are described in more detail in the Company's Investor Presentation lodged with ASX on 8 July 2024 (and included in this Offer Booklet in Section 5). The Offer is not underwritten, and is subject to a minimum raise condition of \$6 million. The proceeds of the Offer in excess of the minimum raising will be used to continue exploration activities, to provide additional project development working capital, fund front end engineering design and exploration at depth. The Board reserves the right to change the allocation of funds where there are changes in market conditions, exploration priorities or strategic objectives.

This Offer Booklet relates to the Offer. Under the Offer, Eligible Shareholders are entitled to acquire 4 New Shares for every 15 Shares held at 7.00pm (Sydney time) on 11 July 2024 (**Record Date**) (**Entitlement**). Your Entitlement is set out in your personalised Entitlement and Acceptance Form which accompanies this Offer Booklet. It is important that you determine whether to take up in whole or part, or do nothing, in respect of your Entitlement (see Section 2).

Eligible Shareholders have the opportunity to invest at the price of \$0.10 per New Share. The issue price of \$0.10 per New Share represents a 15% discount to the closing price of Shares on 5 July 2024

---

<sup>1</sup> An exact breakdown of the use of funds is detailed on slide 6 of the Company's Investor Presentation lodged with ASX on 8 July 2024 (and included in this Offer Booklet in Section 5).

(being the last trading day before announcement of the Offer), and a 12% discount to the TERP of \$0.112.<sup>2</sup>

New Shares issued through the Offer will rank equally with existing Shares on issue.

Substantial Shareholder, KMP Investments Pte. Ltd. (which has an interest in the Company of approximately 31.69%) has committed to take up its Entitlement in full.

Entitlements under the Offer are non-renounceable and will not be tradeable on ASX or otherwise transferable. If you do not take up your Entitlement in full, you will not receive any value in respect of that part of the Entitlement that you do not take up.

**The Offer closes at 5.00pm (Sydney time) on 25 July 2024.**

If you would like to exercise your Entitlement to increase your shareholding in the Company, you will need to pay your Application Monies using BPAY® or EFT, so that they are received by the Company's Share Registry by 5.00pm (Sydney time) on 25 July 2024.

Please carefully read this Offer Booklet in its entirety and consult your stockbroker, solicitor, accountant, financial adviser or other professional adviser before making your investment decision. In particular, you should read and consider the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 which contains a summary of some of the key risks associated with an investment in the Company.

If you have any questions in respect of the Offer, please call the Offer information line on 1300 853 781 (within Australia) or +61 1300 853 781 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

On behalf of the Board and management team of the Company, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours faithfully

**Jeff Gerard**  
Chairman  
KGL Resources Limited

---

<sup>2</sup> The TERP is the theoretical price at which Shares should trade immediately following the ex-date for the Offer assuming 100% take up of the Offer. The TERP is a theoretical calculation only and the actual price at which Shares trade immediately following the ex-date for the Offer will depend on many factors and may not be equal to the TERP. The TERP is calculated by reference to the Company's closing price of \$0.115 per Share on 5 July 2024, being the last trading day prior to the announcement of the Offer.

## SUMMARY OF THE OFFER

<b>Ratio</b>	4 New Shares for every 15 existing Shares held
<b>Offer Price for New Shares</b>	\$0.10 per New Share
<b>Size</b>	Up to approximately 151,277,830 million New Shares
<b>Gross proceeds (minimum)</b>	\$6 million
<b>Gross proceeds (maximum)</b>	Up to approximately \$15.1 million

## KEY DATES

<b>Event</b>	<b>Date</b>
Announcement of the Offer	Monday, 8 July 2024
"Ex" date	Wednesday, 10 July 2024
Record date for Offer (7.00pm (Sydney time)) ( <b>Record Date</b> )	Thursday, 11 July 2024
Offer Booklet and personalised Entitlement and Acceptance Forms despatched, and announcement of despatch	Tuesday, 16 July 2024
Offer opens	Tuesday, 16 July 2024
Last day to extend the Closing Date for the Offer	Monday, 22 July 2024
Closing Date for the Offer (5.00pm (Sydney time)) <sup>3</sup>	Thursday, 25 July 2024
Securities quoted on a deferred settlement basis (from market open)	Friday, 26 July 2024
Announcement of results of the Offer	Tuesday, 30 July 2024
Settlement of the Offer	Wednesday, 31 July 2024
Allotment of New Shares issued under the Offer	Thursday, 1 August 2024
Normal trading on ASX for New Shares issued under the Offer commences	Friday, 2 August 2024
Despatch of holding statements for New Shares issued under the Offer	Monday, 5 August 2024

<sup>3</sup> Eligible Shareholders who wish to take up all or a part of their Entitlement must pay their Application Monies via BPAY® or EFT by following the instructions set out on the personalised Entitlement and Acceptance Form so that they are received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 25 July 2024. Eligible Shareholders should refer to Section 2 for options available to them to deal with their Entitlement.

The timetable above is indicative only and may change. The Company may amend any of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date, to accept late applications under the Offer (either generally or in particular cases) and to withdraw the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the issue date of New Shares.

The commencement of quotation of New Shares is subject to confirmation from ASX. Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Offer opens to ensure their application is received by the Company's Share Registry in time.

### **Enquiries**

If you have any questions, please contact the Offer information line on 1300 853 781 (within Australia) or +61 1300 853 781 (outside Australia) from 8.30am to 5.30pm (Sydney time), Monday to Friday. If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.



## 1. OVERVIEW OF THE OFFER

### 1.1 Offer

The Offer is an offer of up to approximately 151,277,830 New Shares at the Offer Price of \$0.10 per New Share, to raise up to approximately \$15.1 million. All Eligible Shareholders are entitled to subscribe for 4 New Share for every 15 Shares held at the Record Date, being 7.00pm (Sydney time) on 11 July 2024.

Eligible Shareholders who take up their full Entitlement may also participate in the top-up facility (**Top-Up Facility**) by applying for additional New Shares in excess of their Entitlement at the Offer Price. Applications under the Top-Up Facility will (subject to the Company ensuring that no issue of New Shares occurs that is contrary to law) be uncapped. Additional New Shares under the Top-Up Facility will only be allocated to Eligible Shareholders if available and to the extent that the Directors of the Company so determine, in their absolute discretion. If you apply for additional New Shares there is no guarantee that you will be allocated any additional New Shares.

In particular, an Eligible Shareholder will not be issued any additional New Shares under the Top-Up Facility if the issue of such additional New Shares would cause the Company or that Eligible Shareholder to breach any applicable law, including but not limited to section 606 of the Corporations Act.

Funds from the Offer will be used in accordance with the Company's strategic objectives:<sup>4</sup>

#### 1. Position the Company to commence production to coincide with chronic copper shortfall

Finalise feasibility study update in approximately Q3 - Q4 of calendar year 2024. Market uncertainties abating, the Company plans to be in a position to commence production in 2027.

#### 2. Continue drill plans to extend the life of the Jervois Project

Current drilling campaigns are aimed around and within the existing Mineral Resource. The Company's focus is to increase the quality and size of the Mineral Resource. Recent drilling announcements continue to show the prospectivity of the Jervois Project. Further holes are planned at Reward Deeps, Marshall and Rockface.

#### 3. Undertake exploration at depth

Over the years, geophysical studies have indicated magnetic and gravity anomalies at depth. The Company's recent focus has been on the large anomaly under the southern end of the J structure near Rockface. Funds from the Offer will be used to complete the inversion study, defining further targets in this area and undertake one further deep hole based on this modelling.

The proceeds of the Offer in excess of the minimum raising will be used to continue exploration activities, to provide additional project development working capital, fund front end engineering design and exploration at depth. The Board reserves the right to change the allocation of funds where there are changes in market conditions, exploration priorities or strategic objectives.

The Offer is non-renounceable. Accordingly, Entitlements do not trade on ASX, nor can they be sold, transferred or otherwise disposed of.

<sup>4</sup> An exact breakdown of the use of funds is detailed on slide 6 of the Company's Investor Presentation lodged with ASX on 8 July 2024 (and included in this Offer Booklet in Section 5).

Substantial Shareholder, KMP Investments Pte. Ltd. (**KMP**), which has an interest in the Company of approximately 31.69% has committed to take up its Entitlement in full.

The Offer opens on 16 July 2024. This Offer Booklet will be despatched on that same date, along with a personalised Entitlement and Acceptance Form, to Eligible Shareholders. The Offer is expected to close at 5.00pm (Sydney time) on 25 July 2024.

The Offer is being made pursuant to section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73), which allows the Offer to be offered without a prospectus, provided certain conditions are satisfied.

As a result, the Offer is not being made under a prospectus and it is important for Eligible Shareholders to read and understand the information on the Company and the Offer made publicly available by the Company, prior to taking up all or part of their Entitlement. In particular, please refer to the materials enclosed in Section 5, the Company's interim and annual reports, other announcements made available at [www2.asx.com.au](http://www2.asx.com.au) (including the Company's 2023 annual report which was released to ASX on 21 September 2023) and all other parts of this Offer Booklet carefully before making any decisions in relation to your Entitlement.

## 1.2 Eligible Shareholders

The Offer constitutes an offer to **Eligible Shareholders** only, being Shareholders who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (Sydney time) on 11 July 2024;
- as at the Record Date, have a registered address on the Company's Share register that is in Australia or New Zealand, or are a Shareholder that the Company has otherwise determined is eligible to participate;
- are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States) unless allowed under the applicable security laws; and
- are eligible under all applicable securities laws to receive an offer under the Offer.

All Shareholders who are not Eligible Shareholders are Ineligible Shareholders. Ineligible Shareholders will not be entitled to participate in the Offer.

The Company has determined that it would be unreasonable on this occasion to extend the Offer to Ineligible Shareholders, having regard to the number of Shares held by Ineligible Shareholders, the number and value of New Shares that they would be offered, and the costs of complying with the legal and regulatory requirements which would apply to an offer of Shares.

The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and therefore able to participate in the Offer, or an Ineligible Shareholder and therefore unable to participate in the Offer. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

### 1.3 Capital structure

On the basis that the Company completes the Offer, the Company's indicative capital structure immediately following completion of the Offer will be as follows:

	Number of Shares (if full amount is raised under the Offer)	Number of Shares (if only minimum raise amount is raised under the Offer)	Number of unquoted performance options
Number on issue as at the date of this Offer Booklet	567,291,863	567,291,863	234,000
Number to be issued under the Offer <sup>(1)</sup>	151,277,830	60,000,000	Nil
<b>Total on issue following the Offer</b>	<b>718,569,693</b>	<b>627,291,863</b>	234,000

Notes:

(1) This is subject to reconciliation of Entitlements, and assumes that no Shares are issued pursuant to the exercise vesting of unquoted performance options.

### 1.4 Effect of the Offer on control

Information in relation to the effect of the Offer on the control of the Company is set out in the Offer cleansing notice released to ASX on 8 July 2024.

The effect and consequence of the issue of New Shares under the Offer on the control of the Company is dependent on a number of factors, including investor demand.

Given the structure of the Offer as a pro-rata offer, if all Eligible Shareholders take up their Entitlements, the ownership interest (and voting power) in the Company of each Eligible Shareholder will remain largely unchanged and the effect on the control of the Company will be negligible. In these circumstances, the voting power of KMP, the Company's largest shareholder (with an interest in the Company prior to the Offer of approximately 31.69%), will remain at approximately 31.69%.

To the extent that any Eligible Shareholder fails to take up their Entitlement, the percentage holding in the Company of that Eligible Shareholder will be diluted by those other Eligible Shareholders who take up some, all or more than their Entitlements. Depending on the percentage of Entitlements taken up (**Take-Up**), KMP's voting power in the Company may also increase. This is shown in the following table, which sets out KMP's voting power in the Company immediately following completion of the Offer in various Take-Up scenarios.

KMP's current voting power in the Company <sup>1</sup>	KMP's voting power in the Company immediately following completion of the Offer <sup>2</sup>		
	100% Take-Up	67% Take-Up	39.66% Take-Up (~\$6 million minimum raise)
31.69% <sup>3</sup>	31.69% <sup>4</sup>	34.06%	36.31%

1 On the basis that there are 567,291,863 Shares on issue as at the date of this Offer Booklet.

2 Assumes that in a 100% Take-Up scenario, 151,277,830 New Shares are issued under the Offer.

3 KMP holds 179,811,776 Shares as at the date of this Offer Booklet.

If no Eligible Shareholders of the Company (other than KMP who has committed to take up its Entitlement in full) take up their Entitlements (which the Board considers unlikely), then the Offer will not proceed because the minimum raise of \$6 million would not have been achieved.

The voting power in the Company of Ineligible Shareholders will be diluted.

## 2. SUMMARY OF OPTIONS AVAILABLE TO YOU

If you are an Eligible Shareholder you may take any of the following actions:

- take up all of your Entitlement and also apply for additional New Shares under the Top-Up Facility;
- take up all of your Entitlement;
- take up part of your Entitlement and allow the balance to lapse, in which case you will receive no value for the lapsed part of your Entitlement; or
- do nothing and let all of your Entitlement lapse and you will receive no value for the lapsed Entitlement.

If you are a Shareholder that is not an Eligible Shareholder you are an Ineligible Shareholder. Refer to Section 3.7 for more detail on Ineligible Shareholders.

