



www.kglresources.com.au

7/167 Eagle Street St Brisbane, 4000

19 March 2021

Completion of Entitlement Offer Total Equity Raising of \$21.57 million

Key points

-) Entitlement Offer raises a total of approximately **\$9.57 million** (before costs).
-) Total Funds raised through Placement and Entitlement Offer **\$21.57 million** (before costs)
-) New Shares under the Entitlement Offer will be allotted on Tuesday, 23 March 2021.

On 22 February 2021, KGL Resources Limited (**KGL** or **the Company**) announced a 1 for 13 non-renounceable entitlement issue for ordinary KGL shares (**New Shares**) at an offer price of \$0.42 to raise approximately \$11.77 million (**Entitlement Offer**).

The Entitlement Offer closed at 5.00pm (AEDT) on Tuesday, 16 March 2021 raising a total of **\$9,574,137** before costs, representing a total subscription of approximately **81.3%**, an excellent result considering the Company elected not to have a top-up facility as part of the Entitlement Offer.

The Executive Chairman of KGL, Mr Denis Wood, thanked shareholders for their ongoing support of the Company,

“Infill and step-out drilling has recommenced at Jervois and following the success of this raising, we will add a second rig in April to explore the key greenfield targets,” Mr Wood said.

“The Feasibility Study is well underway as well as financing discussions. It is our ambition to commence development in the second half of this year subject to the final investment decision.”

KGL received valid applications under the Entitlement Offer for approximately **22,795,564** New Shares, representing approximately **81.3%** of the **28,024,573** New Shares offered to shareholders.

The applications included participation by KGL’s major shareholders, KMP Investments Pte Ltd and Denis Wood (on behalf of his controlled entities) for their full entitlements, in line with previously announced commitments.

KGL reserves the right, subject to the requirements of the ASX Listing Rules and the relevant law, to place the remaining shortfall within three (3) months of the closing date at a price not less than the issue price of \$0.42.

Not for release to US wire services or distribution in the United States except by KGL Resources Limited to Approved US Shareholders

The issue and allotment of the New Shares under the Entitlement Offer is scheduled to occur on Tuesday, 23 March 2021, and ASX trading of the new shares expected to commence on Wednesday, 24 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 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 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.