

ASX Announcement

Offer Booklet Despatched



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26 April 2022

KGL Entitlement Offer Booklet Despatched

Further to the announcement by KGL Resources Limited (KGL or the Company) on 13 April 2022 of a 1 for 6 pro-rata non-renounceable entitlement offer to raise approximately \$24.2 million, KGL confirms that a copy of the Offer Booklet (attached), together with a personalised entitlement and acceptance form, was despatched to all eligible shareholders today.

Options available to you	Key considerations
1. Take up all of your Entitlement and participate in the Top-Up Facility	If you wish to take up all of your Entitlement, you may elect to purchase all of the New Shares at the Offer Price specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement). Eligible Shareholders who take up their Entitlement in full can also apply for additional New Shares under the Top-Up Facility.
2. Take up all of your Entitlement	If you wish to take up all of your Entitlement, you may elect to purchase all of the New Shares at the Offer Price specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement).
3. Take up part of your Entitlement	If you wish to take up only part of your Entitlement, you may elect to purchase a lesser number of New Shares at the Offer Price than the number of New Shares specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement). If you only take up part of your Entitlement, the relevant portion of your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements may be subscribed for under the Top-Up Facility.
4. Do nothing and let all of your Entitlement lapse	If you do nothing with respect to all of your Entitlement, your Entitlement will lapse and you will receive no benefit. These Entitlements may be subscribed for under the Top-Up Facility. By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Although you will continue to own the same number of Shares, your percentage shareholding in the Company will be diluted.

The Offer closes at 5.00pm (Sydney time) on **5 May 2022**.

Further details on the Entitlement Offer are set out in the Offer Booklet.

Shareholders with questions about the Entitlement Offer should contact the Offer information line on 1300 730 659 (within Australia) or +61 1300 730 659 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

This announcement has been approved by the directors of KGL Resources Limited.



KGL Resources Limited

(ACN 082 658 080)

Offer Booklet

1 for 6 pro-rata traditional non-renounceable entitlement offer of fully paid ordinary shares in the Company at an Offer Price of \$0.37 per New Share.

The Offer closes at 5.00pm (Sydney time) on 5 May 2022.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. Please call your stockbroker, solicitor, accountant, financial adviser or other professional adviser or the Offer information line on 1300 730 659 (within Australia) or +61 1300 730 659 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

IMPORTANT NOTICES

Defined terms and abbreviations used in this Offer Booklet are set out in the glossary in Section 7.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.

This Offer Booklet has been prepared and issued by KGL Resources Limited (ACN 082 658 080) (**Company**) and is dated 26 April 2022. This Offer Booklet relates to the entitlement offer by the Company of New Shares to raise gross proceeds of up to approximately \$24.2 million.

The Offer is being made in Australia pursuant to section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73), which allows entitlement offers to be made to investors without a prospectus. This Offer Booklet does not contain all of the information which an investor may require to make an informed investment decision, nor does it contain all the information which would be required to be disclosed in a prospectus, product disclosure statement or other disclosure document under the Corporations Act. The information in this Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Offer Booklet should be read in its entirety before you decide to participate in the Offer. This Offer Booklet is not a prospectus, product disclosure statement or other disclosure document under the Corporations Act and has not been lodged with ASIC.

As this offer is not being made under a prospectus, investment statement or product disclosure statement, it is important for Eligible Shareholders to read carefully and understand this Offer Booklet and the information about the Company and the Offer that is made publicly available. In particular, please refer to the materials in this Offer Booklet (including the Company's Investor Presentation in Section 5), the Company's annual reports and other ASX announcements made available at www.kglresources.com.au (including the Company's 2021 annual report which was released to ASX on 24 March 2022), and other ASX announcements which may be made by the Company after publication of this Offer Booklet.

By paying for your New Shares through BPAY® in accordance with the instruments on your personalised Entitlement and Acceptance Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Offer detailed in this Offer Booklet.

No overseas offering

This Offer Booklet (including the Company's Investor Presentation included as part of it) and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Offer Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Offer Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand unless the Company, in its discretion, is satisfied that the Offer may be made in compliance with all applicable laws.

No action has been taken to register or qualify the Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this booklet, you should observe such restrictions and should

seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for the Company to lawfully receive your Application Monies.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct Act 2013* (NZ) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ).

This Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States disclaimer

This Offer Booklet, the accompanying Entitlement and Acceptance Form, and any accompanying ASX Announcements (including the Company's Investor Presentation included as part of this Offer Booklet) do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States.

Neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Offer have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States.

Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered, sold or resold to persons in the United States or persons who are acting for the account or benefit of a person in the United States unless they have been registered under the US Securities Act or offered or sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable US state securities laws. The Entitlements and the New Shares to be offered and sold in the Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act.

References to "you" and "your Entitlement"

In this Offer Booklet, references to "you" are references to Eligible Shareholders (as defined in Section 1.2) and references to "your Entitlement" (or "your Entitlement and Acceptance Form") are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders.

Times and dates

Times and dates in this Offer Booklet are indicative only and may be subject to change. All times and dates refer to Sydney time. Refer to the "Key Dates" section of this Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Offer Booklet are in Australian dollars (AUD).

Privacy

The Company collects information about each applicant provided on an Entitlement and Acceptance Form for the purposes of processing the application

and, if the application is successful, to administer the applicant's holding in the Company.

By paying for your New Shares, you will be providing personal information to the Company (directly or through the Company's Share Registry). The Company collects, holds and will use that information to assess your application. The Company collects your personal information to process and administer your shareholding in the Company and to provide related services to you. The Company may disclose your personal information for purposes related to your shareholding in the Company, including to the Company's Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that the Company holds about you. To make a request for access to your personal information held by (or on behalf of) the Company, please contact the Company through the Company's Share Registry.

Governing law

This Offer Booklet, the Offer, and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Queensland, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of Queensland, Australia and courts competent to hear appeals from those courts.

Future performance and forward-looking statements

This Offer Booklet contains certain "forward-looking statements", including but not limited to projections and guidance on the future performance of the Company and the outcome and effects of the Offer. Forward-looking statements can generally be identified by the use of forward-looking words such as "expect", "anticipate", "likely", "intend", "propose", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance", "potential", and other similar expressions within the meaning of securities laws of applicable jurisdictions.

The forward-looking statements contained in this Offer Booklet are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Company, its Directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 for a summary of certain general and Company specific risk factors that may affect the Company. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including one or more of the key risk factors in Section 5. Investors should consider the forward-looking statements contained in this Offer Booklet in light of those disclosures. The forward-looking statements are based on information available to the Company as at the date of this Offer Booklet.

Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Past performance

Investors should note that past performance, including the past share price performance of the Company and the pro forma historical information in the Company's Investor Presentation included in Section 5, is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no

guidance as to) future Company performance including future share price performance. The pro forma historical information is not represented as being indicative of the Company's views on its future financial condition and/or performance.

Risks

Refer to the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 for a summary of certain risk factors that may affect the Company.

Trading in New Shares

The Company and its affiliates and related bodies corporate have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Company's Share Registry or failure to maintain your updated details with the Company's Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

Refer to Section 6 for details.

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LETTER FROM THE CHAIR

26 April 2022

Dear Shareholder

As a valued Shareholder, I am pleased to invite you to participate in a 1 for 6 pro-rata traditional non-renounceable entitlement offer of new fully paid ordinary shares in the Company (**New Shares**) at an offer price of \$0.37 per New Share (**Offer Price**) to raise gross proceeds of up to approximately \$24.2 million (**Offer**).

The proceeds of the Offer will be applied principally to advance the Jervois Copper Project as the Company works through the front-end engineering design ('FEED') and the final stages of the feasibility study. The proceeds of the Offer will also add to working capital to strengthen the Company's balance sheet as it moves toward a final investment decision in respect of the development of the Jervois Copper Project. The background to the Offer and the key risks facing the Company in the next 12 to 24 months are described in more detail in the Company's Investor Presentation lodged with ASX on 13 April 2022 (and included in this Offer Booklet in Section 5). The Offer is not underwritten, and is subject to a minimum raise condition of \$9.9 million. Funding in excess of the minimum raise will be used to place orders for long-lead items, commence early site works and lock in pricing and timing of key equipment, based on the outcomes of the feasibility study. It will also provide additional working capital and, to the extent not spent, will defray equity requirements as part of the final funding package for mine development at the Jervois Copper Project.

This Offer Booklet relates to the Offer. Under the Offer, Eligible Shareholders are entitled to acquire 1 New Share for every 6 Shares held at 7.00pm (Sydney time) on 20 April 2022 (**Record Date**) (**Entitlement**). Your Entitlement is set out in your personalised Entitlement and Acceptance Form which accompanies this Offer Booklet. It is important that you determine whether to take up in whole or part, or do nothing, in respect of your Entitlement (see Section 2).

Eligible Shareholders have the opportunity to invest at the price of \$0.37 per New Share. The issue price of \$0.37 per New Share represents a 10.8% discount to the closing price of Shares on 12 April 2022 (being the last trading day before announcement of the Offer), and a 9.4% discount to the TERP of \$0.409.¹

New Shares issued through the Offer will rank equally with existing Shares on issue.

Entitlements under the Offer are non-renounceable and will not be tradeable on ASX or otherwise transferable. If you do not take up your Entitlement in full, you will not receive any value in respect of that part of the Entitlement that you do not take up.

The Offer closes at 5.00pm (Sydney time) on 5 May 2022.

If you would like to exercise your Entitlement to increase your shareholding in the Company, you will need to complete and return your personalised Entitlement and Acceptance Form together with the requisite Application Monies, or alternatively pay your Application Monies using BPAY®, so that they are received by the Company's Share Registry by 5.00pm (Sydney time) on 5 May 2022.

Please carefully read this Offer Booklet in its entirety and consult your stockbroker, solicitor, accountant, financial adviser or other professional adviser before making your investment decision. In

¹ The TERP is the theoretical price at which Shares should trade immediately following the ex-date for the Offer assuming 100% take up of the Offer. The TERP is a theoretical calculation only and the actual price at which Shares trade immediately following the ex-date for the Offer will depend on many factors and may not be equal to the TERP. The TERP is calculated by reference to the Company's closing price of \$0.415 per Share on 12 April 2022, being the last trading day prior to the announcement of the Offer.

particular, you should read and consider the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 which contains a summary of some of the key risks associated with an investment in the Company.

If you have any questions in respect of the Offer, please call the Offer information line on 1300 730 659 (within Australia) or +61 1300 730 659 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

On behalf of the Board and management team of the Company, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours faithfully

Peter Hay
Chair
KGL Resources Limited

SUMMARY OF THE OFFER

Ratio	1 New Share for every 6 existing Shares held
Offer Price for New Shares	\$0.37 per New Share
Size	Up to approximately 65.39 million New Shares
Gross proceeds (minimum)	\$9.9 million
Gross proceeds (maximum)	Up to approximately \$24.2 million

KEY DATES

Event	Date
Announcement of the Offer	Wednesday, 13 April 2022
"Ex" date	Tuesday, 19 April 2022
Record date for Offer (7.00pm (Sydney time)) (Record Date)	Wednesday, 20 April 2022
Offer Booklet and personalised Entitlement and Acceptance Forms despatched, and announcement of despatch	Tuesday, 26 April 2022
Offer opens	Tuesday, 26 April 2022
Last day to extend the Closing Date for the Offer	Monday, 2 May 2022
Closing Date for the Offer (5.00pm (Sydney time)) ²	Thursday, 5 May 2022
Securities quoted on a deferred settlement basis (from market open)	Friday, 6 May 2022
Announcement of results of the Offer	Tuesday, 10 May 2022
Settlement of the Offer	Wednesday, 11 May 2022
Allotment of New Shares issued under the Offer	Thursday, 12 May 2022
Normal trading on ASX for New Shares issued under the Offer commences	Friday, 13 May 2022
Despatch of holding statements for New Shares issued under the Offer	Monday, 16 May 2022

² Eligible Shareholders who wish to take up all or a part of their Entitlement must complete and return their personalised Entitlement and Acceptance Form with the requisite Application Monies or pay their Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form so that they are received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 5 May 2022. Eligible Shareholders should refer to Section 2 for options available to them to deal with their Entitlement.

The timetable above is indicative only and may change. The Company may amend any of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date, to accept late applications under the Offer (either generally or in particular cases) and to withdraw the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the issue date of New Shares.

The commencement of quotation of New Shares is subject to confirmation from ASX. Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Offer opens to ensure their application is received by the Company's Share Registry in time.

Enquiries

If you have any questions, please contact the Offer information line on 1300 730 659 (within Australia) or +61 1300 730 659 (outside Australia) from 8.30am to 5.30pm (Sydney time), Monday to Friday. If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

1. OVERVIEW OF THE OFFER

1.1 Offer

The Offer is an offer of up to approximately 65.39 million New Shares at the Offer Price of \$0.37 per New Share, to raise up to approximately \$24.2 million. All Eligible Shareholders are entitled to subscribe for 1 New Share for every 6 Shares held at the Record Date, being 7.00pm (Sydney time) on 20 April 2022.