Options available to you	Key considerations
<b>1. Take up all of your Entitlement and participate in the Top-Up Facility</b>	<p>If you wish to take up all of your Entitlement, you may elect to purchase all of the New Shares at the Offer Price specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement).</p> <p>The New Shares will rank equally in all respects with existing Shares. The Offer closes at 5.00pm (Sydney time) on 25 July 2024.</p> <p>Eligible Shareholders who take up their Entitlement in full can also apply for additional New Shares under the Top-Up Facility.</p>
<b>2. Take up all of your Entitlement</b>	<p>If you wish to take up all of your Entitlement, you may elect to purchase all of the New Shares at the Offer Price specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement).</p> <p>The New Shares will rank equally in all respects with existing Shares. The Offer closes at 5.00pm (Sydney time) on 25 July 2024.</p>
<b>3. Take up part of your Entitlement</b>	<p>If you wish to take up only part of your Entitlement, you may elect to purchase a lesser number of New Shares at the Offer Price than the number of New Shares specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement).</p> <p>The New Shares will rank equally in all respects with existing Shares. If you only take up part of your Entitlement, the relevant portion of your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements may be subscribed for under the Top-Up Facility.</p> <p>The Offer closes at 5.00pm (Sydney time) on 25 July 2024.</p>

Options available to you	Key considerations
<p><b>4. Do nothing and let all of your Entitlement lapse</b></p>	<p>If you do nothing with respect to all of your Entitlement, your Entitlement will lapse and you will receive no benefit. These Entitlements may be subscribed for under the Top-Up Facility.</p> <p>By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Although you will continue to own the same number of Shares, your percentage shareholding in the Company will be diluted.</p>

---

### 3. HOW TO APPLY

#### 3.1 Overview of the Offer

Eligible Shareholders are being offered the opportunity to purchase 4 New Shares for every 15 existing Shares held as at the Record Date of 7.00pm (Sydney time) on 11 July 2024, at the Offer Price of \$0.10 per New Share.

You have a number of decisions to make in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Offer is not underwritten, with the Offer subject to a minimum raise condition of \$6 million. Substantial Shareholder, KMP, which has an interest in the Company of approximately 31.69% has committed to take up its Entitlement in full.<sup>5</sup> Further details on the Offer are set out below.

The Offer opens on 16 July 2024 and will close at 5.00pm (Sydney time) on 25 July 2024.

#### 3.2 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 4 New Shares for every 15 existing Shares you held as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

New Shares issued under the Offer will be fully paid ordinary shares in the Company and will rank equally in all respects with existing Shares on issue.

See Sections 6.1 and 6.12 for information on restrictions on participation.

#### 3.3 Consider the Offer carefully in light of your particular investment objectives and circumstances

The Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Offer. As a result, it is important for you to read carefully and understand the information on the Company and the Offer made publicly available, prior to deciding whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet, your personalised Entitlement and Acceptance Form, the Company's 2023 annual report which was released to ASX on 21 September 2023, and other ASX announcements made available at [www.kglresources.com.au](http://www.kglresources.com.au) (including announcements which may be made by the Company after publication of this Offer Booklet).

Please consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser if you have any queries or are uncertain about any aspect of the Offer. You should also refer to the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5.

### 3.4 Options available to you

If you are an Eligible Shareholder, you may take any of the following actions:

- take up all of your Entitlement and participate in the Top-Up Facility;
- take up all of your Entitlement;
- take up part of your Entitlement and let the remainder lapse; or
- do nothing and let all of your Entitlement lapse.

Eligible Shareholders who do not participate fully in the Offer will have their percentage holding in the Company reduced.

#### **If you wish to take up all of your Entitlement and participate in the Top-Up Facility**

If you wish to take up all of your Entitlement, please pay your Application Monies for all of the New Shares in your Entitlement via BPAY® or EFT by following the instructions set out on the personalised Entitlement and Acceptance Form, so that it is received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 25 July 2024.

If you take up and pay for all your Entitlement before the Closing Date, it is expected that you will be issued New Shares on 1 August 2024. The Company's decision on the number of New Shares to be issued to you will be final.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if the Company believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to the Company's satisfaction (see Section 6.4).

Eligible Shareholders who take up their Entitlement in full can also apply for additional New Shares under the Top-Up Facility.

#### **If you wish to take up all of your Entitlement**

If you wish to take up all of your Entitlement, please pay your Application Monies for all of the New Shares in your Entitlement via BPAY® or EFT by following the instructions set out on the personalised Entitlement and Acceptance Form, so that it is received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 25 July 2024.

If you take up and pay for all your Entitlement before the Closing Date, it is expected that you will be issued New Shares on 1 August 2024. The Company's decision on the number of New Shares to be issued to you will be final.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if the Company believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to the Company's satisfaction (see Section 6.4).

#### **If you wish to take up part of your Entitlement**

If you wish to take up only part of your Entitlement, please pay your Application Monies for the relevant number of New Shares via BPAY® or EFT by following the instructions set out on the



personalised Entitlement and Acceptance Form, so that it is received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 25 July 2024.

If you take up and pay part of your Entitlement before the Closing Date, it is expected that you will be issued New Shares on 1 August 2024. The Company's decision on the number of New Shares to be issued to you will be final.

If you do not take up all of your Entitlement, the relevant part of your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements may be subscribed for under the Top-Up Facility.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if the Company believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to the Company's satisfaction (see Section 6.4).

### **If you wish to let all of your Entitlement lapse**

If you do nothing with respect to your Entitlement, your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements may be subscribed for under the Top-Up Facility.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement. Although you will continue to own the same number of Shares, your percentage shareholding in the Company will be diluted.

### **3.5 Payment**

You can pay by BPAY® or EFT (subject to the below qualifications).

Cash payments will not be accepted.

The Company will treat you as applying for as many New Shares as your payment will pay for in full, subject to any scale back it may determine to implement, in its absolute discretion, in respect of any Shortfall Shares. Amounts received in excess of the Application Monies for your Entitlement (**Excess Amount**) will be treated as an application to apply for as many Shortfall Shares as your Excess Amount will pay for in full.

Any Application Monies (greater than \$2.00) received for more than your final allocation of New Shares will be refunded as soon as practicable after the Closing Date. No interest will be paid to applicants on any Application Monies received or refunded.

#### **Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific biller code and your unique reference number on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the reference number specific to that holding. If you do not use the correct reference number specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 3.6; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 25 July 2024. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make your payment.

### **Payment by EFT**

Eligible Shareholders with a registered address in New Zealand who do not have an Australian bank account and who are otherwise unable to submit payment via BPAY® will be able to pay by EFT. EFT is not available to Eligible Shareholders with a registered address in Australia.

For payment by EFT, please follow the instructions on your personalised Entitlement and Acceptance Form which include your unique reference number. The unique reference number is used to identify your holding. Eligible Shareholders who have multiple holdings will have multiple unique reference numbers. You must use the unique reference number shown on each personalised Entitlement and Acceptance Form to pay for each holding separately. Please note that should you choose to pay by EFT:

- you should make your payment in respect of your Application Monies via EFT for the number of New Shares you wish to subscribe for (being the Offer Price of \$0.10 multiplied by the number of New Shares you are applying for, including any Shortfall Shares);
- follow the instructions on your personalised Entitlement and Acceptance Form(s) which includes your unique reference number;
- your EFT must be received by no later than 5:00pm on 25 July 2024. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make your payment;
- you do not need to submit your personalised Entitlement and Acceptance Form but, by making a payment through EFT, you will be taken to have applied for the New Shares (and any Shortfall Shares) and made the declarations set out in your personalised Entitlement and Acceptance Form; and
- make sure to use the unique reference number on your personalised Entitlement and Acceptance Form.

If you have more than one holding of Shares you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If you receive more than one personalised Entitlement and Acceptance Form, please only use the unique reference number specific to the Entitlement on that form. If you inadvertently use the same reference number for more than one of your Entitlements, you will be deemed to have applied only for your Entitlements to which that reference number applies.

### 3.6 Representations by acceptance

By making a payment by BPAY® or EFT, you will be deemed to have represented to the Company that you:

- are not an Ineligible Shareholder and are otherwise eligible to participate in the Offer;
- acknowledge that you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Offer, the provisions of this Offer Booklet, and the Company's constitution;
- authorise the Company to register you as the holder(s) of New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once the Company receives any payment of Application Monies via BPAY® or EFT, you may not withdraw your application or funds provided, except as allowed by law;
- agree to apply for and be issued up to the number of New Shares for which you have submitted payment of any Application Monies via BPAY® or EFT at the Offer Price per New Share;
- authorise the Company, the Company's Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Company's Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- acknowledge and agree that:
  - determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company; and
  - the Company and its affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on your personalised Entitlement and Acceptance form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 and that investments in the Company are subject to risk;

- acknowledge that none of the Company or its related bodies corporate and affiliates, and their respective directors, officers, partners, employees, representatives, agents, contractors, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Offer and of your holding of Shares on the Record Date;
- are (or the person on whose account you are acting is) an Eligible Shareholder and that the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Offer;
- are not in the United States and you are not a person (including a nominee, trustee or custodian) acting for the account or benefit of a person in the United States in connection with the subscription for Entitlements or the purchase of New Shares in the Offer (unless allowed under the applicable security laws), and are not otherwise a person to whom it would be illegal to make an offer or issue of New Shares under the Offer;
- understand and acknowledge that neither the Entitlements nor New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, you understand and acknowledge that the Entitlements may not be issued to, or taken up or exercised by, and the New Shares may not be offered or sold directly or indirectly to, persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent such persons hold such securities and are acting for the account or benefit of a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States;
- understand and acknowledge that the Entitlements and the New Shares to be offered and sold in the Offer may only be offered or sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the US Securities Act;
- are subscribing for or purchasing an Entitlement or New Shares in an 'offshore transaction' (as defined in Rule 902(h) under the US Securities Act);
- have not and will not send this Offer Booklet, the Entitlement and Acceptance Form, or any other materials relating to the Offer to any person in the United States or to any person (including a nominee, trustee or custodian) acting for the account or benefit of a person in the United States or any other country outside Australia or New Zealand;
- if in the future you decide to sell or otherwise transfer the New Shares you will only do so in "regular way" transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- if acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form (i) is resident in Australia or New Zealand and (ii) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Shares and is acting for the account or benefit of a person in the United States), and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Offer to any person in the

United States or to any person (including a nominee, trustee or custodian) acting for the account or benefit of a person in the United States; and

- you make all other representation and warranties set out in this Offer Booklet.

### **3.7 Entitlements of Ineligible Shareholders**

In compliance with ASX Listing Rule 7.7.1(a) and section 708AA (including section 9A(3)(a)) of the Corporations Act, the Company has determined that it is unreasonable to extend the Offer to Ineligible Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold, and the cost of complying with the applicable regulations in jurisdictions outside of Australia and New Zealand, but it reserves its right to do so (subject to compliance with relevant laws).

The Company, in its absolute discretion, may extend the Offer to any Shareholder if it is satisfied that the Offer may be made to the Shareholder in compliance with all applicable laws. The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and therefore able to participate in the Offer, or an Ineligible Shareholder and therefore unable to participate in the Offer. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

Ineligible Shareholders will not receive any payment or value as a result of the issue of any of those New Shares they would have been entitled to subscribe for had they been eligible to participate in the Offer. Entitlements of Ineligible Shareholders may be subscribed for under the Top-Up Facility.

### **3.8 Issue of additional New Shares under the Top-Up Facility**

Any New Shares not taken up by the Closing Date may be made available to those Eligible Shareholders who took up their full Entitlement and applied for additional New Shares under the Top-Up Facility at the same Offer Price (**Eligible Top-Up Facility Participants**). An Eligible Top-Up Facility Participant can apply for additional New Shares under the Top-Up Facility in excess of their Entitlement at the Offer Price. Applications under the Top-Up Facility will (subject to the Company ensuring that no issue of New Shares occurs that is contrary to law) be uncapped.

An Eligible Top-Up Facility Participant will not be issued any additional New Shares under the Top-Up Facility if the issue of such additional New Shares would cause the Company or that Eligible Top-Up Facility Participant to breach any applicable law, including but not limited to section 606 of the Corporations Act.

There is no guarantee that those Eligible Top-Up Facility Participants will receive the number of New Shares applied for under the Top-Up Facility, or any.

If you apply for additional New Shares under the Top-Up Facility and your application is successful (in whole or in part) your New Shares will be issued at the same time that other New Shares are issued under the Offer, subject to compliance with the Corporations Act and the ASX Listing Rules. There is no guarantee you will receive any New Shares under the Top-Up Facility.

To the extent that a Shortfall remains after the allocation of New Shares under the Top-Up Facility (**Shortfall Shares**), the Directors reserve the right to, at their discretion, invite investors to apply for those Shortfall Shares within three months of the Closing Date. The Board does not presently intend to issue a party Shortfall Shares if the effect would be to increase that party's voting power in the Company to an amount greater than 20%, or to any existing Shareholder that already has voting power in the Company greater than 20%, given the likely cost involved in seeking Shareholder approval under item 7 of section 611 of the Corporations Act, unless another exception under section 611 of the Corporations Act applies to such person or existing Shareholder.

Refund amounts (greater than \$2.00), if any, will be paid in Australian dollars. You will be paid by direct credit to the nominated bank account as noted on the Share register as at the Closing Date. If you wish to advise or change your banking instructions with the Company's Share Registry you may do so by going to [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) and following the instructions.

