



# KOONENBERRY GOLD



## ASX ANNOUNCEMENT

27 OCTOBER 2021

### Quarterly Report

For the period ended 30 September 2021

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## HIGHLIGHTS

- Koonenberry Gold set-up for exploration programme to begin
- Successful ASX listing on 28 September 2021 after raising \$8m
- New board and management appointments

## EXECUTIVE SUMMARY

Koonenberry Gold Ltd (**ASX:KNB**) (“Koonenberry” or the “Company”) is pleased to report on a successful quarter culminating in an \$8M capital raise and listing on the ASX on 28 September 2021.

Koonenberry has been exploring over the last 4 years, prior to listing, and has expanded earlier work undertaken by other explorers. The Company’s forthcoming exploration activities will utilise all collected multi-disciplinary data to create a 3D geological model of the Koonenberry Gold Project in north western New South Wales, which will drive the definition and prioritisation of the drill programme.

Koonenberry Gold CEO, Karen O’Neill, said: *“We have had an excellent start to FY22 with the successful listing and capital raise. The Board and Management believe this sets up Koonenberry to have a solid opportunity to test for an economic gold resource at the Koonenberry Gold Project, located in New South Wales.”*

The Company is pursuing large gold deposits and is working to define a number of clear targets for drilling in the first quarter of 2022.

## UPCOMING EXPLORATION

- **Scheduled:** Koonenberry will conduct a comprehensive structural geology review to define the geometry and location of host rocks, their structural evolution, architecture and alteration fluid characteristics.
- **Being Implemented:** Further soil sampling to complement the work done to date with a focus on defining key targets in readiness for drilling as well as identifying new targets.
- **Implemented:** Pulps have been received from all past soil sampling programmes and Koonenberry are undertaking a programme of multi-element geochemical characterisation. This will assist not only in identifying pathfinder elements of interest in gold exploration, but also other mineralisation styles which have never been previously investigated.
- **Underway:** A programme of 441 infill soil samples has been delivered to the laboratory for assay. This programme has focused on regional reconnaissance as well as additional infill. These results are expected to be reported in November.
- **Underway:** Geophysical interpretation of data collected in the northern part of the Project which among other data may assist in identifying which orientation is the favourable structural trend.
- **Completed:** Geological desktop study and interpretation of available geophysical and geochemical data relating to our primary target area, Lucky Sevens. Koonenberry has uncovered potential for multiple repetitions of the Lucky Sevens prospect, including targets buried under cover which have never been investigated. (Refer to ASX Announcement of 6 October 2021).
- **Completed:** Extension of gold anomalous regions, particularly Lucky Sevens (over 2.5km long and up to 450m wide); Atlantis (over 5.5km long and up to 100m wide); and Four Queens (over 4km long and up to 100m wide), from assay results of an infill and extension soil sampling programme. (Refer to ASX Announcement of 14 October 2021).

To date, works have mainly involved prospecting, costeaning and bulk sampling. There has been soil and rock chip sampling and limited drilling. Primary mineralisation remains untested.

Activities undertaken in the quarter related to pre-IPO and IPO activities. The Company did undertake works such as collecting and storing samples from site and executed planning for the work ahead. No other exploration or mine development activities were undertaken.

The Company will continue to update the market on the outcomes of the studies and assays while we build the geological model and define the drill programme.

## COVID-19

The Company would like to note that the travel restrictions imposed in some states on the return from New South Wales, due to the COVID-19 outbreak, has had a minor impact on scheduled activities. At the time of finalising this announcement some travel restrictions are being reviewed and Koonenberry is confident that activities will return to normal in the near-term.

## CAPITAL MANAGEMENT

As at 30 September 2021, Koonenberry had a cash balance of **A\$7.5 million** and no debt.

Exploration and evaluation expenditure incurred during the quarter was **\$91K** (excluding GST).

## CORPORATE UPDATE

New Board appointments were made as the prospectus for the initial public offer was lodged and are the first steps in accelerating the development of the Koonenberry Gold Project.

On 30 June 2021 the existing Board made up of Neil Dunn, Non-Executive Director, Kieran Purcell, Non-Executive Director and George Rogers, Managing Director, all stood down from the Board of Koonenberry Gold Limited and the following appointments were made on 30 June 2021:

### **Mr. John Elkington (MSc, FAusIMM, FAICD) (Non-Executive Chair)**

Mr. Elkington is a professional company director and independent mining consultant. He has over 40 years' experience in managing and directing public companies and was founding director of Pilbara Laboratories, Ammtec Limited and head of Snowden Mining Industry Consultants in the UK.

Mr. Elkington is currently non-executive chairman of ASX-listed TNG Limited. He has held no other directorships in public listed companies in the last three years.