Eligible Shareholders who take up their full Entitlement may also participate in the top-up facility (**Top-Up Facility**) by applying for additional New Shares in excess of their Entitlement at the Offer Price. Applications under the Top-Up Facility will not be capped (except to the extent necessary to prevent the issue of New Shares contrary to law). In particular, an Eligible Shareholder will not be issued any additional New Shares under the Top-Up Facility if the issue of such additional New Shares would cause the Company or that Eligible Shareholder to breach any applicable law, including but not limited to section 606 of the Corporations Act.

The proceeds of the Offer will be applied principally to advance the Jervois Copper Project as the Company works through the front-end engineering design ('FEED') and the final stages of the feasibility study. The proceeds of the Offer will also add to working capital to strengthen the Company's balance sheet as it moves toward a final investment decision in respect of the development of the Jervois Copper Project. The Offer is not underwritten, and is subject to a minimum raise condition of \$9.9 million. Funding in excess of the minimum raise will be used to place orders for long-lead items, commence early site works and lock in pricing and timing of key equipment, based on the outcomes of the feasibility study. It will also provide additional working capital and, to the extent not spent, will defray equity requirements as part of the final funding package for mine development at the Jervois Copper Project.

The Offer is non-renounceable. Accordingly, Entitlements do not trade on ASX, nor can they be sold, transferred or otherwise disposed of.

The Offer opens on 26 April 2022. The Offer Booklet will be despatched on that same date, along with a personalised Entitlement and Acceptance Form, to Eligible Shareholders. The Offer is expected to close at 5.00pm (Sydney time) on 5 May 2022.

The Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73), which allows the Offer to be offered without a prospectus, provided certain conditions are satisfied.

As a result, the Offer is not being made under a prospectus and it is important for Eligible Shareholders to read and understand the information on the Company and the Offer made publicly available by the Company, prior to taking up all or part of their Entitlement. In particular, please refer to the materials enclosed in Section 5, the Company's interim and annual reports, other announcements made available at www2.asx.com.au (including the Company's 2021 annual report which was released to ASX on 24 March 2022) and all other parts of this Offer Booklet carefully before making any decisions in relation to your Entitlement.

1.2 Eligible Shareholders

The Offer constitutes an offer to **Eligible Shareholders** only, being Shareholders who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (Sydney time) on 20 April 2022;

- as at the Record Date, have a registered address on the Company's Share register that is in Australia or New Zealand, or are a Shareholder that the Company has otherwise determined is eligible to participate;
- are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Offer.

All Shareholders who are not Eligible Shareholders are Ineligible Shareholders. Ineligible Shareholders will not be entitled to participate in the Offer.

The Company has determined that it would be unreasonable on this occasion to extend the Offer to Ineligible Shareholders, having regard to the number of Shares held by Ineligible Shareholders, the number and value of New Shares that they would be offered, and the costs of complying with the legal and regulatory requirements which would apply to an offer of Shares.

The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and therefore able to participate in the Offer, or an Ineligible Shareholder and therefore unable to participate in the Offer. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

1.3 Capital structure

On the basis that the Company completes the Offer, the Company's indicative capital structure immediately following completion of the Offer will be as follows:

	Number of Shares (if full amount is raised under the Offer)	Number of Shares (if only minimum raise amount is raised under the Offer)	Number of unquoted performance options
Number on issue as at the date of this Offer Booklet	392,315,012	392,315,012	1,045,000
Number to be issued under the Offer ⁽¹⁾	65,385,836	26,756,757	Nil
Total on issue following the Offer	457,700,848	419,071,769	1,045,000

Notes:

- (1) This is subject to reconciliation of Entitlements, and assumes that no Shares are issued pursuant to the exercise / vesting of unquoted performance options.

1.4 Effect of the Offer on control

Information in relation to the effect of the Offer on the control of the Company is set out in the Offer cleansing notice released to ASX on 13 April 2022.

The effect and consequence of the issue of New Shares under the Offer on the control of the Company is dependent on a number of factors, including investor demand.

Given the structure of the Offer as a pro-rata offer, if all Eligible Shareholders take up their Entitlements, the ownership interest (and voting power) in the Company of each Eligible Shareholder will remain largely unchanged and the effect on the control of the Company will be negligible. In these circumstances, the voting power of KMP Investments Pte. Ltd. (**KMP**), the Company's largest

shareholder (with an interest in the Company prior to the Offer of approximately 24.53%), will remain at approximately 24.53%

To the extent that any Eligible Shareholder fails to take up their Entitlement, the percentage holding in the Company of that Eligible Shareholder will be diluted by those other Eligible Shareholders who take up some, all or more than their Entitlements. If KMP takes up its Entitlement in full (as it has committed to do) and 50% of Entitlements under the Offer are taken up, KMP's voting power in the Company will increase to approximately 26.42%. If KMP takes up its Entitlement in full (as it has committed to do) and only the minimum raise condition of \$9.9 million is satisfied, KMP's voting power in the Company will increase to approximately 26.80%.

If no Eligible Shareholders take up their Entitlements (which the Board considers unlikely), then the Offer will not proceed because the minimum raise of \$9.9 million would not have been achieved.

The voting power of Ineligible Shareholders will be diluted.

2. SUMMARY OF OPTIONS AVAILABLE TO YOU

If you are an Eligible Shareholder you may take any of the following actions:

- take up all of your Entitlement and also apply for additional New Shares under the Top-Up Facility;
- take up all of your Entitlement;
- take up part of your Entitlement and allow the balance to lapse, in which case you will receive no value for the lapsed part of your Entitlement; or
- do nothing and let all of your Entitlement lapse and you will receive no value for the lapsed Entitlement.

If you are a Shareholder that is not an Eligible Shareholder you are an Ineligible Shareholder. Refer to Section 3.8 for more detail on Ineligible Shareholders.

Options available to you	Key considerations
1. Take up all of your Entitlement and participate in the Top-Up Facility	<p>If you wish to take up all of your Entitlement, you may elect to purchase all of the New Shares at the Offer Price specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement).</p> <p>The New Shares will rank equally in all respects with existing Shares. The Offer closes at 5.00pm (Sydney time) on 5 May 2022.</p> <p>Eligible Shareholders who take up their Entitlement in full can also apply for additional New Shares under the Top-Up Facility.</p>
2. Take up all of your Entitlement	<p>If you wish to take up all of your Entitlement, you may elect to purchase all of the New Shares at the Offer Price specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement).</p> <p>The New Shares will rank equally in all respects with existing Shares. The Offer closes at 5.00pm (Sydney time) on 5 May 2022.</p>
3. Take up part of your Entitlement	<p>If you wish to take up only part of your Entitlement, you may elect to purchase a lesser number of New Shares at the Offer Price than the number of New Shares specified in your personalised Entitlement and Acceptance Form (see Section 3.4 for instructions on how to take up your Entitlement).</p> <p>The New Shares will rank equally in all respects with existing Shares. If you only take up part of your Entitlement, the relevant portion of your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements may be subscribed for under the Top-Up Facility.</p> <p>The Offer closes at 5.00pm (Sydney time) on 5 May 2022.</p>

Options available to you	Key considerations
4. Do nothing and let all of your Entitlement lapse	<p>If you do nothing with respect to all of your Entitlement, your Entitlement will lapse and you will receive no benefit. These Entitlements may be subscribed for under the Top-Up Facility.</p> <p>By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Although you will continue to own the same number of Shares, your percentage shareholding in the Company will be diluted.</p>

3. HOW TO APPLY

3.1 Overview of the Offer

Eligible Shareholders are being offered the opportunity to purchase 1 New Share for every 6 existing Shares held as at the Record Date of 7.00pm (Sydney time) on 20 April 2022, at the Offer Price of \$0.37 per New Share.

You have a number of decisions to make in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Offer is not underwritten, with the Offer subject to a minimum raise condition of \$9.9 million. Further details on the Offer are set out below.

The Offer opens on 26 April 2022 and will close at 5.00pm (Sydney time) on 5 May 2022.

3.2 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 6 existing Shares you held as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

New Shares issued under the Offer will be fully paid ordinary shares in the Company and will rank equally in all respects with existing Shares on issue.

See Sections 6.1 and 6.12 for information on restrictions on participation.

3.3 Consider the Offer carefully in light of your particular investment objectives and circumstances

The Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Offer. As a result, it is important for you to read carefully and understand the information on the Company and the Offer made publicly available, prior to deciding whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet, your personalised Entitlement and Acceptance Form, the Company's 2021 annual report which was released to ASX on 24 March 2022, and other ASX announcements made available at www.kglresources.com.au (including announcements which may be made by the Company after publication of this Offer Booklet).

Please consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser if you have any queries or are uncertain about any aspect of the Offer. You should also refer to the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5.

3.4 Options available to you

If you are an Eligible Shareholder, you may take any of the following actions:

- take up all of your Entitlement and participate in the Top-Up Facility;
- take up all of your Entitlement;

- take up part of your Entitlement and let the remainder lapse; or
- do nothing and let all of your Entitlement lapse.

Eligible Shareholders who do not participate fully in the Offer will have their percentage holding in the Company reduced.

If you wish to take up all of your Entitlement and participate in the Top-Up Facility

If you wish to take up all of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies for all of the New Shares in your Entitlement; or
- pay your Application Monies for all of the New Shares in your Entitlement via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

so that they are received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 5 May 2022.

If you take up and pay for all your Entitlement before the Closing Date, it is expected that you will be issued New Shares on 12 May 2022. The Company's decision on the number of New Shares to be issued to you will be final.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if the Company believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to the Company's satisfaction (see Section 6.4).

Eligible Shareholders who take up their Entitlement in full can also apply for additional New Shares under the Top-Up Facility.

If you wish to take up all of your Entitlement

If you wish to take up all of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies for all of the New Shares in your Entitlement; or
- pay your Application Monies for all of the New Shares in your Entitlement via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

so that they are received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 5 May 2022.

If you take up and pay for all your Entitlement before the Closing Date, it is expected that you will be issued New Shares on 12 May 2022. The Company's decision on the number of New Shares to be issued to you will be final.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if the Company believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to the Company's satisfaction (see Section 6.4).

If you wish to take up part of your Entitlement

If you wish to take up only part of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies for the number of New Shares in your Entitlement that you wish to subscribe for; or
- pay your Application Monies for the relevant number of New Shares via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

so that they are received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 5 May 2022.

If you take up and pay part of your Entitlement before the Closing Date, it is expected that you will be issued New Shares on 12 May 2022. The Company's decision on the number of New Shares to be issued to you will be final.

If you do not take up all of your Entitlement, the relevant part of your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements may be subscribed for under the Top-Up Facility.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if the Company believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to the Company's satisfaction (see Section 6.4).

If you wish to let all of your Entitlement lapse

If you do nothing with respect to your Entitlement, your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements may be subscribed for under the Top-Up Facility.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement. Although you will continue to own the same number of Shares, your percentage shareholding in the Company will be diluted.

3.5 Payment

You can pay in the following ways:

- by BPAY®; or
- by cheque.

Cash payments will not be accepted. Receipts for payment will not be issued.

The Company will treat you as applying for as many New Shares as your payment will pay for in full.

Any Application Monies (greater than \$2.00) received for more than your final allocation of New Shares will be refunded as soon as practicable after the Closing Date. No interest will be paid to applicants on any Application Monies received or refunded.

Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific biller code and your unique reference number on your personalised Entitlement and Acceptance Form. If you have multiple

holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the reference number specific to that holding. If you do not use the correct reference number specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 3.7; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 5 May 2022. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make your payment.

Payment by cheque

For payment by cheque, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the Entitlement and Acceptance Form and return it accompanied by a cheque in Australian currency for the amount of the Application Monies, payable to "KGL Resources Limited" and crossed "Not negotiable".

Your cheque must be:

- for an amount equal to the Offer Price, being \$0.37, multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

3.6 Mail

To participate in the Offer, your payment must be received no later than the Closing Date, being 5.00pm (Sydney time) on 5 May 2022.

If you make payment via cheque you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing Address

KGL Resources Limited Offer
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at the Company's registered or corporate offices or other offices of the Company's Share Registry.