### **3.9 Allocation policy**

If there is a Shortfall, the Company will allocate Shortfall Shares according to the following priority: each Eligible Top-Up Facility Participant who has applied for Shortfall Shares through the Top-Up Facility will be allocated Shortfall Shares, subject to the allocation not resulting in an Eligible Top-Up Facility Participant's voting power in the Company increasing above 20% in breach of section 606 of the Corporations Act. If:

- there is an oversubscription for Shortfall Shares the Company will scale back allocations for Shortfall Shares at the Directors' sole discretion between Eligible Top-Up Facility Participant applying for Shortfall Shares; or
- following the allocation in the paragraph immediately above there remains any Shortfall Shares, the Directors reserve the right, subject to any restrictions imposed by the Corporations Act and Listing Rules, to issue the unallocated Shortfall Shares at their sole discretion.

### **3.10 Brokerage and stamp duty**

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Offer.

The Company has agreed to pay a 1% broker handling fee capped at \$150 per Eligible Shareholder.

### **3.11 Enquiries**

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact the Offer information line on 1300 853 781 (within Australia) or +61 1300 853 781 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday. If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

## 4. AUSTRALIAN TAX CONSIDERATIONS

### 4.1 Introduction

This is a general summary of the Australian taxation consequences of the Offer for Eligible Shareholders that hold their Shares on capital account for Australian income tax purposes. The category of Shareholders considered in this summary are limited to individuals, complying superannuation entities and certain companies, trusts or partnerships. This summary does not consider the consequences for Shareholders who:

- hold existing Shares, New Shares or Entitlements in a business of share trading or dealing in securities, or otherwise hold their existing Shares, New Shares or Entitlements on revenue account or as trading stock;
- acquired existing Shares in respect of which the Entitlements are issued under an employee share scheme;
- are subject to the 'Taxation of Financial Arrangements' provisions in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to their holding of Shares, New Shares or Entitlements
- are subject to special tax rules, such as insurance companies, partnerships, tax exempt organisations, public trading trusts, non-complying superannuation funds or temporary residents; or
- are tax residents of any jurisdiction other than Australia.

The information contained in this summary is of a general nature and is not intended to address the circumstances of any particular individual or entity.

This summary is based upon the legislation and established interpretation of legislation as at the date of this Offer Booklet, but is not intended to be an authoritative or complete statement of the law as relevant to the circumstances of each Shareholder.

As the taxation implications of the Offer will depend upon a Shareholder's particular circumstances, Shareholders should seek and rely upon their own professional taxation advice before concluding on the particular taxation treatment that will apply to them.

Shareholders that are subject to tax in a jurisdiction outside Australia may be subject to tax consequences in that jurisdiction in respect of the Offer that are not covered by this summary. Such Shareholders should seek and rely upon their own professional taxation advice in relation to the taxation implications of the Offer in any jurisdictions that are relevant to them.

Neither the Company, nor any of its officers or employees, nor its taxation or other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences of the Offer.

### 4.2 Income tax consequences of Entitlements

#### a) *Issue of Entitlements*

The issue of Entitlements to Australian resident Shareholders should not, of itself, give rise to any amount of assessable income or capital gain for Shareholders.

#### *b) Exercise of Entitlements*

The exercise of Entitlements should not, of itself, result in any amount being included in a Shareholder's assessable income and should not give rise to any capital gain under the Capital gains tax (CGT) provisions.

Eligible Shareholders that exercise their Entitlements will receive New Shares. New Shares will be taken to have been acquired on the day on which the Entitlements were exercised for CGT purposes.

The CGT cost base of each New Share acquired will be the sum of the amount paid to exercise the corresponding Entitlement (i.e. the Offer Price) and certain incidental costs in acquiring, holding and disposing of the New Shares.

#### *c) Lapse of Entitlement*

If an Eligible Shareholder does not accept all or part of their Entitlement in accordance with the instructions set out above, then that Entitlement will lapse. There should be no adverse taxation implications for an Eligible Shareholder from the lapse of the Entitlement.

### **4.3 Income tax consequences of New Shares**

The New Shares should constitute CGT assets for CGT purposes.

Dividends paid to Eligible Shareholders in relation to their New Shares should generally be subject to the same income tax treatment as dividends in relation to existing Shares held in the same circumstances.

As outlined above, the CGT cost base of a New Share should generally be equal to the sum of the amount paid to exercise the corresponding Entitlement (i.e. the Offer Price) and certain incidental costs in acquiring the New Share. Any future sale of New Shares will constitute a disposal for CGT purposes. A capital gain will arise if the capital proceeds on disposal exceed the CGT cost base of a New Share. A capital loss will arise if the capital proceeds on disposal are less than the reduced CGT cost base of a New Share.

Eligible Shareholders may be able to apply carried forward or current year losses to reduce their capital gain on disposal. The ability to utilise losses is dependent on meeting the relevant tests.

Non-corporate Eligible Shareholders, such as Australian tax resident individuals or complying superannuation entities, may be entitled to a concession which discounts the amount of capital gain that is assessed. Broadly, the concession is available where the New Shares have been held for 12 months or more prior to disposal (not including the acquisition date and the disposal date). The concession results in a 50% reduction in the assessable amount of a capital gain for an individual Shareholder and a one-third reduction of a capital gain for an Australian tax resident complying superannuation entity Shareholder (including generally where a flow through trust or partnership distributes to such Shareholders), after offsetting any current or carried forward losses.

In relation to trusts or partnerships including limited partnerships, the rules surrounding capital gains and the CGT discount are complex, but the benefit of the CGT discount may flow through to relevant beneficiaries or partners, subject to certain requirements being satisfied. Eligible Shareholders that are trusts or partnerships should seek separate independent professional advice as to the circumstances in which a beneficiary or a partner may be entitled to a CGT discount.

The CGT discount is generally not available for Eligible Shareholders that are companies.

Australian tax resident Shareholders who hold New Shares on revenue account, as trading stock or are subject to the rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) concerning the taxation of financial arrangements should seek separate independent professional advice.



#### **4.4 Non-resident CGT withholding**

Specific rules can apply to the disposal of certain taxable Australian property under contracts entered into on or after 1 July 2016, whereby a 12.5% non-final withholding tax may be applied. However, the rules should not apply to the disposal of a New Share on ASX (in accordance with a specific exemption).

#### **4.5 Provision of TFN or ABN**

Australian tax legislation imposes withholding tax at the highest marginal rate (currently 45% plus a Medicare levy of 2%) on the payment of distributions on certain types of investments, such as the unfranked part of any dividend, where no TFN or ABN (if applicable) has been provided and no exemption applies. Australian tax resident Shareholders may be able to claim a tax credit/refund (as applicable) in respect of any tax withheld on dividends in their income tax returns.

Shareholders that have not previously provided their TFN or ABN (if applicable) to the Company's Share Registry may wish to do so prior to the Closing Date to ensure that withholding tax is not deducted from any future distribution payable to them.

A Shareholder is not obliged to provide their TFN, or where relevant, ABN, to the Company.

#### **4.6 Other Australian taxes**

GST and stamp duty should not generally be payable in relation to the issue, exercise or lapse of Entitlements, nor in relation to the acquisition of New Shares.

Eligible Shareholders may, however, be restricted in their ability to claim input tax credits in relation to costs incurred in relation to their acquisition of the New Shares (such as costs relating to professional advice obtained by Shareholders regarding the Entitlement). This will depend on each Eligible Shareholder's particular circumstances and, as such, this should be reviewed by Shareholders prior to making any claim.

**5. ASX ANNOUNCEMENTS (INCLUDING INVESTOR PRESENTATION)**

*Refer to the attachments.*

# ASX Announcement

## Entitlement offer to raise up to approximately \$15.1 million



Level 5, 167 Eagle Street  
Brisbane QLD 4000  
Australia  
[kgresources.com.au](http://kgresources.com.au)

08 July 2024

KGL Resources Limited (ASX:KGL) (**KGL** or **Company**) is pleased to announce a proposed 4 for 15 pro-rata traditional non-renounceable entitlement offer of fully paid ordinary shares in KGL (**New Shares**) to raise up to approximately \$15.1 million (**Offer**).

The Offer is not underwritten and is subject to a minimum raise condition of \$6 million. KGL's major shareholder, KMP Investments Pte. Ltd., has committed to take up their entitlements in full, which would provide funding of \$4.8 million.

The Company plans to use the funds in accordance with its strategic objectives

1. Position the Company to commence Production to coincide with Chronic Copper Shortfall

External headwinds including macroeconomic and funding risks, supply chain constraints, labour market shortages and balanced copper demand has provided KGL the opportunity to continue to refine the project and improve confidence in the Mineral Resource. The Market uncertainties are abating and KGL's goal is to be in a position to commence production in 2027. Feasibility Study Update due Q3/Q4

2. Continue Drill Plans to Extend the life of the project

Current drilling campaigns are aimed around and within the existing Mineral Resource. The focus is to increase the quality and size of the resource. Recent drilling announcements continue to show the prospectivity of Jervois. Further holes are planned at Reward Deeps, Marshall and Rockface.

3. Undertake exploration at Depth

Over the years, geophysical studies have indicated magnetic and gravity anomalies at depth. Recent focus has been on the large anomaly under the southern end of the J structure near Rockface. Funds from the Entitlement offer will be used to complete the inversion study, defining further targets in this area and undertake one further deep hole based on this modelling.

### Offer

Ratio	4 New Shares for every 15 existing fully paid ordinary shares in KGL held
Offer Price for New Shares	\$0.10 per New Share
Size	Up to approximately 151.3 million New Shares
Gross proceeds (minimum)	\$6 million
Gross proceeds (maximum)	Up to approximately \$15.1 million

KGL will notify shareholders as to whether they are eligible to participate in the Offer. Eligible shareholders will receive an Offer information booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Offer.

# ASX Announcement

## Entitlement offer to raise up to approximately \$15.1 million



Level 5, 167 Eagle Street  
Brisbane QLD 4000  
Australia  
[kgresources.com.au](http://kgresources.com.au)

### Key dates

Event	Date
Announcement of the Offer	8 July 2024
"Ex" date	10 July 2024
Record date for Offer (7.00pm (Sydney time))	11 July 2024
Offer information booklet and personalised entitlement and acceptance forms despatched, and announcement of despatch	16 July 2024
Offer opens	16 July 2024
Closing date for the Offer (5.00pm (Sydney time)) <sup>1</sup>	25 July 2024
Securities quoted on a deferred settlement basis (from market open)	26 July 2024
Announcement of results of the Offer	30 July 2024
Settlement of the Offer	31 July 2024
Allotment of New Shares issued under the Offer	1 August 2024
Normal trading on ASX for New Shares issued under the Offer commences	2 August 2024
Despatch of holding statements for New Shares issued under the Offer	5 August 2024

### Further information

The timetable above is indicative only and may change. The Company may amend any of these dates and times without notice, subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the closing date for the Offer, to accept late applications under the Offer (either generally or in particular cases) and to withdraw the Offer without prior notice. Any extension of the closing date for the Offer will have a consequential effect on the issue date of New Shares.

The commencement of quotation of New Shares is subject to confirmation from ASX. Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible shareholders wishing to participate in the Offer are encouraged to submit their entitlement and acceptance form as soon as possible after the Offer opens to ensure their application is received by the Company's share registry in time.

<sup>1</sup> Eligible shareholders who wish to take up all or a part of their entitlement must complete and return their personalised entitlement and acceptance form with the requisite application monies or pay their application monies via BPAY<sup>®</sup> by following the instructions set out on the personalised entitlement and acceptance form so that they are received by the Company's share registry by no later than 5.00pm (Sydney time) on 25 July 2024. Eligible shareholders should refer to Section 2 of the Offer information booklet, when released, for options available to them to deal with their entitlement.

# ASX Announcement

## Entitlement offer to raise up to approximately \$15.1 million



Level 5, 167 Eagle Street  
Brisbane QLD 4000  
Australia  
[kgresources.com.au](http://kgresources.com.au)

### Enquiries

If you have any questions, please contact the Offer information line on 1300 853 781 (within Australia) or +61 1300 853 781 (outside Australia) from 8.30am to 5.30pm (Sydney time), Monday to Friday (opens on 16 July 2024). If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

Approved for release by KGL's Board of Directors.

### Important information

This announcement has been prepared for publication in Australia and may not be released to U.S. wire services 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 U.S. Securities Act of 1933 (**US Securities Act**) 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 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.



# Equity Raising Investor Presentation

July 2024

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES



## Important Notices and Disclaimer

**No reliance:** To the maximum extent permitted by law, the information in this presentation is given without any liability whatsoever being accepted by KGL or any of its related bodies corporate or their respective directors, officers, employees, advisors and agents (together, the Relevant Parties). The information contained in this presentation is not intended to constitute legal, tax or accounting advice or opinion. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or thoroughness of the information, whether as to the past or future. Recipients of this presentation must make their own independent investigations, consideration and evaluation. To the maximum extent permitted by law, each Relevant Party disclaims all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient through the use of or reliance on anything contained in or omitted from this presentation or its contents or otherwise arising in connection with it.

**Limited disclosure:** This presentation contains summary information about KGL and its activities which is current at the date of this presentation (unless otherwise noted). The information in this presentation is of a general nature. This presentation does not purport to contain all the information that a prospective investor may require in evaluating a possible investment in KGL. It should be read in conjunction with KGL's other periodic and continuous disclosure announcements lodged with ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

**Seek your own advice:** In providing this presentation, KGL has not considered the objectives, financial position or needs of the recipient. The recipient should consult with its own legal, tax or accounting advisers as to the accuracy and application of the information contained herein, and conduct its own due diligence and other enquiries in relation to such information and any investment in KGL and the recipient's objectives, financial position or needs.

