

29 December 2015

## KGL announces \$3 million capital raising

### Underwriting by KGL Chairman, Denis Leslie Wood

KGL Resources Limited (**KGL** or **Company**) is pleased to announce a capital raising to raise up to \$3 million by way of a two for nine pro rata non-renounceable entitlement offer, fully underwritten by Denis Leslie Wood (**Entitlement Offer**).

Eligible shareholders will be able to apply for additional shares through a top-up offer.

The offer price for the Entitlement Offer is \$0.095 per share.

Funds raised through the capital raising will be used for the exploration and development of KGL's Jervois Copper-Silver Project in the Northern Territory as well as being applied to corporate overheads, working capital and offer costs.

The principal terms of the non-renounceable rights issue are as follows:

- Two (2) new fully paid ordinary shares for every nine (9) shares held
- An issue price of 9.5 cents per share, representing a discount of 5% to the closing price of KGL shares on 24 December 2015 of \$0.10 (being the last trading day before announcement of the Entitlement Offer) and a discount of 4.13% to the TERP.<sup>1</sup>

### Use of funds

Source of funds	\$3m raising
Cash on hand December 2015	\$1.4 million
Funds raised after costs	\$3 million
Total funds available	\$4.4 million
Use of funds	
Exploration	\$2.8 million
Project development (follow up drilling, EIS and other studies)	\$0.3 million
Working capital	\$1.3 million
Total budget	\$4.4 million

<sup>1</sup> The Theoretical Ex-Rights Price (**TERP**) is the theoretical price at which KGL shares should trade immediately following the ex-date for the Entitlement Offer assuming 100% take up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which KGL's shares trade immediately following the ex-date for the Entitlement Offer will depend on many factors and may not approximate TERP.

## Key dates

Detailed information regarding the Entitlement Offer will be sent to shareholders in accordance with the timetable below.

Activity	Date
Record date for Entitlement Offer (7:00pm Brisbane time)	5 January 2016
Information booklet, and entitlement and acceptance form despatched	8 January 2016
Entitlement Offer opens	8 January 2016
Closing date for acceptances under Entitlement Offer (5:00pm Brisbane time)	22 January 2016
Announcement of results of Entitlement Offer and under-subscriptions	28 January 2016
Settlement of new shares under the Entitlement Offer	29 January 2016
Allotment of new shares issued under the Entitlement Offer	1 February 2016
Despatch of holding statements for new shares issued under the Entitlement Offer	1 February 2016
Normal ASX trading for new shares issued under the Entitlement Offer commences	2 February 2016

### For further information contact:

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### About KGL Resources

KGL Resources Limited is an Australian mineral exploration company focussed on increasing the high grade Resource at the Jervois Copper-Silver-Gold Project in the Northern Territory and developing it into a multi-metal mine.