3.7 Representations by acceptance

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to the Company that you:

- are not an Ineligible Shareholder and are otherwise eligible to participate in the Offer;
- acknowledge that you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Offer, the provisions of this Offer Booklet, and the Company's constitution;
- authorise the Company to register you as the holder(s) of New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once the Company receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided, except as allowed by law;
- agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY® at the Offer Price per New Share;
- authorise the Company, the Company's Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Company's Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- acknowledge and agree that:
 - determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company; and
 - the Company and its affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on your personalised Entitlement and Acceptance form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;

- acknowledge that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5 and that investments in the Company are subject to risk;
- acknowledge that none of the Company or its related bodies corporate and affiliates, and their respective directors, officers, partners, employees, representatives, agents, contractors, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Offer and of your holding of Shares on the Record Date;
- authorise the Company to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- are an Eligible Shareholder and that the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Offer;
- are not in the United States and you are not acting for the account or benefit of a person in the United States;
- understand and acknowledge that neither the Entitlements nor New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. Notwithstanding the foregoing, the Entitlements may not be purchased, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
- are subscribing for or purchasing an Entitlement or New Shares in an 'offshore transaction' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act;
- have not and will not send this Offer Booklet, the Entitlement and Acceptance Form, or any other materials relating to the Offer to any person in the United States or any other country outside Australia; and
- if acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Offer to any such person.

3.8 Entitlements of Ineligible Shareholders

In compliance with ASX Listing Rule 7.7.1(a) and section 708AA (including section 9A(3)(a)) of the Corporations Act, the Company has determined that it is unreasonable to extend the Offer to Ineligible Shareholders because of the small number of such Shareholders, the number and value of Shares

that they hold, and the cost of complying with the applicable regulations in jurisdictions outside of Australia and New Zealand, but it reserves its right to do so (subject to compliance with relevant laws).

The Company, in its absolute discretion, may extend the Offer to any Shareholder if it is satisfied that the Offer may be made to the Shareholder in compliance with all applicable laws. The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and therefore able to participate in the Offer, or an Ineligible Shareholder and therefore unable to participate in the Offer. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

Ineligible Shareholders will not receive any payment or value as a result of the issue of any of those New Shares they would have been entitled to subscribe for had they been eligible to participate in the Offer. Entitlements of Ineligible Shareholders may be subscribed for under the Top-Up Facility.

3.9 Issue of additional New Shares under the Top-Up Facility

Any New Shares not taken up by the Closing Date may be made available to those Eligible Shareholders who took up their full Entitlement and applied for additional New Shares under the Top-Up Facility at the same Offer Price (**Eligible Top-Up Facility Participants**). An Eligible Top-Up Facility Participant can apply for additional New Shares under the Top-Up Facility in excess of their Entitlement at the Offer Price. Applications under the Top-Up Facility will not be capped (except to the extent necessary to prevent the issue of New Shares contrary to law). In particular, an Eligible Shareholder will not be issued any additional New Shares under the Top-Up Facility if the issue of such additional New Shares would cause the Company or that Eligible Shareholder to breach any applicable law, including but not limited to section 606 of the Corporations Act.

There is no guarantee that those Eligible Top-Up Facility Participants will receive the number of New Shares applied for under the Top-Up Facility, or any. If Eligible Top-Up Facility Participants apply for more New Shares than are available under the Top-Up Facility, the Directors propose that New Shares available under the Top-Up Facility be allocated to Eligible Top-Up Facility Participants on a pro-rata basis.

If you apply for additional New Shares under the Top-Up Facility and your application is successful (in whole or in part) your New Shares will be issued at the same time that other New Shares are issued under the Offer, subject to compliance with the Corporations Act and the ASX Listing Rules. There is no guarantee you will receive any New Shares under the Top-Up Facility.

To the extent that a shortfall of New Shares remains after the allocation of New Shares under the Top-Up Facility (**Shortfall Shares**), the Directors reserve the right to, at their discretion, invite investors to apply for those Shortfall Shares within three months of the Closing Date. The Board does not presently intend to issue a party Shortfall Shares if the effect would be to increase that party's voting power in the Company to an amount greater than 20%, or to any existing Shareholder that already has voting power in the Company greater than 20%, given the likely cost involved in seeking Shareholder approval under item 7 of section 611 of the Corporations Act, unless another exception under section 611 of the Corporations Act applies to such person or existing Shareholder.

Refund amounts (greater than \$2.00), if any, will be paid in Australian dollars. You will be paid either by cheque sent by ordinary post to your address as recorded on the Share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the Share register as at the Closing Date. If you wish to advise or change your banking instructions with the Company's Share Registry you may do so by going to www.linkmarketservices.com.au and following the instructions.

3.10 Brokerage and stamp duty

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Offer.

3.11 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact the Offer information line on 1300 730 659 (within Australia) or +61 1300 730 659 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday. If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

4. AUSTRALIAN TAX CONSIDERATIONS

4.1 Introduction

This is a general summary of the Australian taxation consequences of the Offer for Eligible Shareholders that hold their shares on capital account for Australian income tax purposes. The category of Shareholders considered in this summary are limited to individuals, complying superannuation entities and certain companies, trusts or partnerships. This summary does not consider the consequences for Shareholders who:

- hold existing Shares, New Shares or Entitlements in a business of share trading or dealing in securities, or otherwise hold their existing Shares, New Shares or Entitlements on revenue account or as trading stock;
- acquired existing Shares in respect of which the Entitlements are issued under an employee share scheme;
- are subject to the 'Taxation of Financial Arrangements' provisions in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to their holding of Shares, New Shares or Entitlements; or
- are tax residents of any jurisdiction other than Australia.

The information contained in this summary is of a general nature and is not intended to address the circumstances of any particular individual or entity.

This summary is based upon the legislation and established interpretation of legislation as at the date of this Offer Booklet, but is not intended to be an authoritative or complete statement of the law as relevant to the circumstances of each Shareholder.

As the taxation implications of the Offer will depend upon a Shareholder's particular circumstances, Shareholders should seek and rely upon their own professional taxation advice before concluding on the particular taxation treatment that will apply to them.

Shareholders that are subject to tax in a jurisdiction outside Australia may be subject to tax consequences in that jurisdiction in respect of the Offer that are not covered by this summary. Such Shareholders should seek and rely upon their own professional taxation advice in relation to the taxation implications of the Offer in any jurisdictions that are relevant to them.

Neither the Company, nor any of its officers or employees, nor its taxation or other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences of the Offer.

4.2 Income tax consequences of Entitlements

a) *Issue of Entitlements*

The issue of Entitlements to Australian resident Shareholders should not, of itself, give rise to any amount of assessable income or capital gain for Shareholders.

b) Exercise of Entitlements

The exercise of Entitlements should not, of itself, result in any amount being included in a Shareholder's assessable income and should not give rise to any capital gain under the CGT provisions.

Eligible Shareholders that exercise their Entitlements will receive New Shares. New Shares will be taken to have been acquired on the day on which the Entitlements were exercised for CGT purposes.

The CGT cost base of each New Share acquired will be the sum of the amount paid to exercise the corresponding Entitlement (i.e. the Offer Price) and any incidental costs in acquiring the New Shares.

c) Lapse of Entitlement

If an Eligible Shareholder does not accept all or part of their Entitlement in accordance with the instructions set out above, then that Entitlement will lapse. There should be no adverse taxation implications for an Eligible Shareholder from the lapse of the Entitlement.

4.3 Income tax consequences of New Shares

The New Shares should constitute CGT assets for CGT purposes.

Dividends paid to Eligible Shareholders in relation to their New Shares should generally be subject to the same income tax treatment as dividends in relation to existing Shares held in the same circumstances.

As outlined above, the CGT cost base of a New Share should generally be equal to the sum of the amount paid to exercise the corresponding Entitlement (i.e. the Offer Price) and any incidental costs in acquiring the New Share. Any future sale of New Shares will constitute a disposal for CGT purposes. A capital gain will arise if the capital proceeds on disposal exceed the CGT cost base of a New Share. A capital loss will arise if the capital proceeds on disposal are less than the reduced CGT cost base of a New Share.

Shareholders may be able to apply carried forward or current year losses to reduce their capital gain on disposal. The ability to utilise losses is dependent on meeting the relevant tests.

Non-corporate Shareholders may be entitled to a concession which discounts the amount of capital gain that is assessed. Broadly, the concession is available where the New Shares have been held for more than 12 months or more prior to disposal. The concession results in a 50% reduction in the assessable amount of a capital gain for an individual Shareholder and a one-third reduction of a capital gain for an Australian tax resident complying superannuation entity Shareholder (including generally where a flow through trust or partnership distributes to such Shareholders), after offsetting any current or carried forward losses.

In relation to trusts or partnerships including limited partnerships, the rules surrounding capital gains and the CGT discount are complex, but the benefit of the CGT discount may flow through to relevant beneficiaries or partners, subject to certain requirements being satisfied.

Australian tax resident Shareholders who hold New Shares on revenue account, as trading stock or are subject to the rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) concerning the taxation of financial arrangements should seek separate independent professional advice.

4.4 Non-resident CGT withholding

Specific rules can apply to the disposal of certain taxable Australian property under contracts entered into on or after 1 July 2016, whereby a 12.5% non-final withholding tax may be applied. However, the new rules should not apply to the disposal of a New Share on ASX (in accordance with a specific exemption).

4.5 Provision of TFN or ABN

Australian tax legislation imposes withholding tax at the highest marginal rate (currently 45% plus a Medicare levy of 2%) on the payment of distributions on certain types of investments, such as the unfranked part of any dividend, where no TFN or ABN (if applicable) has been provided and no exemption applies. Australian tax resident Shareholders may be able to claim a tax credit/refund (as applicable) in respect of any tax withheld on dividends in their income tax returns.

Shareholders that have not previously provided their TFN or ABN (if applicable) to the Company's Share Registry may wish to do so prior to the Closing Date to ensure that withholding tax is not deducted from any future distribution payable to them.

A Shareholder is not obliged to provide their TFN, or where relevant, ABN, to the Company.

4.6 Other Australian taxes

GST and stamp duty should not generally be payable in relation to the issue or exercise of Entitlements, nor in relation to the acquisition of New Shares.

Eligible Shareholders may, however, be restricted in their ability to claim input tax credits in relation to costs incurred in relation to their acquisition of the New Shares (such as costs relating to professional advice obtained by Shareholders regarding the Entitlement). This will depend on each Eligible Shareholder's particular circumstances and, as such, this should be reviewed by Shareholders prior to making any claim.

5. ASX ANNOUNCEMENTS (INCLUDING INVESTOR PRESENTATION)

Refer to the attachments.

6. ADDITIONAL INFORMATION

This Offer Booklet (including the Company's ASX Announcements in Section 5) and enclosed personalised Entitlement and Acceptance Form have been prepared by the Company.

This Offer Booklet is dated 26 April 2022 (other than the Company's ASX Announcements, which were released to ASX on 13 April 2022) and are also available at www.kglresources.com.au. The information in this Offer Booklet remains subject to change without notice and the Company is not responsible for updating such information.

There may be additional announcements made by the Company after the date of this Offer Booklet and throughout the period that the Offer is open that may be relevant to your consideration of whether to take up, or do nothing in respect of, your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by the Company (by visiting ASX's website at www.asx.com.au, or the Company's website at www.kglresources.com.au) before submitting your application to take up your Entitlement.

No party other than the Company has authorised or caused the issue of the information in this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in respect of, such information.

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Company or its related bodies corporate in connection with the Offer.

The information in this Offer Booklet is important and requires your immediate attention.

You should read the information in this Offer Booklet carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the "Key Risk Factors" section of the Company's Investor Presentation included in Section 5, any of which could affect the operating and financial performance of the Company or the value of an investment in the Company.

You should consult your stockbroker, solicitor, accountant, financial adviser or other professional adviser to evaluate whether or not to participate in the Offer.

6.1 Ineligible Shareholders

This Offer Booklet contains an offer of New Shares to Eligible Shareholders in Australia and has been prepared in accordance with section 708AA of the Corporations Act as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73.

As set out in Section 1.2, Eligible Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (Sydney time) on 20 April 2022;
- as at the Record Date, have a registered address on the Company's Share register that is in Australia or New Zealand, or are a Shareholder that the Company has otherwise determined is entitled to participate;
- are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States; and

- are eligible under all applicable securities laws to receive an offer under the Offer.

All Shareholders who do not satisfy the criteria to be Eligible Shareholders are Ineligible Shareholders. Ineligible Shareholders are not entitled to participate in the Offer, unless the Company otherwise determines.

The restrictions upon eligibility to participate in the Offer arise because the Company has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 708AA (including section 9A(3)(a)) of the Corporations Act, that it would be unreasonable to extend the Offer to Ineligible Shareholders. This decision has been made after taking into account the number of non-residents in Australia and New Zealand on the Company's Share register, the relatively small number and value of New Shares to which those Shareholders would otherwise be entitled, and the potential costs of complying with legal and regulatory requirements in the jurisdictions in which the Ineligible Shareholders are located in relation to the Offer.

The Company, in its absolute discretion, may extend the Offer to any Shareholder if it is satisfied that the Offer may be made to the Shareholder in compliance with all applicable laws. The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

Ineligible Shareholders will not receive any payment or value as a result of the issue of any of those New Shares they would have been entitled to subscribe for had they been eligible to participate in the Offer.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

6.2 Ranking of New Shares

New Shares issued under the Offer will be fully paid and rank equally in all respects with existing Shares on issue from their time of issue. The rights and liabilities attaching to the New Shares are set out in the Company's constitution, a copy of which is available at www.kglresources.com.au.

