

Kuniko completes oversubscribed A\$8.0m placement

Kuniko Limited ("Kuniko" or "the Company") is pleased to announce the successful completion of an A\$8.0 million placement to accelerate advanced exploration activities across its suite of battery metals projects.

Highlights:

- Kuniko has received firm commitments from institutional, sophisticated, and professional investors to raise A\$8.0 million via a strongly supported and oversubscribed Placement led by Canaccord Genuity (Australia) Ltd.
- Cornerstone investment received from existing shareholder and high-profile mining investor, Mr John Hancock.
- Share Purchase Plan to open on or about Thursday, 5th May 2022, available to eligible existing Kuniko shareholders to raise up to a further A\$2.0 million.
- Kuniko is well-funded with pro forma cash of ~A\$13.0 million on completion of the Placement (before costs and SPP).
- Drilling Campaign to commence on highly prospective targets on 2nd May 2022 at the Skuterud Cobalt Project, 90kms from Oslo, Norway.
- Drill targets identified through Heli EM and downhole geophysics revealing large anomalies.

Antony Beckmand, CEO, commented:

"We are excited to announce the completion of an oversubscribed placement, which introduces several high-quality institutions and sophisticated mining investors to the register.

The support from these lead investors is a milestone in the growth of Kuniko, providing recognition of our strategy and asset portfolio, positioning the Company to meet the increasing demand for a sustainable supply of ethically mined battery metals sourced from within the European Economic Area (EEA) in response to the EV revolution. The Placement enables Kuniko to accelerate, enlarge and extend the development of its historical battery metals resources and greenfield projects in Norway, while also continuing to advance on net-zero carbon initiatives."

Highlights

Developing **Copper, Nickel, Cobalt, and other battery metals** projects in Europe, for Europe

Ethical Sourcing ensured.

100% commitment to target a net **ZERO CARBON** footprint.

Operations in Norway, where 98% of electricity comes from **RENEWABLE** sources.

Corporate Directory

Kuniko Limited
ACN 619 314 055

Chief Executive Officer
Antony Beckmand

Chairman
Gavin Rezos

Non-Executive Director
Brendan Borg

Non-Executive Director
Maja McGuire

Non-Executive Director
Birgit Liodden

Company Secretary
Joel Ives



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**Placement &
Share Purchase
Plan**

Kuniko is pleased to announce that it has received binding commitments from institutional, sophisticated and professional investors to raise A\$8.0 million via a strongly supported placement ("Placement"), comprising the issue of approximately 8.0 million new fully paid ordinary shares at an issue price of A\$1.00 per share ("New Shares").

The Placement attracted strong support from both new and existing shareholders, with high-profile mining investor, Mr John Hancock, subscribing for a cornerstone investment in the Placement. The Company is pleased to introduce several other high-quality domestic and offshore institutional investors to Kuniko's share register.

Under the Placement, Kuniko intends to issue up to A\$315,000 of New Shares to certain Kuniko directors ("Director Placement"), who have subscribed to the Placement, subject to shareholder approval, which is intended to be sought at the Company's upcoming Annual General Meeting.

The Company also intends to offer a share purchase plan to existing eligible shareholders to raise up to an additional A\$2.0 million ("SPP"). Under the SPP, existing eligible shareholders will be given the opportunity to acquire additional shares up to a maximum amount of A\$30,000, at the same issue price as the Placement, being A\$1.00 per share.

Use of Proceeds

Proceeds from the Placement and SPP will be used to fund the following:

Skuterud Cobalt Project:

- Next-stage development of the Skuterud Cobalt project including additional drilling, geological activities, studies and permits.

Ringerike Copper-Nickel-Cobalt Project:

- Drill core analysis and geological resource studies of the Ertelien Nickel Project, with prior NI-43101 compliant resource.
- Field exploration activities and studies.

Nord Helgeland Technology Metals Project:

- Exploration rock sampling of an unexplored pegmatite field, prospective for lithium and other technology metals.
- Landowner engagement and permitting.

Net zero-carbon innovations and initiatives:

- ESG studies including Life Cycle Assessment of environmental impacts, and evaluation / selection of credible carbon offset schemes.

Growth Initiatives:

- Opportunistic acquisition of battery metals targets in Europe including joint ventures to leverage off Kuniko's strong Norwegian Government relations and ESG credentials.

General Working Capital Requirements

Placement Details New Shares will be issued under the Placement at a price of A\$1.00 per share, which represents a 13.0% discount to the last closing price of \$1.15 on 28 April 2022 and a 16.8% discount to the 5-day volume weighted average price of \$1.201, as at 28 April 2022.