**Financial information:** All references to '\$', 'A\$' or 'AUD' in this presentation are to Australian dollars unless otherwise noted.

Certain financial data included in this presentation is 'non-IFRS financial information' under ASIC Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC and is also considered 'non-GAAP financial measures' under Regulation G of the US Securities Exchange Act of 1934, as amended. Such measures are not recognised under Australian Accounting Standards or the International Financial Reporting Standards (IFRS). The disclosure of such non-GAAP financial measures in the manner included in this presentation may not be permissible in a registration statement under the US Securities Act.

KGL believes the non-IFRS financial information / non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of KGL. However, investors should note that the non-IFRS financial information / non-GAAP financial measures do not have a standardised meaning prescribed by the Australian Accounting Standards or IFRS.

Therefore, the non-IFRS financial information / non-GAAP financial measures are not a measure of financial performance, liquidity or value under the Australian Accounting Standards or IFRS and may not be comparable to similarly titled measures presented by other entities, nor should the information be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards or IFRS. Investors are therefore cautioned not to place undue reliance on any non-IFRS financial information / non-GAAP financial measures included in this presentation.

**Cautionary note regarding reserves and resources:** As an Australian company with securities listed on ASX, KGL is required to report ore reserves and mineral resources in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mining companies in other countries may be required to report their mineral reserves and / or resources in accordance with other guidelines (for example, Subpart 1300 of Regulation S-K in the United States).

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 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.

## 1. Jervois Project Overview

- Project and Market Highlights
- Company Strategy
- Corporate Snapshot

## 2. Equity Raising

## 3. Summary of Material Risks

## 4. Appendices

- A. Key Risk Factors
- B. Copper Market Overview
- C. Competent Person Disclosure
- D. Foreign Selling Disclosure

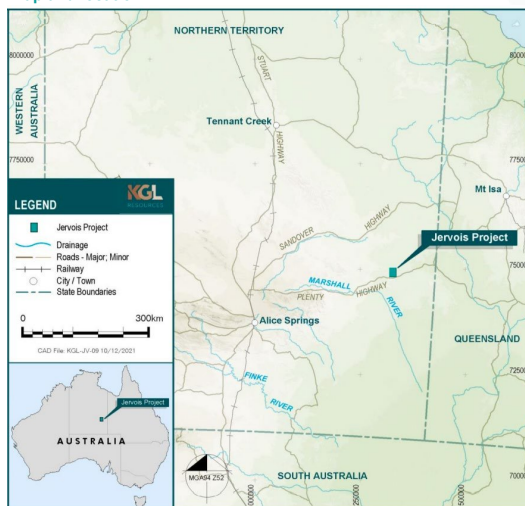


## Jervois Project Overview



- The Project is located in the Northern Territory (NT) of Australia approximately 380km by road north-east of Alice Springs, within existing Mineral Leases.
- KGL has completed all major development approvals;
  - Native Title Agreement in 2016
  - Environmental approval recommended in October 2019
  - the Jervois Mining Management Plan approved by the NT Government in December 2020 (Updated Feb 2024)
- KGL acquired in 2015 two exploration licences at Yambah, 60km north and northeast of Alice Springs and in 2017 the Unca Creek tenements.

### Map and location



# KGL Highlights

## High Grade Project Primed to Take Advantage of Rising Copper Market



**High Grade Copper**  
project with gold and silver byproducts



**Advanced** project with major approvals in place



**Low capital intensity**



**Reduced Risk**  
Planned development, operations and offtake via Tier 1 companies



**472kt contained copper resource @ 2.02% Cu**



**Investment Upside** opportunity through infill drilling and continued exploration



**Experienced Board**, appointed in recent years with extensive resources track record



**Bull market** sentiment for copper as a critical mineral

# Use of Funds



	Min Raise \$6.0 mill	Max Raise \$15.1 mill
<b>Opening Balance as at 30<sup>th</sup> June 2024</b>	<b>\$6.5 mill</b>	<b>\$6.5 mill</b>
<b>Produce into Long Term Chronic Copper Shortfall</b> <ul style="list-style-type: none"> <li>Finalise Feasibility Study Update</li> <li>Undertake Technical Review</li> <li>Progress to FID</li> <li>Project Readiness for first production</li> </ul>	<b>\$1.0 mill</b>	<b>\$3.0 mill</b>
<b>Drilling to Extend the Project Life</b> <ul style="list-style-type: none"> <li>Exploration in and around existing Resource Model</li> <li>Grow Production Targets</li> <li>Focus on Rockface, Reward Deeps and Marshall.</li> </ul>	<b>\$8.0 mill</b>	<b>\$11.0 mill</b>
<b>Exploration at Depth</b> <ul style="list-style-type: none"> <li>Complete Inversion Study</li> <li>Model targets</li> <li>Undertake drilling of targets <sup>1</sup></li> </ul>	<b>\$1.0 mill</b>	<b>\$2.5 mill</b>
<b>Working Capital including Corporate Costs</b>	<b>\$ 2.5 mill</b>	<b>\$5.1 mill</b>
<b>Total Usage</b>	<b>\$12.5 mill</b>	<b>\$21.6 mill</b>

1. Subject to near to the maximum raise being achieved



# KGL's Three-Fold Strategy



## 1. Produce into Long Term Chronic Copper Shortfall

- Market uncertainties abating: External headwinds including macroeconomic and funding risks, supply chain constraints, labour market shortages and balanced copper market demand has provided KGL opportunity to continue to refine the project and improve confidence in Mineral Resource.
- Optimise Capex/Opex: Improve the project construction and operating assumptions since delivering a Feasibility Study (Nov 2022) to mitigate delivery risk, reduce time to construct and optimise capital intensity.
- Complete Feasibility Study Update Q3/Q4 2024 and Independent Technical Review
- Goal of first production in 2027** – pathway to production.

## 2. Drill Plan to Extend the Project Life

- Grow the Resource: Focus on increasing the quality and size of the Jervois Resource.
- Grow Production Tonnages: Upgrade O/C & U/G mine design to reflect 25% increase in maximum processing capacity
- Continue exploration under Reward Deepes, Marshall, Rockface and Bellbird (see announcement 01/07/2024 and 05/07/2024).

## 3. Exploration at depth

- 3 Coincident magnetic and gravity anomalies detected at depth. Two at Reward and a large anomaly under southern end of J structure near Rockface.
- One deep hole drilled in 2023/24 provided geological and petrophysical data to 2km.
- Undertaking inversion analysis using detailed gravity and magnetic surveys combined with current drillhole data to further define targets.
- One further deep hole planned for 2024 subject to funding.

# 1. Produce into Long Term Chronic Copper Shortfall

## The Perfect Storm



### Market Outlook

- S&P Global "demand for refined copper will double ... by 2035"
- Demand forecasts reflect global commitments to achieve Net Zero by 2050 with electric vehicles and the grid key demand drivers + traditional demand growth.

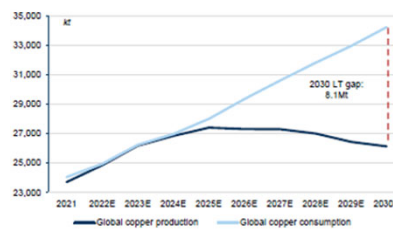
### Demand

- At COP28 climate change conference, over 60 countries endorsed a plan to triple global renewable energy capacity by 2030.
- Accelerating demand expected from the clean energy transition, data centers & AI, defense industries and ongoing industrial demand in China, India and SE Asia.
- Clean energy technologies are more copper intensive.

### Supply Constraint

- "The pronounced lack of new projects has begun to bite, constraining refined copper production and spotlighting years of underinvestment in copper exploration and development".<sup>1</sup>
- The average time to progress projects from discovery to production is around 16 years.<sup>3</sup>
- BHP estimates that copper potentially needs around US\$250 billion in growth capital by 2030.<sup>4</sup>

### Supply Demand Forecast<sup>2</sup>



Source: Woodmac, Goldman Sachs Global Investment Research

Concentrate supply is expected to peak in 2025. Lack of investment and approved project pipeline together with declining grades in current operations could see a supply gap of 35% by the end of this decade according to Trafigura<sup>5</sup>.

<sup>1</sup> Michael Widmer, Bank of America, Commodity Strategist – April 8, 2024

<sup>2</sup> Woodmac; Goldman Sachs Global Investment Research

<sup>3</sup> Paul Maniolo, S&P Global, Discovery to production averages 15.7 years for 127 mines

<sup>4</sup> Mike Henry, Bank of America Global Metals, Mining and Steel Conference 2023

<sup>5</sup> Emma Powell, The Times, Supply gap for copper "could grow to a third" trader predicts

# 1. FY2022 Feasibility Study

- The Feasibility Study (Nov 2022) confirmed the Jervois Copper Project is technically robust and financially viable at a copper price of US\$4.23/lb
- The spot market prices for copper, gold and silver have already exceeded the FS long term commodity price assumptions over 12 months ahead of time
- The following is a Copper price sensitivity previously published in the FS (Nov 2022) demonstrating a significant uplift in value based on copper price forecast only
  - Silver and Gold prices and foreign exchange rate have not been increased to current spot market equivalents
- Low capital Intensity compared with other proposed greenfield projects

	1. Feasibility Study Nov 2022	2. Goldman Sachs Incentive pricing	3. CRESCO Symposium Copper
Copper Price (US\$/lb)	\$4.23	\$5.90	\$6.80
Copper Price (US\$/t)	9,326	13,000	15,000
Silver Price (US\$/oz)	22.7	22.7	22.7
Gold Price (US\$/oz)	1,735	1,735	1,735
Exchange Rate (US\$:A\$)	0.7	0.7	0.7
NPV <sub>5%</sub> real, after tax (A\$M)	\$242	\$701	\$947
IRR	20.70%	40.10%	49.10%

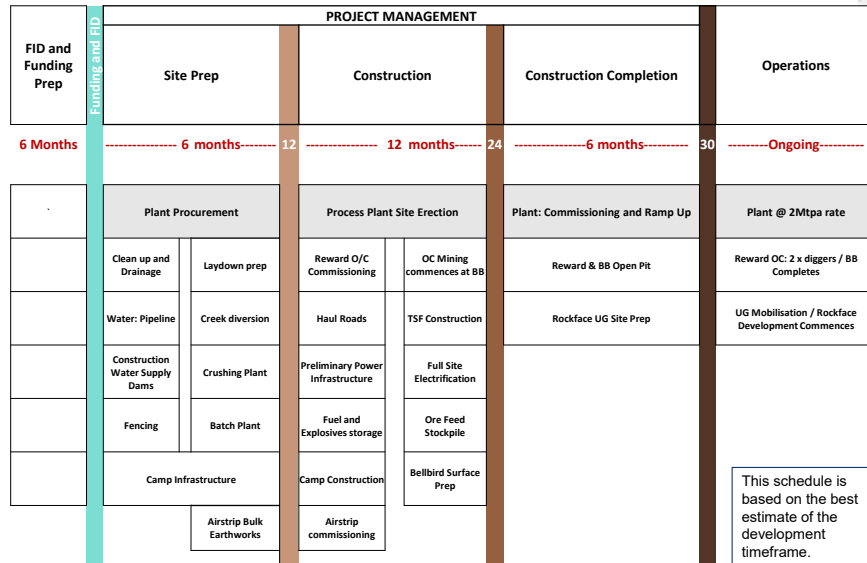
Goldman Sachs (GS) recently noted at the CRU World Copper Conference in Chile that copper is in the foothills of what will be its Everest over the next 3-5 years. GS view is that the copper price will surge into next year (GSe 2025 \$15,000/t average), expecting copper to rise to \$12,000/t by year-end as scarcity pressures mount.