6.3 Risks

The Company's Investor Presentation details important factors and risks that could affect the financial and operating performance of the Company. You should refer to the "Key Risk Factors" section of the Company's Investor Presentation released to ASX on 13 April 2022 which is included in Section 5. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

6.4 Reconciliation, and the rights of the Company

The Offer and the calculation of Entitlements is a complex process. There may be a need to undertake a reconciliation of Entitlements. If reconciliation is required, it is possible that the Company may need to issue additional New Shares to ensure that the relevant investors receive their appropriate allocation of New Shares.

The Company also reserves the right to reduce the size of an Entitlement or number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders or other applicable investors, if the Company believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, the Company may, in its discretion, require the relevant Shareholder to transfer excess New Shares at its

direction at the Offer Price per New Share. If necessary, the relevant Shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant Shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Offer, those doing so irrevocably acknowledge and agree to do the above as required by the Company in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of the Company to require any of the actions set out above.

6.5 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

6.6 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

6.7 Trading of Entitlements

Your Entitlement is personal and cannot be traded on ASX, transferred, assigned or otherwise dealt with. If you do not take up your Entitlement by the Closing Date, being 5.00pm (Sydney time) on 5 May 2022, your Entitlement will lapse.

6.8 Quotation and trading of New Shares

The Company will apply for quotation of the New Shares on ASX in accordance with the ASX Listing Rule requirements. Trading of New Shares will, subject to ASX approval, occur shortly after allotment. If ASX does not grant quotation of the New Shares, the Company will repay all Application Monies (without interest). It is expected that trading on ASX of New Shares to be issued under the Offer will commence at 10.00am (Sydney time) on 13 May 2022 on a normal settlement basis. Application Monies will be held by the Company on trust for applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or failure to maintain their updated details with the Company's Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

6.9 Notice to nominees and custodian

If the Company believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Offer. Nominees and custodians should consider carefully the contents of that letter.

Persons acting as nominees for other persons must not take up Entitlements on behalf of, or send any documents related to the Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to take up or exercise Entitlements and may receive no value for any such Entitlements held.

The Company is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary complies with applicable foreign laws. The Company is not able to advise on foreign laws.

6.10 Not investment advice

This Offer Booklet is not a prospectus, product disclosure statement or other form of disclosure document under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. The Company is not licensed to provide financial product advice in respect of the New Shares. This Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with the Company's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.kglresources.com.au.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the information in this Offer Booklet, you have any questions about the Offer, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser or call the Offer information line on 1300 730 659 (within Australia) or +61 1300 730 659 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday.

Nominees and custodians may not distribute any part of this Offer Booklet in the United States or in any other country outside Australia except:

- that Australian nominees may send this Offer Booklet and related offer documents to beneficial Shareholders who are professional or institutional Shareholders in other countries (other than the United States) listed in, and to the extent permitted under, the "Foreign Selling Jurisdictions" set out in the Company's Investor Presentation included in Section 5; and
- to beneficial Shareholders in other countries (other than the United States) where the Company may determine it is lawful and practical to make the Offer.

6.11 Information availability

If you are in Australia you can obtain a copy of this Offer Booklet during the period of the Offer by calling the Offer information line on 1300 730 659 (within Australia) or +61 1300 730 659 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday.

A replacement personalised Entitlement and Acceptance Form can also be requested by calling the Offer information line, or by downloading an electronic version from the Company's website.

If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet.

6.12 Foreign jurisdictions

The information in this Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia, it is your responsibility to ensure that any participation (including for

your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form is not in the United States and not acting for the account or benefit of a person in the United States.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct Act 2013* (NZ) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ).

This Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

This Offer Booklet, the accompanying Entitlement and Acceptance Form, and any accompanying ASX Announcements (including the Company's Investor Presentation included as part of this Offer Booklet) do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed or released in the United States. None of the Entitlements or the New Shares offered under the Offer have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States.

The New Shares to be offered and sold in the Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act.

Any non-compliance with these restrictions may contravene applicable securities laws.

6.13 Governing law

This Offer Booklet, the Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Queensland, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Queensland, Australia and courts competent to hear appeals from those courts.

6.14 Disclaimer or representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Company, or its related bodies corporate, in connection with the Offer. Except as required by law, and only to the extent so required, none of the Company, nor any other person,

warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Offer Booklet or its contents.

6.15 Withdrawal of the Offer

The Company reserves the right to withdraw all or part of the Offer at any time, subject to applicable laws, in which case the Company will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to the Company will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to the Company.

6.16 Privacy

As a Shareholder, the Company and the Company's Share Registry have already collected certain personal information from you. If you apply for New Shares, the Company and the Company's Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares, service your needs as a Shareholder, provide facilities and services that you request, and carry out appropriate administration.

To do that, the Company and the Company's Share Registry may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New Shares, the Company's Share Registry for ongoing administration of the register, or to printers and mailing houses for the purposes of preparation of the distribution of Shareholder information and for handling of mail, or as otherwise permitted under the *Privacy Act 1988* (Cth).

If you do not provide us with your personal information, we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) the Company or the Company's Share Registry. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this, please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information by telephoning or writing to the Company through the Company's Share Registry as follows:

Link Market Services Limited
GPO Box 3560
Sydney NSW 2001
privacy.officer@linkgroup.com
Ph: +61 1800 502 355 (free call within Australia)

7. GLOSSARY

In this Offer Booklet, unless the context otherwise requires:

\$	means Australian dollars.
ABN	means Australian business number.
Application Monies	means application monies for New Shares received from an applicant.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited (ACN 008 624 691) and where the context permits, the market operated by it.
ASX Announcements	means the ASX announcements included in Section 5, being the Company's announcement to ASX on 13 April 2022 and the Investor Presentation.
Board	means the board of Directors of the Company.
Company	means KGL Resources Limited (ACN 082 658 080).
CGT	means capital gains tax.
Closing Date	means the day the Offer closes, expected to be 5.00pm (Sydney time) on 5 May 2022.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Eligible Shareholder	has the meaning given to that term in Section 1.2.
Entitlement	means an Eligible Shareholder's entitlement to subscribe for New Shares.
Entitlement and Acceptance Form	means the personalised form that accompanies this Offer Booklet when despatched to Eligible Shareholders.
Ineligible Shareholder	means a Shareholder who is not an Eligible Shareholder.
Institutional Investor	means a person: <ul style="list-style-type: none"> (a) in Australia, to whom an offer of Shares may be made in Australia without a prospectus, product disclosure statement or other disclosure document (as defined in the Corporations Act) on the basis that such a person is an 'exempt investor' as defined in section 9A(5) of the Corporations Act (as inserted by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84); or (b) in select jurisdictions outside Australia, to whom an offer of New Shares may lawfully be made without registration, lodgement, filing or approval in accordance with the laws of that foreign jurisdiction (except to the extent to which the Company is willing to comply with such requirements).
Institutional Shareholder	means a Shareholder who is an Institutional Investor.
Investor Presentation	means the Company's investor presentation released to ASX on 13 April 2022 and included in Section 5.
KMP	has the meaning given to that term in Section 1.4.
New Share	means a Share to be allotted and issued under the Offer, including the Shortfall Shares.

Offer	means the pro-rata traditional non-renounceable entitlement offer of 1 New Share for every 6 Shares held at the Record Date at an Offer Price of \$0.37 per New Share.
Offer Booklet	means this document.
Offer Price	means \$0.37 per New Share.
Record Date	means 7.00pm (Sydney time) on 20 April 2022.
Section	means a section of this Offer Booklet.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a registered holder of Shares.
Share Registry	means Link Market Services Limited (ACN 083 214 537).
Shortfall Shares	has the meaning given to that term in Section 3.9.
TERP	means theoretical ex-rights price.
TFN	means tax file number.
Top-Up Facility	has the meaning given to that term in Section 1.1.
US Securities Act	means the US Securities Act of 1933, as amended.

ASX Announcement

Entitlement Offer to raise approx. \$24.2 million



Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kgresources.com.au

13 April 2022

KGL Resources Ltd (KGL) is pleased to announce a proposed 1 for 6 non-renounceable entitlement offer of fully paid ordinary shares in KGL (New Shares) to raise up to \$24.2 million.

The Offer is not underwritten and is subject to a minimum raise condition of \$9.9 million however two of KGL's major shareholders, KMP Investments and Mr Denis Wood have advised KGL of their intention to take up their full entitlement, which would provide funding of \$8.1 million. Proceeds from the Entitlement Offer will advance the project as we work through the Front End Engineering design (FEED) and the final stages of the Feasibility Study. It will also add to working capital, to strengthen the balance sheet as the company moves toward a final investment decision in respect of the development of the Jervois Copper Project.

KGL's Executive MD, Mr Simon Finnis, said,

"The Feasibility Study (FS) is nearing completion, and while it has taken longer than initially expected it has allowed us to use an updated and improved Resource as the basis of the mine plan and also incorporate into our plant design the requirements of the Glencore agreement. It is considered likely that this will improve the feasibility outcomes.

Now the Feasibility is in its final stages we need to maintain momentum on the project by completing this raise. If we achieve a good take up on this issue, we will be in a strong position to place orders for long-lead items, commence early site works and de-risk the construction by locking in prices and timing of key equipment, based on the outcomes of the Feasibility Study.

We think it is appropriate at this time to give the first opportunity to our ever-supportive shareholder base. Hence we offer our shareholders the chance to participate in the anticipated upside that completion of the FS and development of the project will deliver."

Ratio	1 New Share for every 6 existing Shares held
Offer Price for New Shares	\$0.37 per New Share
Size	Up to approximately 65.39 million New Shares
Gross proceeds (minimum)	\$9.9 million
Gross proceeds (maximum)	Up to approximately \$24.2 million

KGL will notify shareholders as to whether they are eligible to participate in the Entitlement Offer. Eligible shareholders will receive an information booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer.

ASX Announcement

Entitlement Offer to raise approx. \$24.2 million



Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kgresources.com.au

Key dates¹

Event	Date
Announcement of the Offer	Wednesday, 13 April 2022
"Ex" date	Tuesday, 19 April 2022
Record date for Offer (7.00pm (Sydney time)) (Record Date)	Wednesday, 20 April 2022
Offer Booklet and personalised Entitlement and Acceptance Forms despatched, and announcement of despatch	Tuesday, 26 April 2022
Offer opens	Tuesday, 26 April 2022
Last day to extend the Closing Date for the Offer	Monday, 2 May 2022
Closing Date for the Offer (5.00pm (Sydney time)) ²	Thursday, 5 May 2022
Securities quoted on a deferred settlement basis (from market open)	Friday, 6 May 2022
Announcement of results of the Offer	Tuesday, 10 May 2022
Settlement of the Offer	Wednesday, 11 May 2022
Allotment of New Shares issued under the Offer	Thursday, 12 May 2022
Normal trading on ASX for New Shares issued under the Offer commences	Friday, 13 May 2022
Despatch of holding statements for New Shares issued under the Offer	Monday, 16 May 2022

Further information

If you have any queries, please call Link Market Services on 1300 730 659 (inside Australia) between 8.30am and 5.30pm (AEDT) Monday to Friday during the offer period or, alternatively, consult your professional adviser.

Approved for release by KGL Board of Directors.

¹ All times are in Australian Eastern Daylight Time (**AEDT**), unless otherwise stated. This timetable is indicative only and subject to change. The Directors may vary these dates subject to the ASX Listing Rules. An extension of the Closing Date will delay the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time before the allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to applicants.

² Eligible Shareholders who wish to take up all or a part of their Entitlement must complete and return their personalised Entitlement and Acceptance Form with the requisite Application Monies or pay their Application Monies via BPAY[®] by following the instructions set out on the personalised Entitlement and Acceptance Form so that they are received by the Company's Share Registry by no later than 5.00pm (Sydney time) on 5 May 2022.

ASX Announcement

Entitlement Offer to raise approx. \$24.2 million



Level 5, 167 Eagle Street
Brisbane QLD 4000
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kgresources.com.au

Important information

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This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. KGL Resources does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.



Equity Raising – Investor Presentation

Pro-rata traditional non-renounceable entitlement offer

13 April 2022

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Important Notices & Disclaimer

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This presentation has been prepared by KGL Resources Limited (ACN 082 658 080) (KGL) in relation to an equity raising consisting of the offer of new fully paid ordinary shares in KGL (**New Shares**) in a pro-rata traditional non-renounceable entitlement offer to eligible institutional shareholders of KGL and eligible retail shareholders of KGL in Australia and New Zealand (**Offer**).

