

ASX Announcement 23 June 2020

King River Resources Limited (ASX: KRR) announces a Security Purchase Plan (SPP) for existing shareholders to be able to each purchase up to \$30,000 worth of additional shares in the Company.

KRR currently has in excess of 4,600 shareholders.

The issue price for each share under this SPP offer will be \$0.033 which represents a discount of 20.0% to the VWAP price of KRR shares traded on the ASX over the last 5 days, and a discount of 18.5% to the closing price on 22 June 2020.

The SPP offer will also include 1 free attaching option for every 3 shares issued. Each option will have an exercise price of \$0.06 and an expiry date of 31 July 2022.

The record date for shareholder participation in the SPP is 22 June 2020. Those shareholders, with a registered address in Australia and New Zealand, will be entitled to apply under the SPP.

As the SPP includes the issue of options, the relevant ASIC Corporations Instrument relief (from the disclosure and fundraising provisions in Chapter 6D of the Corporations Act) and Listing Rule security purchase plan exceptions cannot be relied upon for the current SPP Offer. The SPP Offer will thereby be made under a prospectus and shareholder approval will be sought to the issue of shares and options under the SPP Offer.

The SPP Offer will be conducted on the same terms as a security purchase plan that is ordinarily undertaken under ASIC Corporations Instrument relief. Thereby, Eligible Shareholders may each apply for up to \$30,000 of new shares.

The prospectus for the SPP and shareholder Notice of Meeting will be mailed to shareholders as soon as possible.

It is currently proposed that the SPP Offer will open on 7 July 2020 and close on 31 July 2020.

In accordance with Listing Rule 3.10.3 KRR provides the following details of the Security Purchase Plan.

Class and terms of securities:	Ordinary fully paid shares and 1 free option (exercise price \$0.06 and expiry date of 31 July 2022) for every 3 shares issued.
Maximum number of securities:	Up to 374,591,566 shares and up to 124,863,856 options. Directors reserve the right in their absolute discretion to scale back any applications. Excess application monies will be refunded as soon as practicable after the close of the offer.
Issue price:	\$0.033 per share \$nil per option.
Purpose of the issue:	Funds raised will be applied to fund ongoing development and exploration of the Company's projects and general working capital.
Shareholder approval:	As the SPP Offer includes the issue of options, shareholder approval is required for the issue of the SPP shares and options, a meeting will be called to seek shareholder approval as soon as possible.
Class of security holders:	The issue of shares and options under the SPP will be made to ordinary shareholders at the record date on a non-renounceable basis.

This announcement is authorised by Greg MacMillan Director / Company Secretary of the Company.

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