1. FS Nov 2022; Bloomberg consensus pricing 2025 - Oct 2022  
 2. Goldman Sachs "meet forecast market demand" US\$13,000/t  
 3. Goldman Sachs "Cresco Symposium" US\$15,000/t

# 1. Feasibility Study Update

Process Plant	Open Cut Mining and Underground Mining	Mine Scheduling	Civil Works Inc TSF	Ancillary Infrastructure
Flowsheet and technology selection optimised to increase the plant capacity to 2.0Mtpa (+25%)	Re-evaluate sequencing of O/C and UG and timing of developments.	Update OC and U/G schedules.	Selected civil works to be completed by larger mine scale equipment to reduce time and cost	Refine power ramp up to match plant and sequenced mining operations. Refine hybrid power
Modularize construction to reduce complexity and cost	Pit shell and dump capacity optimised. Modifying UG plan based on OC changes	Update ventilation circuits and water pumping infrastructure	Re-tendering of civil packages	Update Camp requirements based on resource levelling
		Update Open cut and U/G Reserves	Update TSF design and costing	Upgrade to 24/7 Airstrip and Emergency Response capability
<b>Complete</b>	<b>July 2024</b>	<b>August 2024</b>	<b>August 2024</b>	<b>September 2024</b>
<b>Updated Feasibility Study Q3/Q4 2024</b>				

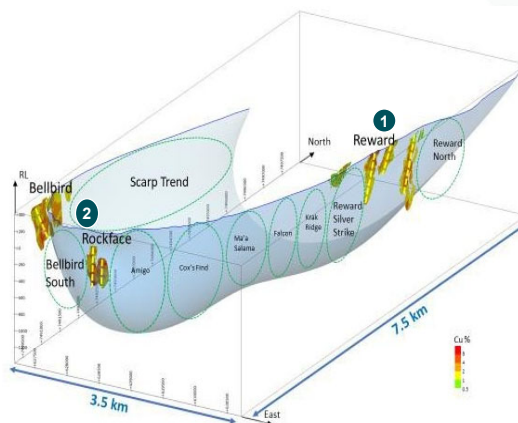
# 1. Pathway to Production



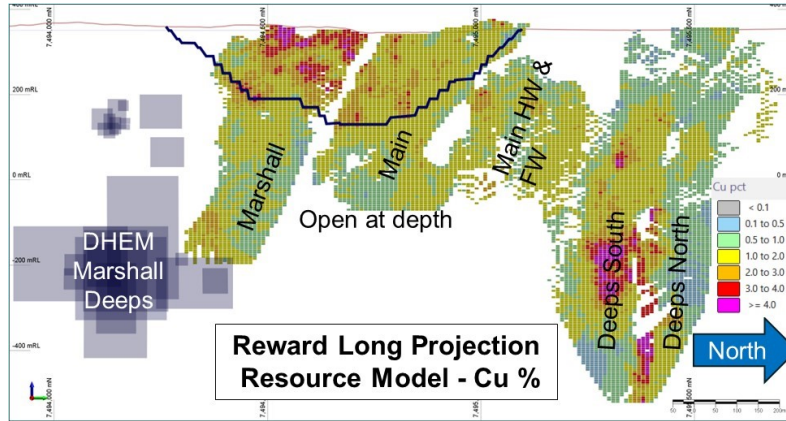
# 2. Drill Plan to Extend the Project Life



- The EL and Mining leases cover 111 km<sup>2</sup>
  - Jervois (38 km<sup>2</sup>), Unca Creek (73 km<sup>2</sup>)
- 12 km (78%) of undrilled or only shallow drilled sections of J structure
- There are 2 main mining areas in the Jervois Project area separated by about 5km:
  - Reward / Marshall contains 13.2Mt Mineral Resource at 1.8% Cu
  - Bellbird / Rockface contains 10.2Mt Mineral Resource at 2.3% Cu
- Total Resource 23.37Mt @ 2.02% Cu 26.0g/t Ag, 0.26g/t Au including
  - 3.86Mt @ 2.1% Cu Measured Resources
- Both areas:
  - have Open Cut (OC) and Underground (UG) mining planned in multiple areas
  - There is a planned overlap between OC and UG to deliver high grade ore to the processing plant adjacent to the central Reward OC
  - Lodes remain open at depth

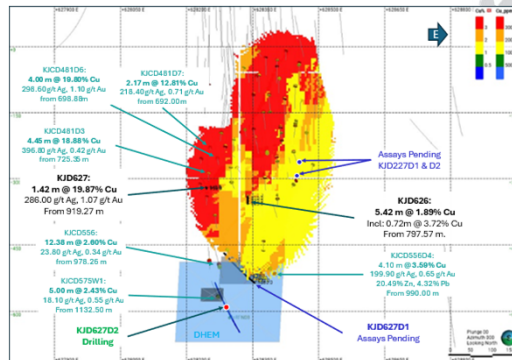


## 2. Exploration around existing orebody



## 2. Rockface: expansion optionality both near surface and at depth

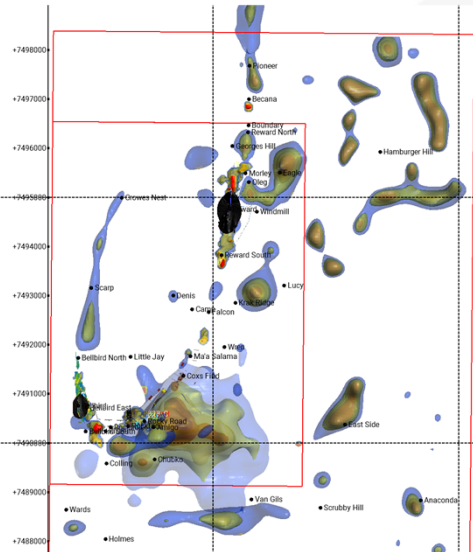
- Deepest holes at Rockface intersect high grade copper with gold and silver credits.
- Hole KJCD575W1 (130 metres below mine plan)
  - 5.0 m @ 2.43% Cu, 18.1 g/t Ag, 0.55 g/t Au, from 1,132.5 m.
- Hole KJCD556 (wide intersection)
  - 12.4m @ 2.60% Cu, 23.8 g/t Ag, 0.34 g/t Au from 978.26m.
- Hole KJCD556D4 (intersected high-grade zinc/copper/silver massive sulphides at depth)
  - 4.1 m @ 3.59% Cu, 20.49% Zn, 4.32% Pb, 199.9 g/t Ag, 0.65 g/t Au from 990.0 m.



- Currently drilling 40m below the deepest hole to validate conductor
- Currently investigating extension of the Rockface mining area toward the surface.
- Long Projection illustrating Resource Block Model (coloured by Cu grade), recent significant intercepts, DHEM plates (blue panels) and drill pierce points (North lode blue, Main lode green)(crossed circles = recent).

### 3. Exploration at depth

- KGL is targeting a large mineralized system beneath the copper-silver-gold system at the southern end of the Jervois mineralized field.
- Drill results at Rockface indicate that the copper grades are improving at depth.
- One deep hole drilled in 2023/24 provided geological and petrophysical data to 2kms.
- Geological modelling together with geophysics has identified a large intense IP chargeable anomaly lying beneath the known mineralisation that shows clear similarities with the geophysical signature of the Rockface deposit.
- In 2024, KGL will be undertaking inversion analysis using detailed gravity and magnetic surveys combined with current drillhole data to further define targets.
- Once modelling is complete, a drill program will be designed to test this large geophysical anomaly with the goal of improving understanding of the source of the high grade mineralising fluids at Rockface at the southern end of the Jervois mineral field.

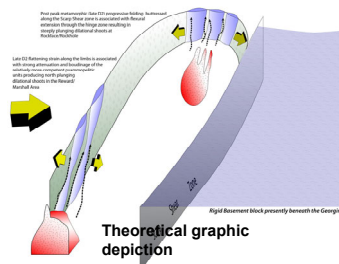
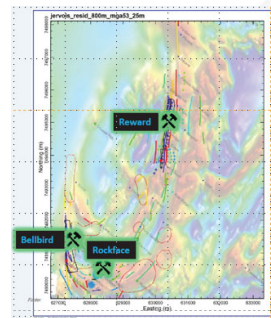


KGL Resources Limited

Investor Presentation

### 3. Exploration at Depth

- The Jervois mineral field is a highly prospective area due to its proximity to the large crustal-scale Jervois Fault, which acted as a plumbing system for mineralising ore-forming fluids .
- The high grade Rockface copper-silver deposit is located in the hinge of the J-Fold in the southern Jervois mineral field. The deposit is interpreted as hybrid mineralisation that resulted from syngenetic, synsedimentary and epigenetic processes (McGloin and Weisheit 2022).
- Mineralisation at Rockface consists of chalcopyrite– pyrite–pyrrhotite breccia that overprints a phase of magnetite alteration interpreted to relate to alteration associated with earlier synsedimentary processes. Early garnet–biotite assemblages have broken down to form magnetite and chlorite (McGloin 2017). This mineral assemblage is interpreted to represent retrograde, fluid assisted alteration that likely formed when copper-bearing hydrothermal fluids reacted with pre-existing metaexhalite sequences (Mayes and Bennett 2017).
- KGL's expanded exploration program incorporating deep diamond drilling will comprise deep exploration holes together with DHEM analysis with the goal of improving our understanding of the source of the high grade mineralising fluids at Rockface at the southern end of the Jervois mineral field.



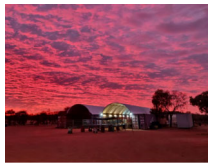
KGL Resources Limited

Investor Presentation

## Sustainability and Environmental



- Environment, Social and Governance (ESG) and Indigenous relations remains a top priority for KGL.
- EPA has recommended the mine proceed with operating conditions.
- Environmental risk assessment completed
  - No environmental, social, economic or human health and safety risks with an extreme initial or residual risk rating identified.
- Refining Hybrid power generation design (Solar / battery / generators) targets reduced carbon footprint.
- Water intensity and re-use is being optimised.
- Positive impacts for local businesses, training opportunities, direct and indirect employment.



## Key Takeaways



- Clear focus on deliverables – new CEO appointed, board restructure
- Feasibility Update Q3 / Q4 2024
  - Ongoing optimisation continues to reduce project capital intensity and mitigate construction risks .
  - Currently levelling project delivery timetable and retendering minor contracts.
- Growing the Resource:
  - Active exploration program continues to improve / expand Mineral Resources – targeting extended mine life.
  - All planned UG mining areas remain open at depth.
  - Outside of the current exploration focus, the 12 km mineralising system remains relatively underexplored with a number of exciting exploration targets including anomalies at depth.
- Early works and Project funding to follow.

### Observations

- Funding and project delivery headwinds - appear to be abating.
- Pathway to copper incentive pricing - gains momentum.
- KGL share price has disconnected from bullish sentiment reflected in higher copper prices.
- We expect KGL share price to be favourably positioned to benefit from project metrics and recent M&A multiples.

# Corporate Snapshot



## Capital Structure

ASX Code	ASX.KGL
Share Price (close 5/07/24)	11.5 cents
52 week low / high	9.7 / 19.0 cents
Shares outstanding	567.3 M
Options on issue	234k
Market capitalisation	\$65.2M
Cash (30 June 2024)	A\$6.5M
Debt Capital	Nil
Enterprise valuation	A\$58.7M

## Share Price Performance



## Board of Directors

Jeff Gerard	Independent Chairman
Brian Gell	Independent Non-executive Director
Ferdian Purnamasidi	Non-executive Director

## Major Shareholders

KMP Investments Pte Ltd	31.69%
Denis Wood	10.15%
Marshall Plenty Investments LLD	7.98%

## 1. Jervois Project Overview

- Project and Market Highlights
- Company Strategy
- Corporate Snapshot

## 2. Equity Raising

## 3. Summary of Material Risks

## 4. Appendices

- A. Key Risk Factors
- B. Copper Market Overview
- C. Competent Person Disclosure
- D. Foreign Selling Disclosure



# Equity Raising Summary



Offer Structure & Size	<ul style="list-style-type: none"> <li>Equity raising to raise up to A\$15.1 million, comprising:                     <ul style="list-style-type: none"> <li>a 4 for 15 pro-rata traditional non-renounceable entitlement offer (<b>Offer</b>)</li> <li>Commitments for A\$4.8 million</li> </ul> </li> <li>Minimum raising of A\$6.0 million (before costs) under the Offer</li> <li>Up to approximately 151.3 million new KGL shares (<b>New Shares</b>) will be issued</li> </ul>
Top-up Facility	<ul style="list-style-type: none"> <li>Top-up facility available to participating shareholders</li> </ul>
Offer Price	<ul style="list-style-type: none"> <li>Offer price of A\$0.10 per New Share, which as of close of trading on 5 July 2024 represents:                     <ul style="list-style-type: none"> <li>A 8% discount to the 30 day VWAP of KGL shares on ASX of A\$0.108 <sup>1</sup></li> <li>A 15% discount to the last closing price of KGL shares on 5 July 2024 of A\$0.115</li> <li>A 12% discount to TERP of A\$0.112 (assuming a full take up of Offer) <sup>2</sup></li> </ul> </li> </ul>
Use of Proceeds	<ul style="list-style-type: none"> <li>Minimum raise of A\$6.0 million <sup>3</sup> allow the Company to advance its three fold strategy.</li> <li>Funding in excess of minimum will primarily be used to continue exploration to provide additional project development working capital, fund front end engineering and design and exploration at depth.</li> </ul>
Shareholder Support	<ul style="list-style-type: none"> <li>KGL's largest shareholder, KMP Investments (31.69%) is supportive and has committed to take up their entitlements under the Offer in full</li> </ul>

1. The average of the volume-weighted average prices (VWAP) of the ordinary shares in KGL on ASX for the last 30 trading days ending on 5 July 2024 (rounded).  
 2. The theoretical ex-rights price (TERP) including shares issued under the Offer (on the assumption that it is fully subscribed).  
 3. The 'minimum raise condition' is satisfied if the Company receives commitments under the Offer for no less than A\$6 million (before costs).