No reliance: To the maximum extent permitted by law, the information in this presentation is given without any liability whatsoever being accepted by KGL or any of its related bodies corporate or their respective directors, officers, employees, advisors and agents (together, the **Relevant Parties**). The information contained in this presentation is not intended to constitute legal, tax or accounting advice or opinion. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or thoroughness of the information, whether as to the past or future. Recipients of this presentation must make their own independent investigations, consideration and evaluation. To the maximum extent permitted by law, each Relevant Party disclaims all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient through the use of or reliance on anything contained in or omitted from this presentation or its contents or otherwise arising in connection with it.

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No offer to acquire New Shares: The information in this presentation is not an offer or recommendation to purchase or subscribe for securities in KGL in any jurisdiction in which it would be unlawful, or a recommendation to retain or sell any securities that are currently held in KGL. The distribution of this presentation in jurisdictions outside of Australia and New Zealand may be restricted by law and you should observe any such restrictions. This presentation may not be distributed or released in the United States. See the 'Foreign Selling Restrictions' section of this presentation for more information. This presentation does not constitute any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any 'US person' as defined in Regulation S under the *US Securities Act of 1933*, as amended (**US Securities Act**). KGL securities have not been, and will not be, registered under the *US Securities Act* or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the New Shares to be offered and sold in the Offer may not be offered or sold, directly or indirectly, to any person in the United States or any person that is acting for the account or benefit of a person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the *US Securities Act* and any applicable US state securities laws. The entitlements and the New Shares to be offered and sold in the Offer may only be offered and sold outside the United States to persons that are not acting for the account or benefit of persons in the United States in 'offshore transactions' (as defined in Rule 902(h) under the *US Securities Act*) in reliance on Regulation S under the *US Securities Act*.

Financial information: All references to '\$', 'A\$' or 'AUD' in this presentation are to Australian dollars unless otherwise noted.

Certain financial data included in this presentation is 'non-IFRS financial information' under ASIC Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC and is also considered 'non-GAAP financial measures' under Regulation G of the *US Securities Exchange Act of 1934*, as amended. Such measures are not recognised under Australian Accounting Standards or the International Financial Reporting Standards (**IFRS**). The disclosure of such non-GAAP financial measures in the manner included in this presentation would not be permissible in a registration statement under the *US Securities Act*.

KGL believes the non-IFRS financial information / non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of KGL. However, investors should note that the non-IFRS financial information / non-GAAP financial measures do not have a standardised meaning prescribed by the Australian Accounting Standards or IFRS.

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Financial information (cont...): Therefore, the non-IFRS financial information / non-GAAP financial measures are not a measure of financial performance, liquidity or value under the Australian Accounting Standards or IFRS and may not be comparable to similarly titled measures presented by other entities, nor should the information be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards or IFRS. Investors are therefore cautioned not to place undue reliance on any non-IFRS financial information / non-GAAP financial measures included in this presentation.

Cautionary note regarding reserves and resources: As an Australian company with securities listed on ASX, KGL is required to report ore reserves and mineral resources in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**). Mining companies in other countries may be required to report their mineral reserves and / or resources in accordance with other guidelines, including SEC rules on disclosure of mining operations (**SEC Mining Disclosure Rules**) in the United States. While KGL's reserve and resource estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries, including SEC Mining Disclosure Rules. Therefore, the estimates of reserves and resources included in this presentation and in the information that KGL is required to file under the ASX Listing Rules may differ from reserves and resources estimated using SEC Mining Disclosure Rules and may not be comparable to other issuers that report reserves under SEC Mining Disclosure Rules. You should not assume that quantities reported as 'resources' will be converted to reserves under the JORC Code or any other reporting regime or that KGL will be able to legally and economically extract them.

Forward-looking statements: This presentation includes forward-looking statements. Forward-looking statements can generally be identified by the use of forward-looking words such as "expect", "forecast", "estimate", "like", "anticipate", "project", "opinion", "outlook", "guidance", "should", "could", "may", "target", "believe", "intend", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Forward-looking statements include statements about KGL's plans and expectations, particularly in light of the imminent release of KGL's feasibility study.

To the maximum extent permitted by law, KGL and the Relevant Parties disclaim any responsibility for any errors or omissions in such information, including the financial calculations, projections and forecasts and indications of, and guidance on, future earnings and performance and financial position. Such forward-looking statements relate to future events and expectations and are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors and are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or production, many of which are beyond KGL's control, that may cause actual results to differ materially from those predicted or implied by any forward-looking statements. No representation or warranty is made by or on behalf of KGL or the Relevant Parties that any projection, forecast, calculation, forward-looking statement, assumption or estimate contained in this presentation should or will be achieved or that actual outcomes will not differ materially from any forward-looking statements. Graphs used in the presentation (including data used in the graphs) are sourced from third parties and KGL has not independently verified the information. Although reasonable care has been taken to ensure that the facts stated in this presentation are accurate and that the opinions expressed are fair and reasonable, no reliance can be placed for any purpose whatsoever on the information contained in this presentation or on its completeness. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors. Recipients of this presentation are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic.

Disclaimer: You acknowledge and agree that determination of eligibility of investors for the purposes of the offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of KGL and its related bodies corporate, affiliates, officers, directors, employees, representatives, agents, consultants or advisers disclaim any duty or liability (including for negligence) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

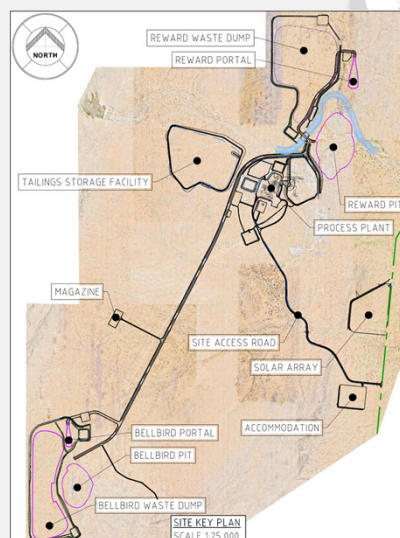
KGL Resources Limited

Equity Raising 2022

Jervois Project Development

Feasibility Study expected mid year Mining method and mineral processing

- ✓ Mining method and mineral processing - settled
- ✓ Two open pit mines and three underground mines, using conventional earthmoving equipment and long hole stoping mining methods, respectively
- ✓ Based on Reward, Bellbird and Rockface deposits (Reward South not included)
- ✓ Processing plant with nominal throughput of 180 tonnes per hour (1.6 Mtpa)
- ✓ Single-stage crushing circuit with a conventional SAG and ball mill (SAB) grinding circuit
- ✓ Flotation circuit will consist of roughing, cleaning, and re-cleaning stages
- ✓ Concentrate (copper with silver and gold) by road to Mt Isa



KGL Resources Limited

Equity Raising 2022

Jervois Project Development (cont.)

Significant progress on a number of fronts

- ✓ **Project fully permitted**
- ✓ **Updated Resource of 22.87MT at 2.04% Cu, containing 465.6kt of Cu metal**
- ✓ **Binding offtake agreement with Glencore supports development funding:**
 - ✓ Evergreen with minimum 5 year term
 - ✓ Covers 100% of copper concentrate from Jervois mine
 - ✓ Delivered by road to Mt Isa
 - ✓ Benchmark pricing for payables – Copper, Silver and Gold
- ✓ **Final designs of infrastructure complete:**
 - ✓ Accommodation Camp
 - ✓ Pipeline from bore farm to plant site
 - ✓ Communications
 - ✓ Haul and light vehicle roads
- ✓ **Quote for FEED of Hybrid Solar/Diesel Power station received and under review**
- ✓ **Near-term growth opportunities for Resource and Mine Life extension**
- ✓ **Civils design final and camp supplier agreed**
- ✓ **Front-end Engineering & Design (FEED) for processing plant well progressed**
- ✓ **Team to construct and operate project being recruited**
- ✓ **Financing strategy being developed. Discussions with banks commenced.**

KGL Resources Limited

Equity Raising 2022

Jervois Project Development (cont.)

Growing certainty on key economic inputs

- ✓ **Mine plan based on updated Jervois Resource now complete**
- ✓ **Capital Estimate nearing completion:**
 - ✓ Modifications to load out area to suit Glencore Agreement underway
 - ✓ Contingency allocation also now underway
- ✓ **Mine Plan being costed for Feasibility Study**
- ✓ **Mill process feed schedule similarly being costed**
- ✓ **Financial Model update underway**
- ✓ **Tender for civil contracts received and review is progressing**
- ✓ **Tenders for equipment as part of FEED well underway**
- ✓ **Feasibility Study to be finalised mid-year 2022**

KGL Resources Limited

Equity Raising 2022

Feasibility Study released in short term (cont.)

Key developments since Pre-Feasibility Study - completed Dec 2020

- ✓ Capital Cost increases due to industry wide inflation and some scope changes at Jervois
- ✓ Operations simplified and transportation costs reduced in line with Glencore Agreement
 - ✓ Emissions will reduce due to shortened logistics chain to market
- ✓ Mining costs to increase:
 - ✓ COVID induced labour cost increases
 - ✓ Demand for high quality contractors in resources industry very strong
 - ✓ Short-term fuel price increase also relevant
- ✓ Higher commodity pricing will significantly increase USD Revenue with some benefits offset due to recent AUD strength
- ✓ Improved resource expected to extend mine life
- ✓ Mining Leases to 2032 (ML30829 and ML32277) and 2034 (ML30180 and ML30182)

KGL Resources Limited

Equity Raising 2022

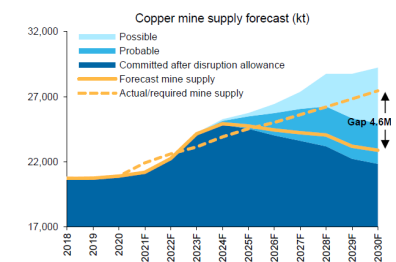
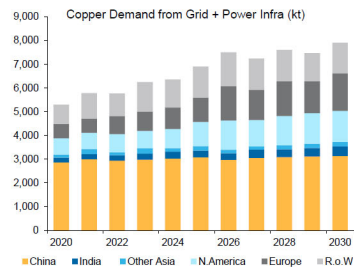
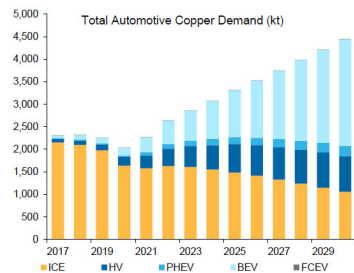
Development timeline

	2020	2021				2022			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Drilling and exploration									
Resource Definition		✓	✓	✓					
Resource Enhancement				✓	✓	✓			
Exploration			✓	✓	✓	✓			
Development activities									
PFS	✓								
ILUA	✓								
Permitting	✓	✓	✓			✓			
Updated Resource					✓	✓			
Capital Raise									
Reserve									
Feasibility Study		✓	✓	✓	✓	✓			
FEED & Early Works						✓			
FID									

KGL Resources Limited

Equity Raising 2022

Favourable Macro Tailwinds



Source: Company Reports, WoodMac, CRU, ICSG, Macquarie Strategy, March 2022
KGL Resources Limited

Equity Raising 2022

Jervois Copper Project

- ✓ KGL Resources is creating the next Australian copper hub in the Northern Territory
- ✓ Consolidating the proximate & prospective Reward, Rockface and Bellbird deposits
- ✓ Robust PFS led to Feasibility Study – planned delivery of mid 2022
- ✓ Direct access to key infrastructure – c.530km road access from mine to Glencore's Mt Isa complex. Plenty Highway to be sealed as part of Outback Way#
- ✓ Supported by long-term/extensive mining and exploration leases

Jervois Resource

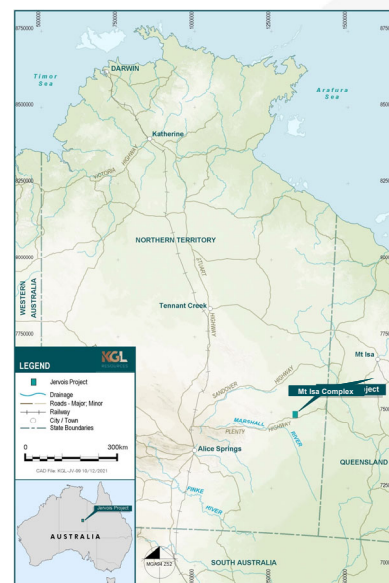
Resources	(Mt)	Copper (%)	Silver (g/t)	Gold (g/t)	Copper (kt)	Silver (Moz)	Gold (koz)
Indicated	13.83	2.31	32.4	0.32	319.4	14.41	140.7
Inferred	9.06	1.61	15.6	0.16	146.2	4.53	46.4
Total	22.87	2.04	25.7	0.25	465.6	18.93	187.1

Jervois Tenements

- Jervois Exploration Licence – 37.9 km²
- Jervois Mining Leases – 19.5 km²
- Unca Creek Exploration Licence – 72.7 km²

Funding announced but timeline not finalised
<https://www.pm.gov.au/media/678-million-further-seal-and-upgrade-outback-way>