### **Mr. John Hobson (MBA, BSc(Hons), GAICD) (Non-Executive Director)**

Mr. Hobson is a capital markets and investor relations executive with extensive investment banking and corporate experience in Australia, Asia, and the US. Wide ranging experience across energy, infrastructure, logistics and banking and finance. He has successfully executed large, complex acquisition funding utilising innovative structures and negotiated multiple debt refinancings.

Mr. Hobson has held no other directorships in public listed companies in the last three years.

**Mr. Anthony McIntosh (BCom, GAICD) (Non-Executive Director)**

Mr. McIntosh has extensive experience in investment marketing, investor relations and strategic planning, with a focus on small caps, as well as a strong and well-established network of stockbroking and investment fund managers. Mr. McIntosh currently runs the McIntosh family investment company which invests in listed and unlisted securities and property. Mr. McIntosh was a Board member of Echo Resources Limited from 2013 to 2019, which was acquired by Northern Star Resources (ASX:NST) in 2019 for \$235m. He resigned from the position in November 2019, and as a non-executive director of Symbol Mining Ltd in (February 2021).

Mr. McIntosh is currently non-executive director of ASX Listed Companies: Strategic Energy Resources Limited, Alice Queen Limited, Copper Strike Limited and K-Tig Limited.

The new Board brings a wealth of experience together in exploration, resources and capital markets and is looking forward to unlocking the full potential of Koonenberry Gold Limited.

**RELATED PARTY PAYMENTS IN QUARTER TO 30 SEPTEMBER 2021**

Non-Executive Director Fees	\$ 60,499
SRG Advisory and Accounting Fees	\$130,130 <sup>1</sup>
Consulting fee	\$ 7,300 <sup>2</sup>

<sup>1</sup> SRG Advisory and Accounting Mandate Letter for the provision of corporate advisory and accounting support services with SRG Partners, in respect of whom George Rogers (who was an executive director of the Company until 30 June 2021) is a partner.

<sup>2</sup> Consulting fee paid during September 2021 quarter but incurred during June 2021 quarter. Consultant appointed non-executive director 30 June 2021.

At 30 September 2021 no other payments to, or to an associate of, a related party of the entity that the Directors are aware of.

**ACTUAL EXPENDITURE SINCE LISTING COMPARED TO “USE OF FUNDS” IN PROSPECTUS**

Listing Rule 5.3.4 requires the Company to provide a comparison of actual expenditure to date since listing on 28 September 2021 against the use of funds statement in the Prospectus dated 2 July 2021.

Use of Funds <sup>1</sup>	Use of Funds Statement \$'000's	Actual spend 28 to 30 September 2021 \$'000's
Exploration Expenditure	4,700	16
Future Acquisition Costs	1,000	-
Expenses of the Offers	798	550
Working Capital	2,055	121
<b>Total</b>	<b>10,553</b>	<b>687</b>

<sup>1</sup> The use of funds table is a statement of current intentions at the date of the Prospectus (2 July 2021). As with any budget intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

All costs spent to date are aligned with Koonenberry's expected use of funds as outlined in the Prospectus dated 2 July 2021.

## CAPITAL STRUCTURE AT 30 SEPTEMBER 2021

Ordinary Fully Paid Shares	119,749,088
Options	12,978,000 (various strike prices and expiry dates)
Performance Rights	5,850,000 (various performance hurdles and expiry dates)

Of the issued ordinary shares, 46,512,855 (38.8%) of them are restricted shares.

**This ASX release was authorised by the Board of the Company.**

**-ENDS-**

**For more information please contact:**

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**For further information regarding the Company and its projects please visit [www.koonenberrygold.com.au](http://www.koonenberrygold.com.au)**

### Forward looking statements

*This announcement may include forward looking statements and opinions. Forward looking statements are based on Koonenberry and its Management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect Koonenberry's business and operations in future. Koonenberry does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that Koonenberry's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by Koonenberry or Management or beyond Koonenberry's control. Although Koonenberry attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of Koonenberry. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law in providing this information Koonenberry does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any changes in events, conditions or circumstances on which any such statement is based.*

**APPENDIX 1 – SUMMARY OF TENEMENTS**

Licence Number	Location	Title Holder	Equity Interest at Quarter End	Change in Equity Interest during Quarter
<b>EL6803</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL6854</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL7635</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL7651</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8245</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8705</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8706</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8819</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8918</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8919</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8949</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A
<b>EL8950</b>	NSW	Lasseter Gold Pty Ltd	100%	N/A

Koonenberry's 100% owned subsidiary company, Lasseter Gold Pty Ltd, owns a 100% interest in twelve (12) granted tenements associated with the Koonenberry Gold Project.