# Equity Raising Funds Summary



Substantial shareholder support (and control implications)	<ul style="list-style-type: none"> <li>KGL's largest shareholder, KMP Investments (31.69%), is supportive and has committed to take up their full entitlements under the Offer (totalling A\$4.8 million)</li> <li>The table below details changes to shareholdings under varying shareholder participation levels</li> </ul>																													
	<table border="1"> <thead> <tr> <th>% Entitlement Taken Up</th> <th>39.66%</th> <th>53.00%</th> <th>67.00%</th> <th>100%</th> </tr> </thead> <tbody> <tr> <td>Shares from Rights</td> <td>60,000,000</td> <td>80,177,250</td> <td>101,356,146</td> <td>151,277,830</td> </tr> <tr> <td>Total Shares after Rights</td> <td>627,291,863</td> <td>647,469,113</td> <td>668,648,009</td> <td>718,569,693</td> </tr> <tr> <td><b>Total Funds Received</b></td> <td><b>6,000,000</b></td> <td><b>8,017,725</b></td> <td><b>10,135,615</b></td> <td><b>15,127,783</b></td> </tr> <tr> <td>%KMP Shareholding</td> <td>36.31%</td> <td>35.18%</td> <td>34.06%</td> <td>31.70%</td> </tr> <tr> <td>% increase in holding</td> <td>4.61%</td> <td>3.48%</td> <td>2.37%</td> <td>0.00%</td> </tr> </tbody> </table>	% Entitlement Taken Up	39.66%	53.00%	67.00%	100%	Shares from Rights	60,000,000	80,177,250	101,356,146	151,277,830	Total Shares after Rights	627,291,863	647,469,113	668,648,009	718,569,693	<b>Total Funds Received</b>	<b>6,000,000</b>	<b>8,017,725</b>	<b>10,135,615</b>	<b>15,127,783</b>	%KMP Shareholding	36.31%	35.18%	34.06%	31.70%	% increase in holding	4.61%	3.48%	2.37%
% Entitlement Taken Up	39.66%	53.00%	67.00%	100%																										
Shares from Rights	60,000,000	80,177,250	101,356,146	151,277,830																										
Total Shares after Rights	627,291,863	647,469,113	668,648,009	718,569,693																										
<b>Total Funds Received</b>	<b>6,000,000</b>	<b>8,017,725</b>	<b>10,135,615</b>	<b>15,127,783</b>																										
%KMP Shareholding	36.31%	35.18%	34.06%	31.70%																										
% increase in holding	4.61%	3.48%	2.37%	0.00%																										
Dispersion strategy	<ul style="list-style-type: none"> <li>KGL has offered a top-up facility to limit the control effect of KMP Investments' participation in the Offer, and KMP Investments will only participate in the Offer to the extent of their pro-rata entitlements</li> </ul>																													



## Funding and Pro-forma Capital Structure

Sources of Funds	\$(Min)	\$(Max)
Existing Cash Position (30 June 2024) <sup>1</sup>	A\$6.48m	A\$6.48m
Entitlement Offer <sup>2</sup>	A\$6.0m	A\$15.1m
<b>Total</b>	<b>A\$12.48m</b>	<b>A\$21.58m</b>

Use of Funds <sup>3</sup>	\$(Min)	\$(Max)
Finalise Feasibility, Progress to FID, Project Readiness	A\$1.0m	A\$3.0m
Project Life Extension drilling, Rockface and Deeps Exploration	A\$8.0m	A\$11m
Exploration at Depth	A\$1.0m	A\$2.5m
Corporate Overheads and Working Capital	A\$2.48m	A\$5.08m
<b>Total</b>	<b>A\$12.48m</b>	<b>A\$21.58m</b>

- As at 30 June 2024 based on KGL's management balance sheet, which is not audited or reviewed.
- Assuming A\$6.0 million minimum raise; funds raised in excess of the A\$6.0 million minimum raising (up to an additional A\$9.1 million in the event that the Offer is fully subscribed) will be used to continue exploration activities, to provide additional project development working capital, fund front end engineering design and exploration at depth. The Board reserves the right to change the allocation of funds where there are changes in market conditions, exploration priorities or strategic objectives.
- Use of Funds includes expenditure from 30 June 2024 to date.

Key Information	5 July 2024	Post Equity Raising	
		Min Raise (A\$6.0m)	Max Raise (A\$15.1m)
Share Price <sup>1</sup>	A\$0.115	A\$0.114	A\$0.112
Ordinary Shares On Issue	567.3m	627.3m	718.6m
<b>Market Capitalisation</b>	<b>A\$65.2m</b>	<b>A\$71.5m</b>	<b>A\$80.4m</b>
Cash <sup>2</sup>	A\$6.5m	A\$12.5m	A\$21.6m
Debt Capital <sup>3</sup>	A\$0m	A\$0m	A\$0m
<b>Enterprise Value</b>	<b>A\$58.7m</b>	<b>A\$59.0m</b>	<b>A\$58.8m</b>

- Post equity raising price is TERP calculated based on A\$6.0 million and A\$15.1 million Equity Raising. TERP is a theoretical calculation only; the actual price at which KGL shares trade immediately after the ex-date may differ.
- As at 30 June 2024 based on KGL's management balance sheet, which is not audited or reviewed. Post equity raising position reflects proceeds before costs.
- Excludes lease liabilities & June 2024 creditors.

## Timetable

Event	Date
Announcement of the Offer	8 July 2024
"Ex" date	10 July 2024
Record date for Offer (7.00pm (Sydney time)) ( <b>Record Date</b> )	11 July 2024
Offer Booklet and personalised Entitlement and Acceptance Forms despatched, and announcement of despatch	16 July 2024
Offer opens	16 July 2024
Closing Date for the Offer (5.00pm (Sydney time))	25 July 2024
Securities quoted on a deferred settlement basis (from market open)	26 July 2024
Announcement of results of the Offer	30 July 2024
Settlement of the Offer	31 July 2024
Allotment of New Shares issued under the Offer	1 August 2024
Normal trading on ASX for New Shares issued under the Offer commences	2 August 2024
Despatch of holding statements for New Shares issued under the Offer	5 August 2024

## 1. Jervois Project Overview

- Project and Market Highlights
- Company Strategy
- Corporate Snapshot

## 2. Equity Raising

## 3. Summary of Material Risks

## 4. Appendices

- A. Key Risk Factors
- B. Copper Market Overview
- C. Competent Person Disclosure
- D. Foreign Selling Disclosure



## Summary of Key Risks



Material Business Risks	General Risk Factors
Future Capital Raisings	Market
Exploration	Taxation
Feasibility and Development	Liquidity
Regulatory	Securities Investment
Occ Health and Safety	Economic Factors
Limited Operating History	Accounting Standards
Key Personnel	
Resource and Reserve Estimate	
Environmental	
Availability of Equipment and Contractors	
Cu Price and AUD Exchange	
Climate Change	
Macro-economic	

## 1. Jervois Project Overview

- Project and Market Highlights
- Company Strategy
- Corporate Snapshot

## 2. Equity Raising

## 3. Summary of Material Risks

## 4. Appendices

- A. Key Risk Factors
- B. Copper Market Overview
- C. Competent Person Disclosure
- D. Foreign Selling Disclosure

# Appendix A

## Key Risk Factors

## Key Risk Factors

Activities in KGL and its controlled entities, as in any business, are subject to risks which may impact on KGL's future performance. There are a number of factors, both specific to KGL and of a general nature, which may affect the future operating and financial performance and position of KGL and the outcome of an investment in KGL. Some of these risks can be adequately mitigated by the use of safeguards and appropriate systems but many are beyond the control of KGL and its directors and cannot be mitigated.

Prior to deciding whether to take up their entitlement, eligible shareholders should read the entire Offer information booklet and review announcements made by KGL to ASX (at [www.asx.com.au](http://www.asx.com.au), ASX: KGL) in order to gain an appreciation of KGL and its activities, operations, financial position and prospects.

Shareholders should also consider the summary of key risk factors set out below which the directors of KGL believe represent some of the specific and general risks that shareholders should be aware of when evaluating KGL, and deciding whether to increase their shareholding in KGL. The key risk factors set out below are not intended to be an exhaustive list of all of the risk factors to which KGL is exposed, and they are not intended to be presented in any assumed order of priority. Additional risks and uncertainties not presently known to the directors of KGL, or which they currently believe to be immaterial, may also have an adverse effect on KGL.

An investment in KGL should be considered speculative. There can be no certainty that KGL will be able to successfully implement its business strategy. No representation is or can be made as to the future performance of KGL and there can be no assurance that KGL will achieve its objectives.

### MATERIAL BUSINESS RISKS

#### *Future Capital Raisings*

KGL's ongoing activities are expected to require substantial further financing in the future, in addition to amounts raised pursuant to the Offer. KGL will require additional funding to bring the Jervois Copper Project into commercial production. Any additional equity financing may be dilutive to shareholders and may be undertaken at lower prices than the current market price, and debt financing, if available, may involve restrictive covenants which limit KGL's operations and business strategy. Although the directors of KGL believe that additional capital can be obtained, no assurances can be made, that appropriate capital or funding will, if and when needed, be available on terms acceptable to KGL, or at all. If KGL is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations, and this could have a material adverse effect on KGL's activities and could affect KGL's ability to continue as a going concern.

## Key Risk Factors

### MATERIAL BUSINESS RISKS (cont..)

#### *Exploration Risk*

The success of KGL depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to KGL's exploration and mining tenements, and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on KGL's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of KGL, and possible relinquishment of the tenements. The exploration costs of KGL are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially adversely affect KGL's viability. If the level of operating expenditure required is higher than expected, the financial position of KGL may be adversely affected. KGL may also experience unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

#### *Feasibility and Development Risks*

It may not always be possible for KGL to exploit successful discoveries which may be made in areas in which KGL has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. KGL continues to assess the economic viability of a potential mine through the completion of final investment decision ("FID") works, including contract tendering being undertaken in 2024/5 aimed at reducing development risks for the Jervois Copper Project. There is a risk, even if satisfactory contractual arrangements are put in place, the Jervois Copper Project may not be successfully developed for commercial and/or financial reasons.

#### *Regulatory Risk*

KGL's operations are subject to various Commonwealth, State (Territory) and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that KGL will be successful in obtaining or maintaining such approvals, licences and permits in full force and effect without modification or revocation. To the extent such approvals, licences and permits are required and not retained or obtained in a timely manner or at all, KGL may be curtailed or prohibited from continuing or proceeding with production and exploration. KGL's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted.

## Key Risk Factors

### MATERIAL BUSINESS RISKS (cont..)

#### Regulatory Risk (cont...)

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising KGL's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of KGL. It is also possible that, in relation to tenements which KGL has an interest in or will in the future acquire such an interest in, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of KGL to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be affected. KGL has a registered Indigenous Land Use Agreement with the traditional owners for its Jervois Copper Project.

#### Occupational Health and Safety

Given KGL's exploration activities (and especially if it achieves exploration success leading to mining activities), it will face the risk of workplace injuries which may result in workers' compensation claims, related common law claims and potential occupational health and safety prosecutions. Further, the production processes used in conducting any future mining activities of KGL can be hazardous. KGL has, and intends to maintain, a range of workplace practices, procedures and policies which will seek to provide a safe and healthy working environment for its employees, visitors and the community.

#### Limited Operating History of KGL

KGL has limited operating history on which it can base an evaluation of its future prospects. If KGL's business model does not prove to be profitable, investors may lose their investment. KGL's historical financial information is of limited value because of KGL's lack of operating history and the emerging nature of its business. The prospects of KGL must be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

#### Key Personnel

In formulating its exploration programs, feasibility studies and development strategies, KGL relies to a significant extent upon the experience and expertise of the directors of KGL and its management. A number of key personnel are important to attaining the business goals of KGL. One or more of these key employees could leave their employment, and this may adversely affect the ability of KGL to conduct its business and, accordingly, affect the financial performance of KGL and its share price. Recruiting and retaining qualified personnel is important to KGL's success. The number of persons skilled in the exploration and development of mining properties is limited, and competition for such persons is strong.

## Key Risk Factors

### MATERIAL BUSINESS RISKS (cont..)

#### Resource and Reserve Estimate Risk

Resource and reserve estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Resource and reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource and reserve estimates could affect KGL's future plans and ultimately its financial performance and value. Copper, silver and gold price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates may render resources containing relatively lower grades uneconomic and may materially adversely affect resource and reserve estimations.

#### Environmental Risk

The operations and activities of KGL are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, KGL's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. KGL attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. KGL is unable to predict the effect of additional environmental laws and regulations which may come into effect in the future, including whether any such laws or regulations would materially increase KGL's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige KGL to incur significant expenses and undertake significant investments, which could have a material adverse effect on KGL's business, financial condition and performance.

#### Availability of Equipment and Contractors

The market for exploration and mining equipment and personnel remains tight. Appropriate equipment, including drill rigs, remain in short supply. There is also high demand for contractors providing other services to the mining industry. Consequently, there is a risk that KGL may not be able to source all the equipment and contractors required to fulfil its proposed activities. There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of KGL's activities. The availability of equipment, material and contractors is also a key consideration of KGL's board of directors in relation to the timing of the final investment decision ("FID").

## Key Risk Factors

### MATERIAL BUSINESS RISKS (cont..)

#### **Fluctuations in Copper Price and Australian Dollar Exchange Rate**

The copper mining industry is competitive. There can be no assurance that copper, silver and gold prices will be such that KGL can mine its deposits at a profit. Copper, silver and gold prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. Demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.

#### **Climate Change Risk**

The operations and activities of KGL are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage, and other possible restraints on industry that may further impact KGL and its profitability. While KGL will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that KGL will not be impacted by these occurrences. Climate change may also cause certain physical and environmental risks that cannot be predicted by KGL, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which KGL operates. KGL is working proactively to increase the level of renewable energy penetration at its Jervois Copper Project, and is considering a range to technologies that could be applied to the Jervois Copper Project for the benefit of all stakeholders.

#### **Macro-Economic Risks**

In 2023, the world continues to be impacted by COVID-19, with global supply chains, labour and equipment shortages still being materially affected. Although world economies have largely re-opened, the economic impact of COVID-19 is still being felt. The COVID-19 pandemic also highlighted the severe impact that such a pandemic, epidemic or any other form of health crisis (whether COVID-19 related or otherwise) can have, including on capital markets, and if such a pandemic, epidemic or other form of health crisis were to occur in the future, it may have an adverse impact on KGL's operating and financial performance and financial position.