The Placement will fall within the Company's available placement capacity under ASX Listing Rule 7.1 (2,036,951 Shares) and ASX Listing Rule 7.1A (5,648,049 Shares), with the exception of New Shares issued under the Director Placement (315,000 Shares), which will be subject to shareholder approval, to be sought at an upcoming General Meeting.

New Shares will rank equally with the Company's existing fully paid ordinary shares on issue.

Settlement of the Placement is expected to occur on Thursday, 5 May 2022.

Canaccord Genuity (Australia) Limited acted as Lead Manager to the Placement.

Share Purchase Plan

In addition to the Placement, the Company is pleased to announce the launch of an SPP, under which, existing eligible Kuniko shareholders will be given the opportunity to acquire shares up to a maximum amount of A\$30,000 per eligible shareholder. The price of the SPP shares will be the same issue price as the Placement, being A\$1.00 per New Share. Participation in the SPP is voluntary and is available exclusively to shareholders who are registered as holders of Shares at 5:00pm AWST on the Record Date of 29 April 2022 ("Record Date") and whose registered address is in Australia or New Zealand ("Eligible Shareholders"). The SPP will be conducted as an exception to the placement capacities under the ASX Listing Rules.

The SPP is targeting to raise up to A\$2.0 million and is not underwritten. Kuniko may increase or decrease the size of the SPP and/or scale back applications under the SPP at its discretion. Any scale-back will be applied to the extent and in the manner, Kuniko sees fit, which may include taking into account a number of factors such as the size of an applicant's shareholding at the Record Date for the SPP, the extent to which the applicant has sold or purchased shares since the Record Date, whether the applicant may have multiple registered holdings, the date on which the application was made, and the total applications received from Eligible Shareholders.

Full terms of the SPP will be announced and dispatched to Eligible Shareholders on or about 5 May 2022 with the closing date for acceptance of the SPP offer expected to be 27 May 2022. Eligible Shareholders wishing to participate in the SPP will need to apply in accordance with the instructions in the SPP offer booklet. The SPP Shares will be issued free of brokerage and no prospectus will be issued.

Director Participation

Directors Gavin Rezos, Maja McGuire and Brendan Borg (along with their related entities) intend to participate in the capital raising as follows:

- (a) Mr Gavin Rezos (or his nominees) – 250,000 Shares;
- (b) Ms Maja McGuire (or her nominees) – 10,000 Shares; and
- (c) Mr Brendan Borg (or his nominees) – 25,000 Shares.

The Company intends to seek approval for the director participation at the upcoming Annual General Meeting to be held at 4:00pm on 31 May 2022 at Level 1, 50 Kings Park Road, West Perth WA 6005.

Subject to demand under the Placement and the SPP, the directors may participate in the SPP or the Placement up to the maximum amounts set out above, subject to the \$30,000 limit under the SPP.

**Indicative
Timetable**

Event	Date
Record Date for SPP	Friday, 29 April 2022
Announcement of Placement and SPP	Monday, 2 May 2022
Posting of SPP booklet and SPP Offer Opens	Thursday, 5 May 2022
Settlement of New Shares issued under Placement	Thursday, 5 May 2022
Quotation of New Shares issued under Placement	Friday, 6 May 2022
Closing Date for SPP	Friday, 27 May 2022
Announcement of results of SPP	Monday, 30 May 2022
Annual General Meeting, where approval will be sought for the director participation in the Placement	4pm Tuesday, 31 May 2022
Issue and quotation of SPP Shares and director Placement shares	Wednesday, 1 June 2022

The timetable is indicative only and remains subject to change at Kuniko's discretion, subject to compliance with applicable laws and the ASX Listing Rules. Kuniko reserves the right to change the timetable or cancel the SPP at any time before New Shares are issued, subject to regulatory requirements. Kuniko encourages Eligible Shareholders who wish to participate to act promptly in submitting their application forms. The Company reserves the right to close the SPP early, in its sole and absolute discretion, should it be considered necessary to do so, by making an announcement to the ASX.

About Kuniko

Kuniko is focused on the development of copper, nickel, and cobalt projects in Scandinavia and has expanded its interests to include prospects for both battery and technology metals. Kuniko has a strict mandate to maintain net zero carbon footprint throughout exploration, development, and production of its projects.

Kuniko's key assets, located in Norway, include the Skuterud Cobalt Project, the Undal-Nyberget Copper Project, the Ringerike Battery Metals and Nord Helgeland Pegmatite Project. Additional assets include the Feøy and Romsås Nickel projects and the Vangrøfta Copper project.

