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Completion of Entitlement Offer

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Key points

- Entitlement Offer raises a total of approximately **$3.83 million** (before costs).
- Eligible shareholders, who applied for New Shares under the top-up facility of **$1.38 million,** will be allocated their applications in full.
- New Shares under the Entitlement Offer will commence trading on Monday, 10 August 2020.

On Monday, 9 July 2020, KGL Resources Limited (**KGL** or **the Company**) announced a 2 for 25 non-renounceable entitlement issue for ordinary KGL shares (**New Shares**) at an offer price of $0.16 to raise approximately $3,991,272 (**Entitlement Offer**).

The Entitlement Offer closed at 5.00pm (AEDT) on Friday, 31 July 2020 raising a total of **$3,828,786.88** (including from the top-up facility) before costs, representing a total subscription of approximately **96%**.

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

> "In these uncertain times, the confidence shown by shareholders in the Company and the Jervois Copper Project is greatly appreciated," Mr Wood said.
>
> "Of particular importance was the decision by KGL's largest shareholder, KMP Investments Pte Ltd, to take up its full entitlement. KMP has provided vital leadership in consistently supporting the capital raising required to bring the Jervois project to this final pre-development stage."

KGL received valid applications under the Entitlement Offer for approximately **23,929,918** New Shares (including under the top-up facility), representing approximately **96%** of the **24,945,448** New Shares offered to eligible shareholders.

The applications included participation by KGL 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.

Applications from eligible shareholders for additional New Shares under the top up facility totalled **$1,379,408**. As applications under the top up facility did not exceed the shortfall, all eligible shareholders that applied for additional New Shares under the top up facility will be issued the number of New Shares for which they applied.

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 $0.16.

The issue and allotment of the New Shares under the Entitlement Offer is scheduled to occur on Friday, 7 August 2020, and ASX trading of the new shares expected to commence on Monday, 10 August 2020.

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 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.