Inflationary pressures for appropriately skilled labour, oil and capital items are being seen across many industries, including the mining industry, and the recent geopolitical tensions across a number of areas worldwide (including the ongoing conflict between Ukraine and Russia) may also continue to adversely affect capital markets and cause spikes in materials prices, including diesel prices.

## Key Risk Factors

### GENERAL RISK FACTORS

Mineral exploration and mining may be hampered by circumstances beyond the control of KGL and are speculative operations which by their nature are subject to a number of inherent risks. These include general risk factors such as the following.

#### **Market Risk**

As with all stock market investments, there are risks associated with an investment in KGL. Share prices may rise or fall and the price of KGL shares might trade below or above the issue price for the New Shares. The price at which KGL shares trade on ASX may be determined by a range of factors including movements in local and international equity and bond markets, general investor sentiment in those markets, inflation, interest rates, general economic conditions and outlook and changes in the supply of, and demand for, exploration and mining industry securities, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates. The market for KGL shares may also be affected by a wide variety of events and factors, including variations in KGL's operating results, recommendations by securities analysts, and the operating and trading price performance of other listed exploration and mining industry entities that investors consider to be comparable to KGL. Some of these factors could affect KGL's share price regardless of KGL's underlying operating performance.

#### **Taxation Risk**

Any change in KGL's tax status or the tax applicable to holding KGL shares or in taxation legislation or its interpretation, could affect the value of the investments held by KGL, affect KGL's ability to provide returns to shareholders, and/or alter the post-tax returns to shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to KGL's interpretation may lead to an increase in KGL's tax liabilities and a reduction in shareholder returns. Personal tax liabilities are the responsibility of each individual investor. KGL is not responsible either for tax or tax penalties incurred by investors.

#### **Liquidity Risk**

There can be no guarantee that there will continue to be an active market for KGL shares or that the price of KGL shares will increase. There may be relatively few buyers or sellers of KGL shares on ASX at any given time. This may affect the volatility of the market price of KGL shares. It may also affect the prevailing market price at which shareholders are able to sell their KGL shares. This may result in shareholders receiving a market price for their KGL shares that is less or more than the price paid under the Offer.

## Key Risk Factors

### GENERAL RISK FACTORS (cont.)

#### **Securities Investment Risk**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of KGL's performance. The past performance of KGL is not necessarily an indication as to future performance of KGL as the trading price of KGL shares can go up or down. Neither KGL, nor its directors, warrant the future performance of KGL or any return on an investment in KGL.

#### **Economic Factors**

The operating and financial performance of KGL is influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets, and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including as a result of an increase in interest rates, rising geopolitical tensions, or a decrease in consumer and business demand, may have an adverse impact on KGL's operating and financial performance and financial position. This risk is heightened in the current uncertain economic environment. Examples of events that have affected (and may continue to affect) global geopolitical conditions include the ongoing conflict in Ukraine, the tensions between China and Taiwan, the United Kingdom ceasing to be a member of the European Union and the European Economic Area on 31 January 2020 (commonly referred to as "Brexit"), the bank failures in 2023 including the collapse of Silicon Valley Bank, Signature Bank and Silvergate Bank, and global trade developments relating to, among other things, the imposition or threatened imposition of trade tariffs and levies by major countries, including the United States and China. KGL's future possible revenues and the KGL share price can be affected by these factors, which are beyond the control of KGL.

#### **Accounting Standards**

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside KGL's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in KGL's financial statements.

## Appendix C

### Competent Person Disclosures

## Competent Persons' Statement and Disclaimer



### Competent Person Statement

The Jervois resources information were first released to the ASX on 23 May 2024 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Jervois Ore Reserves Estimates was first released to the market on 10/11/2022 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The following drill holes were originally reported on the date indicated and using the JORC code specified in the table. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply.

Hole		Date originally Reported	JORC Reported Under
KJCD	575W1	8/11/2023	2012
KJCD	556	27/09/2022	2012
KJCD	556D4	08/11/2023	2012
KJCD	481D6	10/11/2021 14/02/2022	2012
KJCD	481D3	11/10/2021 14/02/2022	2012
KJD	627	05/07/2024	2012
KJCD	481D7	08/12/2021 14/02/2022	2012
KJD	626	05/07/2024	2012

## Jervois Mineral Resource



Resource	Area	Material		Grade				Metal	
		Category	Mt	Copper (%)	Silver (g/t)	Gold (g/t)	Copper (kt)	Silver (Moz)	Gold (koz)
Open Cut Potential > 0.5% Cu	Reward	Measured	2.63	1.91	46.20	0.43	50.30	3.91	36.0
		Indicated	0.92	1.61	43.20	0.26	14.81	1.28	7.7
		Inferred	0.68	0.94	10.70	0.07	6.41	0.23	1.4
	Bellbird	Measured	1.23	2.53	15.1	0.14	31.18	0.6	5.6
		Indicated	1.26	1.45	9.1	0.17	18.23	0.37	6.8
		Inferred	1.02	1.24	10.6	0.12	12.67	0.35	4.0
	Sub Total			7.74	1.72	27.1	0.25	133.6	6.7
Underground Potential > 1% Cu	Reward	Indicated	5.3	2.0	40.8	0.4	107.3	6.9	70.8
		Inferred	3.7	1.5	18.6	0.2	56.1	2.2	23.9
	Bellbird	Indicated	0.33	2.33	19.8	0.14	7.78	0.21	1.5
		Inferred	2.84	2.09	12.3	0.11	59.15	1.12	9.7
	Rockface	Indicated	2.80	3.37	21.4	0.23	94.31	1.93	21.1
		Inferred	0.73	1.92	19	0.18	13.97	0.45	4.2
	Sub Total			15.62	2.17	25.5	0.26	338.6	12.8
Total			23.37	2.02	26.0	0.26	472.2	19.5	192.8



# Appendix D

## Foreign Selling Disclosures



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

## Foreign Selling Restrictions

**This presentation does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.**

### **Australia**

The information in this presentation has been prepared on the basis that all offers of New Shares will be made to Australian resident investors to whom an offer of shares may lawfully be made without disclosure under Part 6D.2 of the Corporations Act. This presentation is not a prospectus, product disclosure statement or any other form of disclosure document regulated by the Corporations Act and has not been, and will not be, lodged with the Australian Securities and Investments Commission (ASIC). Neither ASIC nor ASX takes any responsibility for the contents of this presentation. Accordingly, this presentation may not contain all information which a prospective investor may require to make a decision about whether to subscribe for New Shares and it does not contain all of the information which would otherwise be required by Australian law to be disclosed in a prospectus, product disclosure statement or any other form of disclosure document regulated by the Corporations Act. This presentation does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to the offer of New Shares or any other transaction in relation to KGL shares, you should assess whether that transaction is appropriate in light of your own financial circumstances or seek professional advice.

### **New Zealand**

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## Foreign Selling Restrictions

**This presentation does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.**

### Singapore

This Offer Booklet and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus (as defined in the *Securities and Futures Act 2001 of Singapore (SFA)*) in Singapore with the Monetary Authority of Singapore. Accordingly, this Offer Booklet and any other document or materials in connection with the Offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part 13 of the SFA, or as otherwise pursuant to, and in accordance with, the conditions of any other applicable provisions of the SFA.

This Offer Booklet is strictly confidential and has been given to you on the basis that you are:

- an existing Shareholder;
- an "institutional investor" (as defined in Section 4A(1)(c) of the SFA ("Institutional Investor")); or
- an "accredited investor" (as defined in Section 4A(1)(a) of the SFA and as modified pursuant to Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore ("Accredited Investor")).

By receiving and reviewing this document, you confirm that you fall within the categories set out above. If you receive this Offer Booklet and do not fall within the categories set out above, you must immediately delete or destroy this Offer Booklet which you shall not act or rely on. This document is personal to you and this document and the information herein may not be reproduced in whole or in part, or redistributed to any other person. By taking possession of this document, you agree not to cause or allow this Offer Booklet to be transmitted to any other person, and agree not to reproduce or redistribute this Offer Booklet or any information herein in any format.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

If you (or any person for whom you are acquiring the New Shares) are in Singapore, you (and any such person) represent that you (and any such person):

- are an existing Shareholder, an Institutional Investor or an Accredited Investor;
- will acquire the New Shares in accordance with applicable provisions of the SFA; and
- acknowledge that the offer of the New Shares is subject to the restrictions (including resale restrictions) set out in the SFA.

Where an offer or invitation to make an offer to subscribe for the New Shares is made to you on the basis that you qualify as an Accredited Investor pursuant to Section 275(1) of the SFA, unless otherwise waived by the Company in their absolute discretion, you represent, undertake and warrant on a continuing basis that you qualify as an Accredited Investor, and agree to be treated by the Company as an Accredited Investor in connection with your investment in the Company having been apprised of and understanding the consequences of opting-in to be treated as an Accredited Investor (and has not withdrawn such consent), in accordance with such procedures as may be prescribed by the Company.

## Foreign Selling Restrictions

### United States

This Offer Booklet, the accompanying Entitlement and Acceptance Form, and the accompanying ASX Announcements (including the Company's Investor Presentation included as part of this Offer Booklet) do not constitute an invitation or offer to sell, or the solicitation of an offer to buy, any securities in the United States.

Neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Offer have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States.

Accordingly, the Entitlements may not be issued to, or taken up or exercised by, and the New Shares may not be offered or sold directly or indirectly, to persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent such persons hold such securities and are acting for the account or benefit of a person in the United States), unless they have been registered under the US Securities Act or offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Offer pursuant to this Offer Booklet may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

### Hong Kong

**WARNING: The contents of this Offer Booklet have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Offer Booklet, you should obtain independent professional advice.**

This Offer Booklet has not been, and will not be, registered as a prospectus under the *Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong (CWUMPO)*, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the *Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (SFO)*. No action has been taken in Hong Kong to authorise or register this Offer Booklet or to permit the distribution of this Offer Booklet or any documents issued in connection with it.

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or in circumstances which do not result in this Offering Booklet or any such advertisement, invitation or document being a "prospectus" as defined in the CWUMPO or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CWUMPO. No person allotted New Shares may sell, or offer to sell, such New Shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such New Shares.

This Offer Booklet is confidential to, and solely for the use, of the person to whom it is addressed and must not be distributed, published, reproduced or disclosed (in whole or in part) by the recipient to any other person in Hong Kong or use for any purpose in Hong Kong.

## Foreign Selling Restrictions

### **Germany**

This document has not been, and will not be, registered with or approved by any securities regulator in the Germany. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation"). In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in Germany is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

### **Ireland**

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of an offer of securities to the public in Ireland within the meaning of EU Regulation 2017/1129/EU (the "Prospectus Regulation"). The New Securities have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Article 2(e) of the Prospectus Regulations.

### **British Virgin Islands**

The New Shares may not be offered in the British Virgin Islands unless the Company or the person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. While the Company is not licensed to carry on business in the British Virgin Islands, the New Shares may be offered to existing shareholders of the Company in the British Virgin Islands from outside the British Virgin Islands.

## 6. ADDITIONAL INFORMATION

This Offer Booklet (including the ASX Announcements in Section 5 have been prepared by the Company.

This Offer Booklet is dated 16 July 2024 (other than the ASX Announcements, which were released to ASX on 8 July 2024) and are also available at [www.kglresources.com.au](http://www.kglresources.com.au). The information in this Offer Booklet remains subject to change without notice and the Company is not responsible for updating such information.

There may be additional announcements made by the Company after the date of this Offer Booklet and throughout the period that the Offer is open that may be relevant to your consideration of whether to take up, or do nothing in respect of, your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by the Company (by visiting ASX's website at [www.asx.com.au](http://www.asx.com.au), or the Company's website at [www.kglresources.com.au](http://www.kglresources.com.au)) before submitting your application to take up your Entitlement.

No party other than the Company has authorised or caused the issue of the information in this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in respect of, such information.

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Company or its related bodies corporate in connection with the Offer.

### **The information in this Offer Booklet is important and requires your immediate attention.**

You should read the information in this Offer Booklet carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5, any of which could affect the operating and financial performance of the Company or the value of an investment in the Company.

You should consult your stockbroker, solicitor, accountant, financial adviser or other professional adviser to evaluate whether or not to participate in the Offer.

### **6.1 Ineligible Shareholders**

This Offer Booklet contains an offer of New Shares to Eligible Shareholders in Australia and New Zealand and has been prepared in accordance with section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73).

As set out in Section 1.2, Eligible Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (Sydney time) on 11 July 2024;
- as at the Record Date, have a registered address on the Company's Share register that is in Australia or New Zealand, or are a Shareholder that the Company has otherwise determined is entitled to participate;
- are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States (to the extent such person holds

Shares and is acting for the account or benefit of a person in the United States) unless allowed under the applicable security laws; and

- are eligible under all applicable securities laws to receive an offer under the Offer.

All Shareholders who do not satisfy the criteria to be Eligible Shareholders are Ineligible Shareholders. Ineligible Shareholders are not entitled to participate in the Offer, unless the Company otherwise determines.