- **Skuterud** has had over 1 million tonnes of cobalt ore mined historically and was the world's largest cobalt producer in its time. Kuniko's geophysics and geochemical exploration in 2021 identified multiple anomalies, with a maiden 7-hole drill campaign commencing 2nd May on 3 highly prospective targets.
- **Ringerike**, 15 kms from Skuterud, is prospective for nickel, copper and cobalt and contains a brownfield Ni-Cu mine which in 2009 had a NI-43101 resource estimate of 2.7Mt inferred resource (0.83% Ni, 0.69% Cu, 0.06% Co).
- **Undal-Nyberget** is in the prolific Røros Copper region, a copper belt which has historical hosted Tier 1-2 mines. Historical production from Undal had grades of 1.15 % Cu, 1.86 % Zn, while adjacent, Nyberget has had surface grades up to 2% Cu.
- **Nord-Helgeland** is a largely unexplored pegmatite field known to contain identified Lithium-Cesium-Tantalum pegmatites. Historical exploration found tourmalines all rich in Mn and with appreciable contents of Li, and also spodumene.

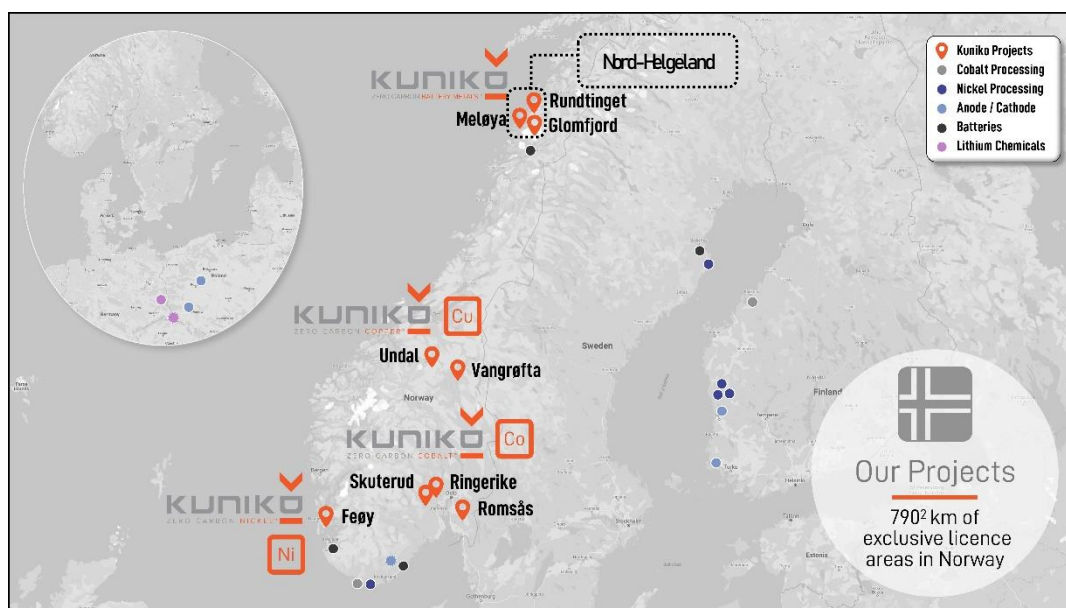


Figure 1: Location of Kuniko's projects

"Human rights protection is driving consumers to demand ethically extracted and sustainable sources of battery metals" – Kuniko Chairman Gavin Rezos.

The European battery market is the fastest growing in the world, however it has very limited domestic production of battery-quality metals. Kuniko's projects will reduce this almost total reliance on external sources of battery metals by offering local and sustainable sources of nickel, cobalt and copper.

In the event a mineable resource is discovered, and relevant permits granted, Kuniko is committed to sustainable, low carbon and ethical mining practices which embrace United Nations sustainable development goals. Kuniko activities now and in future will target sustainable practices extending to both life on land and life below water, which includes responsible disposal of waste rock away from fjords. Kuniko understands its activities will need to align with the interests of conservation, protected areas, cultural heritage, and indigenous peoples, amongst others.

Confirmation

Kuniko confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Kuniko 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.

Forward Looking Statements

Certain information in this document refers to the intentions of Kuniko, however these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. Statements regarding plans with respect to Kuniko's projects are forward looking statements and can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. There can be no assurance that the Kuniko's plans for its projects will

proceed as expected and there can be no assurance of future events which are subject to risk, uncertainties and other actions that may cause Kuniko's actual results, performance or achievements to differ from those referred to in this document. While the information contained in this document has been prepared in good faith, there can be given no assurance or guarantee that the occurrence of these events referred to in the document will occur as contemplated. Accordingly, to the maximum extent permitted by law, Kuniko and any of its affiliates and their directors, officers, employees, agents and advisors disclaim any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

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Authorisation

This announcement has been authorised by the Board of Directors of Kuniko Limited.