



Kingsgate

Consolidated Limited

ABN 42 000 837 472

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Via ASX Online

Manager

Company Announcements Office

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FOR PUBLIC RELEASE

Kingsgate launches a Placement and SPP

Highlights

- Kingsgate launches an institutional placement and SPP to progress the restart of operations at Chatree.
- The Placement follows the successful approval from the Department of Primary Industries and Mines (“**DPIM**”) to re-commence processing activities at Chatree and the completion of the first gold pour.
- Placement funds will be used to fund Plant 2 commissioning and working capital costs as processing of stockpiles re-commence, as well as provide optionality around the repayment of the US\$15 million Taurus Bridge Facility and/or acceleration of the Plant 1 refurbishment.
- Opportunity for existing Eligible Shareholders to participate via a SPP.

Kingsgate Consolidated Limited (ASX:KCN) (“**Kingsgate**” or the “**Company**”) is pleased to announce that it has launched an institutional placement through the issue of up to 30.7 million new fully paid ordinary shares (“**New Shares**”). The issue price of the placement is to be determined via a variable price bookbuild with a range of \$1.50 - \$1.60 per New Share (“**Placement**”). In addition to the Placement, Kingsgate will also invite existing Eligible Shareholders to participate in a Share Purchase Plan (“**SPP**”) at the same price as the final Placement issue price. Both the Placement and SPP (together, the **Offer**) are non-underwritten.

Use of Proceeds¹

The Company intends to use the proceeds from the Offer for the following purposes:

1. Plant 2 commissioning and outstanding creditors:
 - Repayment of outstanding creditors on refurbishment;
 - Commissioning costs (net of potential revenue); and
 - Other costs for restart
2. Taurus Bridge Facility and/or Plant 1 refurbishment:
 - Kingsgate has formalised a waiver of existing breaches of the Taurus Bridge Facility and the option to extend repayment for up to six months from May 2023.
 - Kingsgate has the option to repay all, part or none of the Taurus Bridge Facility out of the proceeds from the Placement, providing optionality to progress the Plant 1 refurbishment on schedule and time to finalise the US\$15m Working Capital Facility currently being progressed with Thai banks.
3. Working capital and Offer costs:
 - Working capital requirements;
 - Exploration costs; and
 - Offer costs, including Lead Manager and legal fees.

Placement Details

The Company will issue up to 30.7 million New Shares under the Placement with the issue price of the Placement to be determined via a variable price bookbuild with a range of \$1.50 - \$1.60 per New Share. The bookbuild price range of \$1.50 - \$1.60 per New Share represents a:

- 25.4% - 20.4% discount to the last closing price of \$2.01 per share on 24 March 2023, being the last practicable date prior to the date of this announcement; and
- 19.7% – 14.4% discount to the 5-day volume weighted average price of \$1.87 per share up to and including 24 March 2023, being the last practicable date prior to the date of this announcement.

The Placement will take place in a single tranche pursuant to the Company's available placement capacity under ASX Listing Rule 7.1. Settlement of the Placement is expected to occur on 30 March 2023, with New Shares to be allotted on 31 March 2023. New Shares issued under the Placement rank *pari passu* with the Company's existing fully paid ordinary shares on issue.

The Placement is not underwritten. Barrenjoey Markets Pty Limited is acting as Sole Lead Manager and Bookrunner to the Placement. Thomson Geer is acting as legal adviser to the Company.

¹ The proposed goals and proposed uses of funds are indicative only and will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities and other factors relevant to the Board's discretion as to usage of funding.

Further details of the Offer are set out in the Company's investor presentation lodged with the ASX today. The investor presentation contains important information including key risks of investing in Kingsgate and foreign selling restrictions with respect to the Placement.

SPP Details

In addition to the Placement, the Company will offer existing shareholders with a registered address in Australia or New Zealand who were holders of fully paid ordinary shares in Kingsgate at 7:00pm (AEDT) on 24 March 2023 (the "**Record Date**") ("**Eligible Shareholders**"), the opportunity to apply for New Shares via a non-underwritten SPP without incurring brokerage fees. Participation in the SPP is voluntary. The SPP is the same price as the final Placement issue price.

Eligible Shareholders will have the opportunity to apply for up to \$30,000 worth of New Shares. The New Shares issued under the SPP will rank *pari passu* with existing ordinary shares of the Company.

The Company also retains the right to scale back applications (in whole or in part) at its absolute discretion, for example because the aggregate amount applied for under the SPP exceeds the Company's requirements.

Any scale back will be applied to the extent and in the manner Kingsgate sees fit, which may include taking into account a number of factors such as the size of an Eligible Shareholder's shareholding at the Record Date, the extent to which the Eligible Shareholder has sold or purchased shares since the Record Date, whether the Eligible Shareholder may have multiple registered holdings, the date on which the application was made, and the total applications received from Eligible Shareholders.

Further information in relation to the SPP, including the terms and conditions, is expected to be made available to Eligible Shareholders in the coming days, together with the SPP Offer Booklet. Eligible Shareholders should review the SPP terms and conditions in full before deciding whether or not to participate in the SPP.

Indicative Timetable

Event	Date
SPP record date	7:00PM AEDT on 24 March 2023
Trading halt and announcement of the Placement	27 March 2023
Placement bookbuild	27 March 2023
Announcement of the outcome of the Placement	28 March 2023
Trading halt lifted - trading resumes on the ASX	28 March 2023
Settlement of New Shares issued under the Placement	30 March 2023
Allotment and normal trading of New Shares issued under the Placement	31 March 2023

SPP offer opens	3 April 2023
SPP offer closes	24 April 2023
SPP issue and allotment date	1 May 2023
Normal trading of shares issued under the SPP	2 May 2023

The above timetable is indicative only and subject to change without notice, or consultation with, you. The Company reserves the right to amend any or all of these dates at its absolute discretion, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and any other applicable laws. The quotation of the New Shares is subject to approval from the ASX. The Company reserves the right to withdraw the Placement (or any part of it) or the SPP without notice to you.

All amounts are in Australian dollars unless otherwise specified.

This announcement has been approved by the Board for release to the ASX.

For further information, please contact:

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Important Information

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This announcement (including an electronic copy) may not be released to US wire services or distributed in the United States and it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be unlawful. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (**U.S. Securities Act**) or the securities laws of any state or other jurisdictions of the United States. The New Shares may not be offered or sold in the United States unless they have been registered under the U.S. Securities Act or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws.

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Such forward-looking statements are not guarantees of future performance and are by their nature subject to significant uncertainties, risks and contingencies.

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