KGL Resources Limited



Equity Raising 2022

Binding Offtake Agreement with Glencore

Terms

- Evergreen with minimum 5-year term from commercial production
- Covers 100% of copper concentrate from Jervois mine
- Material delivered by KGL to Glencore's Mt Isa's Copper Smelter
- Benchmarked pricing for payables – Copper, silver and gold

Key benefits

- ✓ Certainty of concentrate sales for the project – supporting the funding strategy
- ✓ Strong project support from a leading mining, processing & commodities trading firm
- ✓ Benchmarked pricing in a strong commodity environment
- ✓ Simplified transport solution minimises emissions
- ✓ Significantly reduces haulage / transport costs
- ✓ Sales within Australia supporting local and broader economies
- ✓ Significant working capital benefits
- ✓ De-risks investment decision for Jervois

Corporate Structure and Shareholders

Capital Structure

Australian Stock Exchange (ASX) code	KGL
ASX Share price (close 12 April 2022)	\$0.415
Shares outstanding	392 M
Options on Issue	1 M
Market capitalisation	A\$162.8M
Cash (31 March 2022)	A\$7.47M
Debt	Nil
Enterprise value	A\$155.3M

Major Shareholders

KMP Investments Pte Ltd	24.5%
Denis Wood	9.1%
Marshall Plenty Investments LLC	7.2%
Paradise Investment Management	7.5%
Pegasus CP One	5.6%

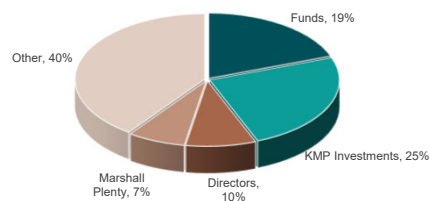
No debt

- Cash \$7.47m (31 March 2022)
- No debt

Supportive shareholder base

- 19% institutional funds, including substantial holder Paradise (7.5%)
- 10% owned by directors
- KMP Investments, part of the Salim Group

Shareholder breakdown



Equity Raising



Equity Raising Summary

Non-renounceable entitlement offer

Offer Structure & Size	<ul style="list-style-type: none"> Equity raising to raise up to AUD \$24.2 million, comprising: <ul style="list-style-type: none"> a 1 for 6 pro-rata traditional non-renounceable entitlement offer (Entitlement Offer) Not underwritten Minimum raising of AUD \$9.9 million (before costs) under the Offer Up to approximately 65.4 million new KGL shares (New Shares) will be issued Uncapped top-up facility for shareholders Commitments by shareholders representing 33.6%, being Denis Wood and KMP Investments, to take up their entitlements in full.
Offer Price	<ul style="list-style-type: none"> Offer price of AUD 0.37 per New Share, which as of close of trading on 12 April 2022 represents: <ul style="list-style-type: none"> a 9.4% discount to TERP of AUD \$0.409 (assuming a full take up of Entitlement Offer) ¹ a 10.8% discount to the last closing price of KGL shares on 12 April 2022 of AUD \$0.415 a 13.4% discount to the 30 day VWAP of KGL shares on ASX of AUD \$0.427 ²
Use of Proceeds	<ul style="list-style-type: none"> Minimum raise of AUD 9.9 million ³ to advance the project through the Front End Engineering design (FEED) and the final stages of the Feasibility Study. It will also add to working capital, to strengthen the balance sheet as the company moves toward a final investment decision in respect of the development of the Jervois Copper Project. Funding in excess of minimum raise to be used to place orders for long-lead items, commence early site works and lock in pricing and timing of key equipment, based on the outcomes of the Feasibility Study. It will also provide additional working capital and, to the extent not spent, will defray equity requirements as part of the final funding package for capital development of the Jervois Copper Project.
Shareholder Support	<ul style="list-style-type: none"> KGL's largest shareholders, KMP Investments (24.53%) and Denis Wood (9.07%), are supportive and have committed to take up their entitlements under the Entitlement Offer in full. All directors have indicated they will take up their entitlements in full. KMP Investments has indicated an interest in participating in the top-up facility (subject to shareholder approval)

¹ The theoretical ex-rights price (TERP) including shares issued under the Entitlement Offer (on the assumption that it is fully subscribed)
² The average of the volume-weighted average prices of the ordinary shares in KGL on ASX for the last 30 trading days ending on 12 April 2022
³ The 'minimum raise condition' is satisfied if the Company receives commitments under the Offer for no less than AUD 9.9 million (before costs)

Equity Raising Summary

Non-renounceable entitlement offer

No underwriting	<ul style="list-style-type: none"> The Equity Raising is not underwritten (and is subject to a minimum raise of AUD 9.9 million) ¹
Substantial shareholder support (and control implications)	<ul style="list-style-type: none"> KGL's two largest shareholders, KMP Investments (24.53%) and Denis Wood (9.07%), are supportive and have committed to take up their entitlements under the Entitlement Offer (totalling AUD 8.1 million) The voting power of those substantial shareholders will increase if the Entitlement Offer is not fully subscribed (or if the shortfall is not placed) – in particular, assuming that only the minimum raising is achieved, the voting power of those substantial holders will increase as follows: <ul style="list-style-type: none"> KMP Investments' voting power will increase to approx. 26.8% If the Entitlement Offer is taken up in full, or any shortfall is placed, then the voting power of each of those shareholders will not change. ²
Dispersion strategy	<ul style="list-style-type: none"> KGL's board has implemented various measures to limit the control effect of KMP Investments' participation in the Equity Raising, including: <ul style="list-style-type: none"> making shortfall shares available under the Entitlement Offer via an uncapped top-up facility; limiting KMP Investments' and Denis Wood's participation in the Entitlement Offer to its pro-rata entitlement unless there is shortfall after the allocation of shares to existing holders under the top-up facility, and then only after the issue has been approved at a meeting of shareholders.

1. The Company reserves the right to appoint an underwriter and/or allocate shortfall to investors or eligible shareholders, at the Directors' discretion.
2. KMP Investments have indicated an interest in participating in the top-up facility; (subject to shareholder approval).

KGL Resources Limited

Equity Raising 2022

Funding & Pro-Forma Capital Structure

Sources & Uses

Sources of Funds	\$ (Min)	\$ (Max)
Existing Cash Position ¹	A\$7.5m	A\$7.5m
Entitlement Offer ²	A\$9.9m	A\$24.2m
Total	A\$17.4m	A\$31.7m

Use of Funds ²	\$ (Min)	\$ (Max)
Exploration, Feasibility Study and Engineering and Design	A\$10.8m	A\$19.1m
Site, Corporate and Working Capital	A\$6.4m	A\$12.4m
Expenses relating to the Offer	A\$0.2m	A\$0.2m
Total	A\$17.4m	A\$31.7m

Pro-Forma Capital Structure

Key Information	Current 12-Apr-22	Post Equity Raising	
		(min)	(max)
Share Price ³	A\$0.415	A\$0.412	A\$0.409
Ordinary Shares On Issue	392.3m	419.1m	457.7m
Market Capitalisation	A\$162.8	A\$172.7m	A\$187.2m
Cash ¹	A\$7.5m	A\$17.4m	A\$31.7m
Debt ^{1, 2}	A\$0m	A\$0m	A\$0m
Enterprise Value	A\$155.3m	A\$155.3m	A\$155.5m

1. As at 31 March 2022 based on KGL's management balance sheet, which is not audited or reviewed.
2. Assuming A\$9.9 million minimum raise, funds raised in excess of the A\$9.9 million minimum raising (up to an additional A\$14.3 million) in the event that the Entitlement Offer is fully subscribed will be used to place orders for long-lead items, commence early site works and lock in pricing and timing of key equipment. It will also provide additional working capital to defray equity requirements as part of the final funding package for capital mine development of at the Jervois Copper Project.

1. As at 31 March 2022 (based on KGL's management balance sheet, which is not audited or reviewed); post equity raising position reflects proceeds after costs.
2. Excludes lease liabilities & April creditors.
3. Post equity raise price is TERP calculated based on minimum (A\$9.9 million) and maximum (A\$24.2 million) Equity Raising. TERP is a theoretical calculation only; the actual price at which KGL shares trade immediately after the ex-date may differ.

KGL Resources Limited

Equity Raising 2022

Driving the Jervois Copper Project

Many years' experience in project evaluation, feasibility and development

Executive management team

Simon Finnis Managing Director / CEO	Amy Treble Chief Financial Officer	Allan Reid Project Director	John Levings Chief Geologist
Over 30 years' global mining experience across a range of roles; including CEO of Grande Cote Operations during its development and early operations in Senegal and MD of KGL Mining Limited during development and operational phases of the Bauxite Hills Mine.	A Senior Finance Professional with over 21 years' experience delivering financial services and providing advice to Managers, Executives, Committees and Board of both ASX listed and non-listed companies. This includes 16 years in the mining sector and 5 years within Big4 professional accounting firms internationally and within Australia.	Over 30 years' experience in project development , having advised on a vast range of mining projects. Allan's skillset includes risk management, commercial, technical and project management advisory services to mining, power and mineral processing sector clients	A highly experienced geologist with over 40 years' experience. John worked for several years as a field geologist and geophysicist for Anglo American Ltd. In 1985, as Chief Geologist for Normandy Gold Ltd, John was responsible for the discovery of the high-grade White Devil gold deposit in Tennant Creek

Board of Directors

Peter Hay Independent Non-Executive Chair	Ferdian Purnamasidi Non-Executive Director	Denis Wood Non-Executive Director	Denis Gately Independent Non-Executive Director
Over 30 years' mining experience , including GM of Pan Australian Mining Ltd, MD of Sedgman Limited and Joint MD of Macarthur Coal Ltd.	Over 20 years' mining experience and an Executive at the Salim Group and in charge of Corporate Development and Strategic Acquisitions within the resources sector.	Over 45 years' mining experience , as a qualified metallurgist and geologist including 13 years with BHP, Managing Director at Australian Premium Coal and discovering, funding and construction of the Coppabella and More Vale mines.	Over 30 years' Natural Resources experience , including Managing Partner at Minter Ellison and numerous previous resource industry directorships and Chair positions.

KGL Resources Limited

Equity Raising 2022

Equity Raising Timetable

Pro-rata traditional non-renounceable entitlement offer

Event	Date
Announcement of Offer	Wednesday, 13 April 2022
"Ex" date	Tuesday, 19 April 2022
Record date for Offer	Wednesday, 20 April 2022 (at 7.00pm (Sydney time))
Offer information booklet released to ASX and despatched to eligible shareholders, and letter despatched to ineligible shareholders	Tuesday, 26 April 2022
Offer opens	Tuesday, 26 April 2022
Last day to extend the Offer closing date	Monday, 2 May 2022
Offer closes	Thursday, 5 May 2022 (at 5.00pm (Sydney time))
Securities quoted on a deferred settlement basis	Friday, 6 May 2022 (from market open)
Announcement of results of Offer	Tuesday, 10 May 2022
Settlement of Offer	Wednesday, 11 May 2022
Allotment of New Shares under Offer	Thursday, 12 May 2022
Quotation of New Shares issued under Offer	Friday, 13 May 2022
Holding statements despatched	Monday, 16 May 2022

KGL Resources Limited

Equity Raising 2022

Appendix A

Key Risk Factors



Key Risk Factors

Activities in KGL and its controlled entities, as in any business, are subject to risks which may impact on KGL's future performance. There are a number of factors, both specific to KGL and of a general nature, which may affect the future operating and financial performance and position of KGL and the outcome of an investment in KGL. Some of these risks can be adequately mitigated by the use of safeguards and appropriate systems but many are beyond the control of KGL and its directors and cannot be mitigated.

Prior to deciding whether to take up their entitlement, eligible shareholders should read the entire Offer information booklet and review announcements made by KGL to ASX (at www.asx.com.au, ASX: KGL) in order to gain an appreciation of KGL and its activities, operations, financial position and prospects.

Shareholders should also consider the summary of key risk factors set out below which the directors believe represent some of the specific and general risks that shareholders should be aware of when evaluating KGL, and deciding whether to increase their shareholding in KGL. The key risk factors set out below are not intended to be an exhaustive list of all of the risk factors to which KGL is exposed, and they are not intended to be presented in any assumed order of priority. Additional risks and uncertainties not presently known to the directors, or which they currently believe to be immaterial, may also have an adverse effect on KGL.

An investment in KGL should be considered speculative. There can be no certainty that KGL will be able to successfully implement its business strategy. No representation is or can be made as to the future performance of KGL and there can be no assurance that KGL will achieve its objectives.

MATERIAL BUSINESS RISKS

Future Capital Raisings

KGL's ongoing activities are expected to require substantial further financing in the future, in addition to amounts raised pursuant to the Offer. KGL will require additional funding to bring the Jervois Copper Project into commercial production. Any additional equity financing may be dilutive to shareholders and may be undertaken at lower prices than the current market price, and debt financing, if available, may involve restrictive covenants which limit KGL's operations and business strategy. Although the directors of KGL believe that additional capital can be obtained, no assurances can be made, especially given the impact of the COVID-19 pandemic, that appropriate capital or funding will, if and when needed, be available on terms favourable to KGL, or at all. If KGL is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations, and this could have a material adverse effect on KGL's activities and could affect KGL's ability to continue as a going concern.

