

22 February 2021

## Equity Raising to raise approximately \$23.77 million

- ) **Successful completion of a strategic institutional placement, raising approximately \$12 million**
  - ) **Announcement of non-renounceable entitlement offer to raise up to \$11.77 million**
  - ) **Proceeds from the Equity Raising will be applied to further developing KGL's Jervois Copper Project and investigating additional exploration targets in the area**
- 

### Details of Equity Raising.

KGL Resources Ltd (**KGL**) is pleased to announce the completion of a strategic placement raising approximately \$12 million (**Institutional Placement**) and a proposed 1 for 13 non-renounceable entitlement offer of fully paid ordinary shares in KGL (**New Shares**) to raise up to \$11.77 million (**Entitlement Offer**) (the Institutional Placement and Entitlement Offer together referred to as the **Equity Raising**).

### Placement Details.

The strategic placement was a result of approaches by leading, highly regarded Australian Fund Managers, adding to the quality of the KGL register and providing a strong endorsement of the Jervois Project and prospectivity in surrounding areas.

### Use of Funds.

Proceeds from the Equity Raising will be applied to KGL's Jervois Copper Project and will enable KGL to optimise the mine planning, complete the full project feasibility study, undertake financing, and provide a pool of funds to test some of what KGL believes are exciting additional exploration targets in the area.

KGL's Executive Chairman, Mr Denis Wood, said,

"At Jervois the aim is to recommence infill and step out drilling to increase the resource base and extend the current mine life and project economics.

We will also seek to leverage the strong correlation observed between DHEM analytics and mineralisation, as evidenced from the work done in recent years. As such some of the proceeds will be directed toward additional geophysics and drilling of key greenfield exploration targets at Jervois.

KGL's geological team are excited about the potential exploration success on their tenements given their improved understanding of the areas structural and geological setting, and ability to use technologies to better target mineralized zones.

It is the KGL's intention to recruit a CEO in the near future, to further advance these activities as well as delivery of the Feasibility Study".

## Entitlement Details

Term	Condition	Detail
<b>Offer Price for the Entitlement Offer</b>	\$0.42 per New Share	Same price as the Institutional Placement 8.7% discount to last traded price of KGL shares (17 February 2021)
<b>Share Entitlement</b>	1:13	1 New Share for every 13 Shares held on the Record Date
<b>Record Date</b>		7.00pm (AEDT) on Thursday, 25 February 2021
<b>Offer Type</b>	Non-renounceable	Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value for those Entitlements that they do not take up
<b>Shares to be issued under Institutional Placement</b>	28,571,427	New Ordinary Shares that will be eligible to participate in the Entitlement Offer. Placees have given a commitment to take up their full entitlement
<b>Shares to be issued under Entitlement Offer</b>	Approximately 28,024,573	Maximum shares to be issued assuming 100% participation or placement of any shortfall
<b>Major Shareholders and Directors</b>	KMP Investments and Denis Wood	KMP Investments Pte Ltd, entities associated with Mr Denis Wood and each of the Directors have notified their intention to take up their full entitlement under the Entitlement Offer
<b>Ranking</b>		Shares issued under the Entitlement Offer will rank equally with existing shares

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.

## Key dates<sup>1</sup>

Event	Date
Trading halt and opening of Institutional Placement	Thursday, 18 February 2021
Institutional Placement closes (before market opens)	Monday, 22 February 2021
Announcement of Entitlement Offer and completion of the Institutional Placement Trading halt lifted	Monday, 22 February 2021
Settlement of Institutional Placement	Wednesday, 24 February 2021
Shares traded on an 'ex' entitlement basis	Wednesday, 24 February 2021
Allotment of Shares under the Institutional Placement	Thursday, 25 February 2021
Record date for eligibility to participate in the Entitlement Offer	7.00pm AEDT, Thursday, 25 February 2021
Normal ASX trading for Shares issued under the Institutional Placement commences	Friday, 26 February 2021
Despatch of information booklet and personalised Entitlement and acceptance forms to Eligible Shareholders	Monday, 1 March 2021
Entitlement Offer opens	Monday, 1 March 2021
Last date to extend the closing date for the Entitlement Offer	5.00pm AEDT, Thursday, 11 March 2021
Entitlement Offer closes	Tuesday, 16 March 2021
Announcement of results of Entitlement Offer and under-subscriptions	Friday, 19 March 2021
Allotment of New Shares issued under the Entitlement Offer	Tuesday, 23 March 2021

<sup>1</sup> 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.

Event	Date
Normal ASX trading for New Shares issued under the Entitlement Offer commence	Wednesday, 24 March 2021
Dispatch of holding statements for New Shares issued under the Entitlement Offer	Thursday, 25 March 2021

### Further information

If you have any queries, please call Link Market Services on 1300 306 413 (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.

### Important information

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

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.