

24 September 2021

Statement of Confirmations

Koonenberry Gold Limited (ACN 619 137 576) (**Company** or **KNB**) confirms that all conditions precedent to the initial public offer (**Offer**) under the Company's prospectus dated 2 July 2021 (**Prospectus**) have been satisfied. The Company has issued 40,000,000 Shares under the Public Offer and 1,592,420 Shares under the Advisor Offer to raise \$8,000,000.

Capitalised terms in this announcement have the same meaning given under the Prospectus.

The Company confirms:

- a) the Offer under the Prospectus closed on 22 September 2021 and that issue of the Shares subscribed for under the Prospectus (as detailed above) has been completed; and
- b) a total of 59,735,088 shares have been issued.

Issue of Securities

In addition to the above, the Company confirms the issue of the following:

Offers	Number
Shares issued to the Lead Manager (or its nominee/s)	1,592,420
Shares issued on conversion of all Series A, B and C notes	18,142,668
Issue of performance rights to Mr Elkington, Hobson and McIntosh	5,850,000

Use of funds

The Company confirms the statements of commitments as contained within the Prospectus based on the \$8,000,000 raised is set out below:

Funds available	Completed Subscription (\$)	Percentage of Funds (%)
Existing cash reserves ¹	550,000	6.4%
Funds raised from the Offer	8,000,000	93.6%
Total	8,550,000	100.0%
Allocation of funds		
Exploration expenditure	4,700,000	55.0%
Future acquisition costs	1,000,000	11.7%
Expenses of the Offers	797,702	9.3%
Working Capital	2,055,298	24.0%
Total	8,550,000	100.00%

Restricted Securities

The Company confirms that following quotation of the Company's securities on the ASX, the following securities will be subject to restriction pursuant to the ASX Listing Rules for the period outlined below.

Class	Number	Restriction Period
Shares	46,200,720	24 months from date of quotation
Options	3,182,000	24 months from date of quotation
Performance Rights	6,100,000	24 months from date of quotation
Shares on conversion of notes	2,208,076	12 months from the date of issue

General Equity Incentive Plan

The Company confirms the maximum number of equity securities permitted to be issued under the General Equity Incentive Plan for the purposes of Listing Rule 7.2 Exception 13(a) is 11,974,909.

Tenement Access

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to the Company entering the Tenements and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

Capital Structure

The Company confirms that its capital structure on listing is:

Capital Structure ¹	Shares	Options ²
Securities on issue as at date of Prospectus	60,014,000	12,728,000
Securities issued pursuant to the Offer	40,000,000	-
Issue of Shares to Lead Manager	1,592,420	-
Issue of Shares on Conversion of Series A, B and C notes	18,142,668	-
Rights or Options issued to the Board and the Chief Executive Officer	-	6,100,000
TOTAL	119,749,088	18,828,000

Notes:

1. The rights attaching to the Performance Rights and Options are summarised in Section 14 of the Prospectus.

Updated Pro-Forma Balance Sheet (Based on the actual amounts raised under the Offer)

\$'000	Reviewed As at 31-Dec-20	Pro Forma Adjustments	\$8m Subscription Pro Forma As at 31-Dec-20
Current Assets			
Cash and cash equivalents	194	7,558	7,752
Other current assets	130	2	132
Total Current Assets	324	7,560	7,885
Non-Current Assets			
Property, plant & equipment	578	(18)	560
Exploration and evaluation assets	3,253	227	3,480
Other non-current assets	163	-	163
Total Non-Current Assets	3,994	209	4,204
Total Assets	4,319	7,769	12,088
Current Liabilities			
Trade and other payables	473	(152)	321
Funds received in advance	-	-	-
Provisions	29	176	205
Total Current Liabilities	502	24	526
Non-Current Liabilities			
Provisions	2	-	2
Convertible notes	1,128	1,524	2,652
Total Non Current Liabilities	1,130	1,524	2,654
Total Liabilities	1,632	1,548	3,180
Net Assets/(Liabilities)	2,687	6,222	8,908
Equity			
Issued Capital	3,505	8,070	11,575
Accumulated losses	(819)	(1,490)	(2,309)
Reserves	-	(358)	(358)
Total Equity/(Deficit)	2,687	6,222	8,908

ASX waiver

ASX has granted KNB a waiver from ASX Listing Rule 1.1 (Condition 12) on the terms set out below:

Waiver Decision

1. Based solely on the information provided, ASX Limited ('ASX') grants Koonenberry Gold Limited (the 'Company') a waiver from listing rule 1.1 condition 12 to the extent necessary to permit the Company to have on issue 5,850,000 performance rights to be issued to the three directors of the Company, being Mr John Elkington, Mr John Hobson and Mr Anthony McIntosh (the 'Performance Rights') with a nil exercise price on condition that the material terms and conditions of the Performance Rights are clearly disclosed in the Company's initial public offering prospectus ('Prospectus').
2. ASX has considered Listing Rule 1.1 Condition 12 only and makes no statement as to the Company's compliance with other listing rules.

Basis for Waiver Decision

3. If an entity seeking admission to the official list has options or performance rights on issue, the exercise price for each underlying security must be at least 20 cents in cash. This rule supports listing rule 2.1 condition 2 which requires the issue price or sale price of all securities for which an entity is seeking quotation (except options) upon admission to the official list to be at least 20 cents in cash. These requirements together support the integrity of the ASX market, as they demonstrate that the entity's ordinary securities have a minimum value suitable for a listed entity.

Facts and Reasons for granting the waiver

4. In the present case, the number of Performance Rights will represent approximately 4.87% of the ordinary shares on issue at the time of the Company's admission on an undiluted basis (assuming on a minimum subscription basis). The Performance Rights are fixed in number and will be held by three directors of the Company and are therefore unlikely to have any impact on the trading price of KNB's shares. The Performance Rights will convert into ordinary shares in the Company on a one-for-one basis on the relevant vesting dates, being the achievement of the three milestones on 24 months, 36 months and 48 months post-admission respectively, subject to satisfaction of the relevant vesting conditions.
5. It is considered that the existence of Performance Rights will not undermine the existence of the 20 cent rule in the circumstances. The waiver is granted on the condition that the material terms and conditions of the Performance Rights are clearly disclosed in the Company's prospectus, which has been satisfied.

-ENDS-

Authorised for release by: the Board of Koonenberry Gold Limited

For further information, contact:

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Company Secretary