Key Risk Factors

MATERIAL BUSINESS RISKS

Exploration Risk

The success of KGL depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to KGL's exploration and mining tenements, and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on KGL's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of KGL, and possible relinquishment of the tenements. The exploration costs of KGL are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially adversely affect KGL's viability. If the level of operating expenditure required is higher than expected, the financial position of KGL may be adversely affected. KGL may also experience unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Feasibility and Development Risks

It may not always be possible for KGL to exploit successful discoveries which may be made in areas in which KGL has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as KGL's. KGL continues to assess the economic viability of a potential mine through the completion of a feasibility study – there is a complex, multidisciplinary process underway to complete such a feasibility study to support any development proposal, with works undertaken in 2021 and 2022 advancing the technical aspects of the project. There is a risk, however, that the feasibility study and associated technical works will not achieve the results expected. There is also a risk that, even if a positive feasibility study is produced, the project may not be successfully developed for commercial or financial reasons.

Regulatory Risk

KGL's operations are subject to various Commonwealth, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that KGL will be successful in obtaining or maintaining such approvals, licences and permits in full force and effect without modification or revocation. To the extent such approvals, licences and permits are required and not retained or obtained in a timely manner or at all, KGL may be curtailed or prohibited from continuing or proceeding with production and exploration. KGL's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted.

KGL Resources Limited

Equity Raising 2022

Key Risk Factors

MATERIAL BUSINESS RISKS

Regulatory Risk (cont...)

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising KGL's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of KGL. It is also possible that, in relation to tenements which KGL has an interest in or will in the future acquire such an interest in, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of KGL to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be affected. KGL has a registered Indigenous Land Use Agreement with the traditional owners for its Jervois Copper Project.

Occupational Health and Safety

Given KGL's exploration activities (and especially if it achieves exploration success leading to mining activities), it will face the risk of workplace injuries which may result in workers' compensation claims, related common law claims and potential occupational health and safety prosecutions. Further, the production processes used in conducting any future mining activities of KGL can be hazardous. KGL has, and intends to maintain, a range of workplace practices, procedures and policies which will seek to provide a safe and healthy working environment for its employees, visitors and the community. Of particular concern will be operating and managing health and safety in an environment where COVID-19 remains a major concern.

Limited Operating History of KGL

KGL has limited operating history on which it can base an evaluation of its future prospects. If KGL's business model does not prove to be profitable, investors may lose their investment. KGL's historical financial information is of limited value because of KGL's lack of operating history and the emerging nature of its business. The prospects of KGL must be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

Key Personnel

In formulating its exploration programs, feasibility studies and development strategies, KGL relies to a significant extent upon the experience and expertise of the directors of KGL and its management. A number of key personnel are important to attaining the business goals of KGL. One or more of these key employees could leave their employment, and this may adversely affect the ability of KGL to conduct its business and, accordingly, affect the financial performance of KGL and its share price. Recruiting and retaining qualified personnel are important to KGL's success. The number of persons skilled in the exploration and development of mining properties is limited, and competition for such persons is strong.

KGL Resources Limited

Equity Raising 2022

Key Risk Factors

MATERIAL BUSINESS RISKS

Resource and Reserve Estimate Risk

Resource and reserve estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Resource and reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect KGL's future plans and ultimately its financial performance and value. Copper, silver and gold price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates may render resources containing relatively lower grades uneconomic and may materially adversely affect resource estimations.

Environmental Risk

The operations and activities of KGL are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, KGL's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. KGL attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. KGL is unable to predict the effect of additional environmental laws and regulations which may come into effect in the future, including whether any such laws or regulations would materially increase KGL's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige KGL to incur significant expenses and undertake significant investments, which could have a material adverse effect on KGL's business, financial condition and performance.

Availability of Equipment and Contractors

Prior to the COVID-19 pandemic, appropriate equipment, including drill rigs, was in short supply. There was also high demand for contractors providing other services to the mining industry. The COVID-19 pandemic has only served to exacerbate these issues. Consequently, there is a risk that KGL may not be able to source all the equipment and contractors required to fulfil its proposed activities. There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of KGL's activities.

KGL Resources Limited

Equity Raising 2022

Key Risk Factors

MATERIAL BUSINESS RISKS

Fluctuations in Copper Price and Australian Dollar Exchange Rate

The copper mining industry is competitive. There can be no assurance that copper, silver and gold prices will be such that KGL can mine its deposits at a profit. Copper and gold prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. These fluctuations were exacerbated by the worldwide spread of the COVID-19 virus and at this stage, forecast recoveries from the impact of COVID-19 are speculative. Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.

Climate Change Risk

The operations and activities of KGL are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage, and other possible restraints on industry that may further impact KGL and its profitability. While KGL will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that KGL will not be impacted by these occurrences. Climate change may also cause certain physical and environmental risks that cannot be predicted by KGL, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which KGL operates.

Macro-Economic Risks

In 2022, the world continues to remain in a pandemic phase of COVID-19, with global supply chains, labour and equipment shortages still being materially affected, though this is being slowly abated by re-opening of world economies. Inflationary pressures for appropriately skilled labour, oil and capital items are being seen across many industries, including the mining industry. Australia is continuing to open its interstate and international borders for fully vaccinated persons, however further disruptions may be experienced as the pandemic moves into the endemic phase, with waning vaccine effectiveness and possible new COVID-19 variants, which could cause subsequent disruptions to businesses nationwide. In particular, if the COVID-19 virus re-emerges through different variants that are, for example, more serious or contagious, it could result in restrictions being strengthened, which would impact significantly on KGL's planned activities. The recent conflict between Ukraine and Russia may also continue to adversely affect capital markets and cause spikes in materials prices, particularly diesel prices, in the short term.

KGL Resources Limited

Equity Raising 2022

Key Risk Factors

GENERAL RISK FACTORS

Mineral exploration and mining may be hampered by circumstances beyond the control of KGL and are speculative operations which by their nature are subject to a number of inherent risks. These include general risk factors such as the following.

Market Risk

As with all stock market investments, there are risks associated with an investment in KGL. Share prices may rise or fall and the price of Shares might trade below or above the issue price for the New Shares. The price at which KGL shares trade on ASX may be determined by a range of factors including movements in local and international equity and bond markets, general investor sentiment in those markets, inflation, interest rates, general economic conditions and outlook and changes in the supply of, and demand for, exploration and mining industry securities, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates. The market for KGL shares may also be affected by a wide variety of events and factors, including variations in KGL's operating results, recommendations by securities analysts, and the operating and trading price performance of other listed exploration and mining industry entities that investors consider to be comparable to KGL. Some of these factors could affect KGL's share price regardless of KGL's underlying operating performance.

Taxation Risk

Any change in KGL's tax status or the tax applicable to holding KGL shares or in taxation legislation or its interpretation, could affect the value of the investments held by KGL, affect KGL's ability to provide returns to shareholders, and/or alter the post-tax returns to shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to KGL's interpretation may lead to an increase in KGL's tax liabilities and a reduction in shareholder returns. Personal tax liabilities are the responsibility of each individual investor. KGL is not responsible either for tax or tax penalties incurred by investors.

Liquidity Risk

There can be no guarantee that there will continue to be an active market for KGL shares or that the price of KGL shares will increase. There may be relatively few buyers or sellers of KGL shares on ASX at any given time. This may affect the volatility of the market price of KGL shares. It may also affect the prevailing market price at which shareholders are able to sell their KGL shares. This may result in shareholders receiving a market price for their KGL shares that is less or more than the price paid under the Offer.

KGL Resources Limited

Equity Raising 2022

Key Risk Factors

GENERAL RISK FACTORS

Securities Investment Risk

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of KGL's performance. The past performance of KGL is not necessarily an indication as to future performance of KGL as the trading price of KGL shares can go up or down. Neither KGL, nor its directors, warrant the future performance of KGL or any return on an investment in KGL.

Economic Factors

The operating and financial performance of KGL is influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on KGL's operating and financial performance and financial position. KGL's future possible revenues and the KGL share price can be affected by these factors, which are beyond the control of KGL.

Accounting Standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside KGL's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in KGL's financial statements.

KGL Resources Limited

Equity Raising 2022

Appendix B

Additional KGL Information



Investment highlights

Australia's next copper producer



High >2.0% copper grade Resource¹ – unique vs. global Cu projects



Feasibility advanced - project fully permitted
Updated FS expected mid 2022



Near-term growth opportunities
for Resource and Mine Life extension



Funding plan being finalised



Offtake signed with Glencore on favourable terms



Independent pure-play copper exposure leveraged to strong market fundamentals



Experienced management team and Board with development expertise

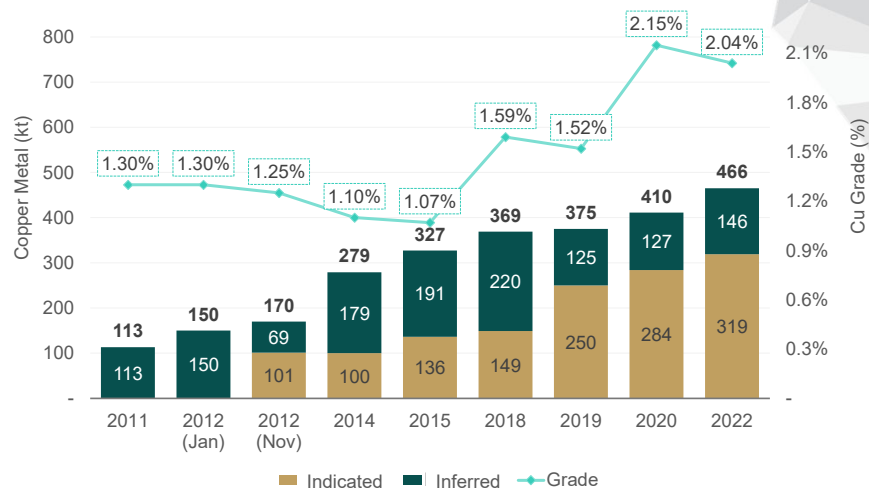


Safe jurisdiction
Project located in promising Northern Territory

1. KGL Resources ASX announcement 23 March 2022

Resource update

Exceptional growth in Resource



Note: Resource estimate 2018 – 2022 are for Reward, Bellbird & Rockface deposit only
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Project Resources

Resource			Mineralised Mass	Grade			Metal			
	Area	Category	(Mt)	Copper (%)	Silver (g/t)	Gold (g/t)	Copper (kt)	Silver (Moz)	Gold (koz)	
Open Cut Potential > 0.5 % Cu	Reward	Indicated	3.84	1.80	39.4	0.31	69.06	4.86	38.2	
		Inferred	0.65	0.92	9.2	0.07	5.91	0.19	1.5	
	Bellbird	Indicated	2.03	2.20	13.1	0.16	44.55	0.85	10.5	
		Inferred	1.44	1.36	9.3	0.15	19.50	0.43	6.9	
	Sub Total			7.95	1.75	24.8	0.22	139.06	6.33	57.1
Underground Potential > 1 % Cu	Reward	Indicated	4.78	2.12	42.6	0.45	101.64	6.55	69.2	
		Inferred	4.32	1.56	19.6	0.20	67.29	2.72	27.8	
	Bellbird	Indicated	0.38	2.62	17.7	0.14	9.90	0.22	1.7	
		Inferred	1.92	2.06	12.0	0.10	39.49	0.74	6.0	
	Rockface	Indicated	2.80	3.37	21.4	0.23	94.31	1.93	21.1	
		Inferred	0.73	1.92	19.0	0.18	13.97	0.45	4.2	
	Sub Total			14.93	2.19	26.3	0.27	326.57	12.60	130.0
Sub Totals		Indicated	13.83	2.31	32.4	0.32	319.46	14.41	140.7	
		Inferred	9.06	1.61	15.6	0.16	146.16	4.53	46.4	
Total				22.87	2.04	25.7	0.25	465.62	18.93	187.1

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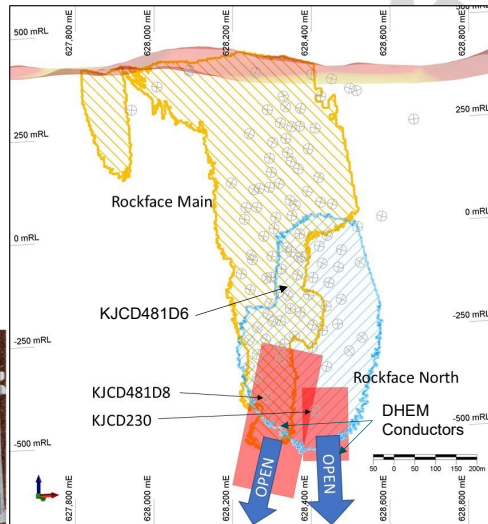
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Rockface Depth Potential