The restrictions upon eligibility to participate in the Offer arise because the Company has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 708AA (including section 9A(3)(a)) of the Corporations Act, that it would be unreasonable to extend the Offer to Ineligible Shareholders. This decision has been made after taking into account the number of non-residents in Australia and New Zealand on the Company's Share register, the relatively small number and value of New Shares to which those Shareholders would otherwise be entitled, and the potential costs of complying with legal and regulatory requirements in the jurisdictions in which the Ineligible Shareholders are located in relation to the Offer.

The Company, in its absolute discretion, may extend the Offer to any Shareholder if it is satisfied that the Offer may be made to the Shareholder in compliance with all applicable laws. The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

Ineligible Shareholders will not receive any payment or value as a result of the issue of any of those New Shares they would have been entitled to subscribe for had they been eligible to participate in the Offer.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY® of EFT, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

## **6.2 Ranking of New Shares**

New Shares issued under the Offer will be fully paid and rank equally in all respects with existing Shares on issue from their time of issue. The rights and liabilities attaching to the New Shares are set out in the Company's constitution, a copy of which is available at [www.kglresources.com.au](http://www.kglresources.com.au).

## **6.3 Risks**

The Company's Investor Presentation details important factors and risks that could affect the financial and operating performance of the Company. You should refer to the "Key Risk Factors" section of the Company's Investor Presentation released to ASX on 8 July 2024 which is included in Section 5. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

## **6.4 Reconciliation, and the rights of the Company**

The Offer and the calculation of Entitlements is a complex process. There may be a need to undertake a reconciliation of Entitlements. If reconciliation is required, it is possible that the Company may need to issue additional New Shares to ensure that the relevant investors receive their appropriate allocation of New Shares.

The Company also reserves the right to reduce the size of an Entitlement or number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders or other applicable

investors, if the Company believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, the Company may, in its discretion, require the relevant Shareholder to transfer excess New Shares at its direction at the Offer Price per New Share. If necessary, the relevant Shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant Shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Offer, those doing so irrevocably acknowledge and agree to do the above as required by the Company in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of the Company to require any of the actions set out above.

### **6.5 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

### **6.6 Rounding of Entitlements**

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

### **6.7 Trading of Entitlements**

Your Entitlement is personal and cannot be traded on ASX, transferred, assigned or otherwise dealt with. If you do not take up your Entitlement by the Closing Date, being 5.00pm (Sydney time) on 25 July 2024, your Entitlement will lapse.

### **6.8 Quotation and trading of New Shares**

The Company will apply for quotation of the New Shares on ASX in accordance with the ASX Listing Rule requirements. Trading of New Shares will, subject to ASX approval, occur shortly after allotment. If ASX does not grant quotation of the New Shares, the Company will repay all Application Monies (without interest). It is expected that trading on ASX of New Shares to be issued under the Offer will commence at 10.00am (Sydney time) on 2 August 2024 on a normal settlement basis. Application Monies will be held by the Company on trust for applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or failure to maintain their updated details with the Company's Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

### **6.9 Notice to nominees and custodian**

If the Company believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Offer. Nominees and custodians should consider carefully the contents of that letter.

Persons acting as nominees for other persons must not take up Entitlements on behalf of, or send any documents related to the Offer to, any person in the United States or any person that is acting for

the account or benefit of a person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to take up or exercise Entitlements and may receive no value for any such Entitlements held.

The Company is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary complies with applicable foreign laws. The Company is not able to advise on foreign laws.

Nominees and custodians may not send copies of this Offer Booklet, the accompanying Entitlement and Acceptance Form, or the accompanying ASX Announcements (including the Company's Investor Presentation included as part of this Offer Booklet), or any other material relating to the Offer, to persons in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person holds Shares and is acting for the account or benefit of a person in the United States) or in any other jurisdiction outside Australia or New Zealand.

Nominees and custodians may not submit an application or otherwise accept the Offer on behalf of a person in the United States or any other country outside Australia and New Zealand.

#### **6.10 Not investment advice**

This Offer Booklet is not a prospectus, product disclosure statement or other form of disclosure document under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. The Company is not licensed to provide financial product advice in respect of the New Shares. This Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with the Company's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at [www.kglresources.com.au](http://www.kglresources.com.au).

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the information in this Offer Booklet, you have any questions about the Offer, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser or call the Offer information line on 1300 853 781 (within Australia) or +61 1300 853 781 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday.

Nominees and custodians may not distribute any part of this Offer Booklet in the United States or in any other country outside Australia except:

- that Australian nominees may send this Offer Booklet and related offer documents to beneficial Shareholders who are professional or institutional Shareholders in other countries (other than the United States); and
- to beneficial Shareholders in other countries (other than the United States) where the Company may determine it is lawful and practical to make the Offer.

### 6.11 Information availability

If you are in Australia you can obtain a copy of this Offer Booklet during the period of the Offer by calling the Offer information line on 1300 853 781 (within Australia) or +61 1300 853 781 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday.

If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet.

### 6.12 Foreign jurisdictions

The information in this Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form is not in the United States and not acting for the account or benefit of a person in the United States.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Offer, the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

#### *New Zealand*

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

This Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with, or approved by, any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

#### *Singapore*

This Offer Booklet and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus (as defined in the *Securities and Futures Act 2001 of Singapore (SFA)*) in Singapore with the Monetary Authority of Singapore. Accordingly, this Offer Booklet and any other document or materials in connection with the Offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part 13 of the SFA, or as otherwise pursuant to, and in accordance with, the conditions of any other applicable provisions of the SFA.

This Offer Booklet is strictly confidential and has been given to you on the basis that you are:

- an existing Shareholder;
- an 'institutional investor' (as defined in Section 4A(1)(c) of the SFA ("**Institutional Investor**")); or



- an ‘accredited investor’ (as defined in Section 4A(1)(a) of the SFA and as modified pursuant to Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore (“**Accredited Investor**”)).

By receiving and reviewing this document, you confirm that you fall within the categories set out above. If you receive this Offer Booklet and do not fall within the categories set out above, you must immediately delete or destroy this Offer Booklet which you shall not act or rely on. This document is personal to you and this document and the information herein may not be reproduced in whole or in part, or redistributed to any other person. By taking possession of this document, you agree not to cause or allow this Offer Booklet to be transmitted to any other person, and agree not to reproduce or redistribute this Offer Booklet or any information herein in any format.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

If you (or any person for whom you are acquiring the New Shares) are in Singapore, you (and any such person) represent that you (and any such person):

- are an existing Shareholder, an Institutional Investor or an Accredited Investor;
- will acquire the New Shares in accordance with applicable provisions of the SFA; and
- acknowledge that the offer of the New Shares is subject to the restrictions (including resale restrictions) set out in the SFA.

Where an offer or invitation to make an offer to subscribe for the New Shares is made to you on the basis that you qualify as an Accredited Investor pursuant to Section 275(1) of the SFA, unless otherwise waived by the Company in their absolute discretion, you represent, undertake and warrant on a continuing basis that you qualify as an Accredited Investor, and agree to be treated by the Company as an Accredited Investor in connection with your investment in the Company having been apprised of and understanding the consequences of opting-in to be treated as an Accredited Investor (and has not withdrawn such consent), in accordance with such procedures as may be prescribed by the Company.

*Hong Kong*

***WARNING: The contents of this Offer Booklet have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Offer Booklet, you should obtain independent professional advice.***

This Offer Booklet has not been, and will not be, registered as a prospectus under the *Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (CWUMPO)*, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the *Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (SFO)*. No action has been taken in Hong Kong to authorise or register this Offer Booklet or to permit the distribution of this Offer Booklet or any documents issued in connection with it.

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or in circumstances which do not result in this Offer Booklet or any such advertisement, invitation or document being a “prospectus” as defined in the CWUMPO or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CWUMPO. No person allotted New Shares may sell, or offer to sell, such New Shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such New Shares.

This Offer Booklet is confidential to, and solely for the use, of the person to whom it is addressed and must not be distributed, published, reproduced or disclosed (in whole or in part) by the recipient to any other person in Hong Kong or use for any purpose in Hong Kong.

#### *British Virgin Islands*

The New Shares may not be offered in the British Virgin Islands unless the Company or the person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. While the Company is not licensed to carry on business in the British Virgin Islands, the New Shares may be offered to existing Shareholders in the British Virgin Islands from outside the British Virgin Islands.

#### *United States*

This Offer Booklet, the accompanying Entitlement and Acceptance Form, and the accompanying ASX Announcements (including the Company's Investor Presentation included as part of this Offer Booklet) do not constitute an invitation or offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed or released in the United States. None of the Entitlements or the New Shares offered under the Offer have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be issued to, or taken up or exercised by, and the New Shares may not be offered or sold directly or indirectly to, persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of such a person in the United States) unless they have been registered under the US Securities Act (which the Company has no obligation to do or to procure) or are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

The New Shares to be offered and sold in the Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

Any non-compliance with these restrictions may contravene applicable securities laws.

#### *Ireland*

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of an offer of securities to the public in Ireland within the meaning of EU Regulation 2017/1129/EU (the "Prospectus Regulation"). The New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Article 2(e) of the Prospectus Regulations.

#### *Germany*

This document has not been, and will not be, registered with or approved by any securities regulator in the Germany. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation"). In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in Germany is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

### **6.13 Governing law**

This Offer Booklet, the Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Queensland, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Queensland, Australia and courts competent to hear appeals from those courts.

### **6.14 Disclaimer or representations**

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Company, or its related bodies corporate, in connection with the Offer. Except as required by law, and only to the extent so required, none of the Company, nor any other person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Offer Booklet or its contents.

### **6.15 Withdrawal of the Offer**

The Company reserves the right to withdraw all or part of the Offer at any time, subject to applicable laws, in which case the Company will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to the Company will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to the Company.

### **6.16 Privacy**

As a Shareholder, the Company and the Company's Share Registry have already collected certain personal information from you. If you apply for New Shares, the Company and the Company's Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares, service your needs as a Shareholder, provide facilities and services that you request, and carry out appropriate administration.

To do that, the Company and the Company's Share Registry may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New Shares, the Company's Share Registry for ongoing administration of the register, or to printers and mailing houses for the purposes of preparation of the distribution of Shareholder information and for handling of mail, or as otherwise permitted under the *Privacy Act 1988* (Cth).

If you do not provide us with your personal information, we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) the Company or the Company's Share Registry. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this, please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information by telephoning or writing to the Company through the Company's Share Registry as follows:

Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
[privacy.officer@linkgroup.com](mailto:privacy.officer@linkgroup.com)  
Ph: +61 1300 853 781 (free call within Australia)

## 7. GLOSSARY

In this Offer Booklet, unless the context otherwise requires:

<b>\$</b>	means Australian dollars.
<b>ABN</b>	means Australian business number.
<b>Application Monies</b>	means application monies for New Shares received from an applicant.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) and where the context permits, the market operated by it.
<b>ASX Announcements</b>	means the Company's ASX announcements included in Section 5, being the Company's announcement to ASX on 8 July 2024 and the Investor Presentation.
<b>Board</b>	means the board of Directors of the Company.
<b>Company</b>	means KGL Resources Limited (ACN 082 658 080).
<b>CGT</b>	means capital gains tax.
<b>Closing Date</b>	means the day the Offer closes, expected to be 5.00pm (Sydney time) on 25 July 2024.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Eligible Shareholder</b>	has the meaning given to that term in Section 1.2.
<b>Entitlement</b>	means an Eligible Shareholder's entitlement to subscribe for New Shares.
<b>Entitlement and Acceptance Form</b>	means the personalised form that accompanies this Offer Booklet when despatched to Eligible Shareholders.
<b>Excess Amount</b>	has the meaning given to that term in Section 3.5.
<b>Ineligible Shareholder</b>	means a Shareholder who is not an Eligible Shareholder.
<b>Investor Presentation</b>	means the Company's investor presentation released to ASX on 8 July 2024 and included in Section 5.
<b>Jervois Project</b>	means the Company's Jervois Copper Project located in the Northern Territory, Australia, more details of which can be found on the Company's website here: <a href="https://www.kglresources.com.au/jervois-project">https://www.kglresources.com.au/jervois-project</a> .
<b>JORC Code 2012</b>	the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" prepared by the JORC Reserves Committee of the Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.
<b>KMP</b>	has the meaning given to that term in Section 1.1.
<b>Mineral Resource</b>	has the meaning given in the JORC Code 2012.
<b>New Share</b>	means a Share to be allotted and issued under the Offer, including any shortfall from the Offer issued under the Top-Up Facility and any Shortfall Shares.

<b>Offer</b>	means the pro-rata non-renounceable entitlement offer of 4 New Shares for every 15 Shares held at the Record Date at an Offer Price of \$0.10 per New Share.
<b>Offer Booklet</b>	means this document.
<b>Offer Price</b>	means \$0.10 per New Share.
<b>Record Date</b>	means 7.00pm (Sydney time) on 11 July 2024.
<b>Section</b>	means a section of this Offer Booklet.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a registered holder of Shares.
<b>Share Registry</b>	means Link Market Services Limited (ACN 083 214 537).
<b>Shortfall</b>	means the extent to which Eligible Shareholders do not subscribe for New Shares (including Shortfall Shares) pursuant to the Offer.
<b>Shortfall Shares</b>	has the meaning given to that term in Section 3.8.
<b>Take-Up</b>	has the meaning given to that term in Section 1.4.
<b>TERP</b>	means theoretical ex-rights price.
<b>TFN</b>	means tax file number.
<b>Top-Up Facility</b>	has the meaning given to that term in Section 1.1.
<b>US Securities Act</b>	means the U.S. Securities Act of 1933.