Copper assays up to 61.4% Cu

- ✓ Rockface Deposit 3.53Mt @3.07% Cu (indicated & inferred)
- ✓ Recent drilling into the north lens produced record copper assay of 61.4% over true width 0.74m
- ✓ True width intersections include:
 - KJCD481 – 6.28m @ 2.39%Cu
 - KJCD481D3 – 4.45m @18.88% Cu
 - KJCD481D6 – 4.00m @19.80% Cu
 - KJCD481D7 – 2.17m @12.81% Cu
- ✓ DHEM models indicates Rockface mineralisation open at depth

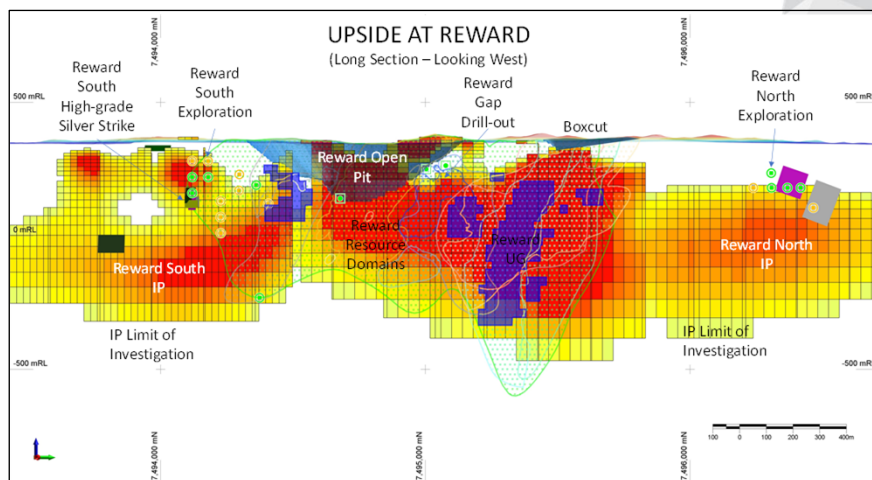
KJCD481D6 core results



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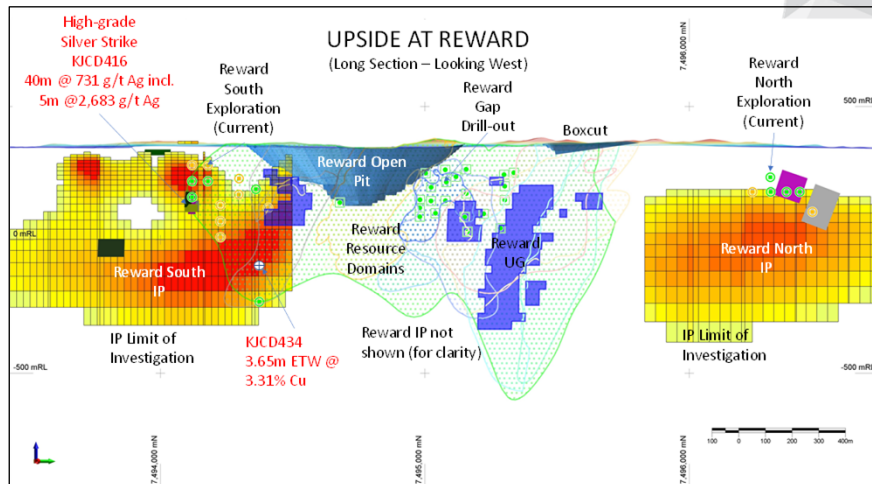
Upside at Reward



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Upside at Reward



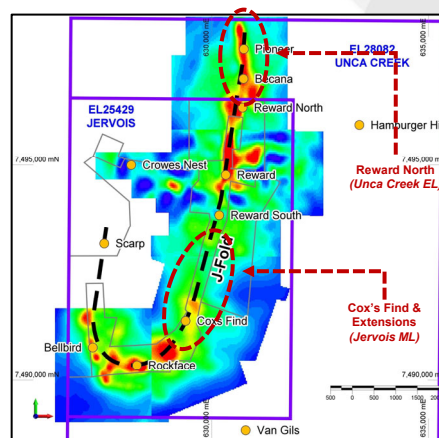
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Exploration Strategy

Unlocking the potential of the Jervois copper hub

- ✓ Significant Resource increase reported
- ✓ Drilling Ongoing around Reward – late 2021 assay results imminent
- ✓ Rockface depth potential
 - Accessible extension with strong potential
 - Drill core from KJCD481D6 produced a record copper assay of 61.4% copper
- ✓ Reward North
 - Reward IP anomaly plunges deeper to the north
- ✓ Reward South
 - High grade silver intercepted
- ✓ Cox's Find South
 - Intersection in first IP targeted drillhole
 - Large, low-conductivity plate modelled



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Environment, Social and Governance

KGL is focussed on implementing industry leading ESG practices

Environment

- ✓ Authorisation granted and Mining Management Plan approved by the Northern Territory Government
- ✓ Water extraction licences and Unca Creek diversion permit granted
- ✓ Prioritising sustainable use of land and water resources; protecting the flora, fauna and communities that are dependent on these resources
- ✓ KGL will engage with stakeholders to ensure their environmental considerations are integrated into all planning and operational decisions
- ✓ Sustainability objectives, targets and performance measures have been established

Social

- ✓ Employees sourced locally where possible, reducing travel costs and environmental impact of FIFO
- ✓ Promoting diversity in the workplace; recognising, valuing and utilising the diverse skills and knowledge of staff and contractors
- ✓ Positive work culture that supports mental health and values teamwork and respect
- ✓ KGL prioritises community consultation, stakeholder engagement, and proactive and open communication
- ✓ KGL's goal is to avoid adverse impacts on the social values of local and regional communities

Governance

- ✓ KGL has developed a set of guiding principles that define what type of company KGL aspires to be
- ✓ KGL's Values of Integrity, Accountability, Respect and Sustainability are at the core of everything we do
- ✓ KGL has strong representation of experienced, Independent Non-Executives on its Board
- ✓ Policies and procedures have been developed to provide our ethical framework for addressing ESG
- ✓ KGL has identified Sustainable Development Goals that are closely aligned to our values, strategic objectives and operational activities

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Summary and Outlook

- ✓ Globally significant high-grade greenfield copper project poised for development
- ✓ Approvals complete
- ✓ Clear pathway to production with offtake signed
- ✓ Substantial upside potential through infill drilling and further exploration
- ✓ Experienced team to deliver the project
- ✓ Pure-play ASX copper exposure leveraged to strong market fundamentals

Key workstreams for 2022

- Finalise funding strategy
- Complete Reserve
- Finalise Feasibility Study
- Final Investment Decision
- Early works - mobilise to site
- Operational readiness

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Disclosures

Competent Person Statement

The Jervois resources information were first released to the ASX on 23/03/2022 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company 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.

The following drill holes were originally reported on the date indicated and using the JORC code specified in the table.

Hole		Date originally Reported	JORC Reported Under
KJCD	481D3	11/10/2021	2012
KJCD	481D6	10/11/2021	2012
KJCD	481D7	14/02/2022	2012
KJCD	416	14/04/2020	2012
KJCD	434	13/05/2021	2012

Forward Looking statements

- This release includes certain forward-looking statements. The words "forecast", "estimate", "like", "anticipate", "project", "opinion", "should", "could", "may", "target" and other similar expressions are intended to identify forward looking statements. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding forecast cash flows and potential mineralisation, resources and reserves, exploration results and future expansion plans and development objectives of KGL are forward-looking statements that involve various risks and uncertainties. Although every effort has been made to verify such forward-looking statements, there can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. You should therefore not place undue reliance on such forward-looking statements.
- Statements regarding plans with respect to the Company's mineral properties may contain forward looking statements. Statements in relation to future matters can only be made where the Company has a reasonable basis for making those statements.

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Appendix C

Foreign Selling Restrictions

KGL
RESOURCES

Foreign Selling Restrictions

This presentation does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Australia

The information in this presentation has been prepared on the basis that all offers of New Shares will be made to Australian resident investors to whom an offer of shares may lawfully be made without disclosure under Part 6D.2 of the Corporations Act. This presentation is not a prospectus, product disclosure statement or any other form of disclosure document regulated by the Corporations Act and has not been, and will not be, lodged with the Australian Securities and Investments Commission (ASIC). Neither ASIC nor ASX takes any responsibility for the contents of this presentation. Accordingly, this presentation may not contain all information which a prospective investor may require to make a decision about whether to subscribe for New Shares and it does not contain all of the information which would otherwise be required by Australian law to be disclosed in a prospectus, product disclosure statement or any other form of disclosure document regulated by the Corporations Act. This presentation does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to the offer of New Shares or any other transaction in relation to KGL shares, you should assess whether that transaction is appropriate in light of your own financial circumstances or seek professional advice.

New Zealand

This presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (FMC Act)*. The New Shares are not being offered to the public within New Zealand other than to existing shareholders of KGL with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the FMC Act and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*. Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

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Foreign Selling Restrictions

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Singapore

This presentation and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part XIII of the *Securities and Futures Act, Chapter 289 of Singapore (SFA)*, or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This presentation has been given to you on the basis that you are:

- an existing holder of KGL shares;
- an 'institutional investor' (as defined in the SFA); or
- an 'accredited investor' (as defined in the SFA).

In the event that you are not an investor falling within any of the categories set out above, please return this presentation immediately. You may not forward or circulate this presentation to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

British Virgin Islands

The New Shares may not be offered in the British Virgin Islands unless KGL or the person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. KGL is not licensed to carry on business in the British Virgin Islands. The New Shares may be offered to existing shareholders of KGL in the British Virgin Islands from outside the British Virgin Islands without restriction.

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Foreign Selling Restrictions

This presentation does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

United States

This presentation may not be distributed or released in the United States. This presentation does not constitute any offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal or impermissible. Neither the entitlements nor the New Shares have been, or will be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, to any person in the United States or any person that is acting for the account or benefit of a person in the United States unless they have been registered under the US Securities Act (which KGL has no intention to do or to procure) or are offered or sold in a transaction exempt from, or in a transaction not subject to, the registration requirements of the US Securities Act and any applicable US state securities laws. The entitlements and the New Shares to be offered and sold in the Offer may only be offered and sold outside the United States to persons that are not acting for the account or benefit of persons in the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

KGL Resources Limited

Equity Raising 2022

Contact us:

Level 5, 167 Eagle Street,
Brisbane QLD 4000, Australia

T: +61 7 3071 9003

info@kglresources.com.au

kglresources.com.au

IID:

SRN/HIN:

Entitlement Number:

**Number of Eligible Shares held as
at the Record Date, 7:00pm (AEST)
on 20 April 2022:**

**Entitlement to New Shares
(on a 1 New Share for 6 basis):**

**Amount payable on full acceptance
at \$0.37 per Share:**

**Offer Closes
5:00pm (AEST): 5 May 2022**

ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 6 Existing Shares that you hold on the Record Date, at an Offer Price of \$0.37 per New Share. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Offer is being made under the Retail Offer Booklet dated 26 April 2022. The Retail Offer Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Retail Offer Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Retail Offer Booklet.

PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement (as shown above), you have two payment options detailed below.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (AEST) on 5 May 2022. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.

OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5:00pm (AEST) on 5 May 2022.



Biller Code: 369488
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

© Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



Please detach and enclose with payment



IID:

SRN/HIN:

Entitlement Number:

A Number of New Shares accepted (being not more than your Entitlement shown above)

B Number of additional New Shares applied for above your Entitlement

+

=

C Total number of New Shares applied for (add Boxes A and B)

D PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “KGL Resources Ltd” and crossed “Not Negotiable”.

Drawer

Cheque Number

BSB Number

Account Number

Amount of Cheque

E CONTACT DETAILS – Telephone Number

Telephone Number – After Hours

Contact Name

KGL RESOURCES LTD

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Retail Offer Booklet and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Retail Offer Booklet and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Straker Translations Limited.

HOW TO APPLY FOR NEW SHARES

1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by \$0.37.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for.

B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of **Additional** New Shares above your Entitlement for which you wish to apply into Box B. Your Application for Additional New Shares may not be successful (wholly or partially). The decision of KGL Resources Ltd on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

D. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section B. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "KGL Resources Ltd" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, Straker Translations Limited may treat you as applying for as many New Shares as your cheque, bank draft or money order will pay for.

E. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Retail Offer Booklet electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

KGL Resources Ltd
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (AEST) on 5 May 2022. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. KGL Resources Ltd reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

If you require further information on how to complete this Entitlement and Acceptance Form, please contact the KGL Resources Ltd Offer Information Line on 1300 730 659 (within Australia) or +61 1300 730 659 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.