

Kobo Resources Announces Non-Brokered Private Placement of up to \$4.5 Million and Secures Lead Order; Initiates Concurrent Brokered Private Placement of up to \$2.5 Million

written by Raj Shah | May 16, 2024

May 16, 2024 ([Source](#)) – Kobo Resources Inc. (“**Kobo**” or the “**Company**”) (TSX.V: **KRI**) intends to complete a non-brokered private placement of up to 12,857,143 units (the “**Units**”) at a price of \$0.35 per Unit for gross proceeds of up to \$4.5 million (the “**Offering**”). The Units will be issued pursuant to the “accredited investor” or another exemption (other than the listed issuer financing exemption) from the prospectus requirements in accordance with National Instrument 45-106 – *Prospectus Exemptions* (or, in Québec, *Regulation 45-106 respecting Prospectus Exemptions*) (“**NI 45-106**”).

Luso Global Mining, S.A (“**LGM**”), a wholly owned subsidiary of Mota-Engil SGPS, S.A. (“**Mota-Engil**”) has confirmed to the Company its intent to participate in the Offering as a lead investor for an amount of up to \$3.75 million that is expected to represent up to 9.99% of the issued and outstanding common shares of the Company (“**Common Shares**”) upon closing of the Offering. Founded in 1946, Mota-Engil is a multinational organization with expertise in construction, mining, and infrastructure management across a number of sectors, including

Engineering, Mining and Construction, Environment and Services, Transport Concessions, and Energy. Mota-Engil is a market leader in the Portuguese construction industry, occupying a prominent position among the top 15 construction companies in Europe. Mota-Engil operates in 21 countries across Europe, Africa, and Latin America with a workforce of over 50,000 employees and EBITDA exceeding €800 million in 2023. More specifically, Mota-Engil operates in 13 African countries and is the mining contractor for eight operating mines, including Fortuna Silver's Séguéla Gold Mine and Endeavour Mining's Lafigué Gold Project in Cote d'Ivoire, Managem's Gold Mines Boto in Senegal and Tri-K in Guinea-Conakry, as well as for other mining operations located in Angola, Guinea, Mozambique, and South Africa.

Edward Gosselin, CEO and Director of Kobo commented: *"After a successful RC drilling program in 2023, we look forward to expanding our exploration efforts at our Kossou Gold Project in 2024. Following the expected closing of this financing, the additional capital will enable us to enhance our current exploration initiatives in 2024 to extend the known zones of mineralisation at our three main targets, the Road Cut Zone, Jagger Zone and Kadie Zone."* He continued: *"We are extremely pleased to announce LGM's investment as a significant long-term shareholder in Kobo. This investment not only reflects their confidence in our vision for the Kossou Gold Project, but also signifies the beginning of a mutually beneficial relationship aimed at advancing our project portfolio with the potential of exploring new opportunities. Leveraging LGM and Mota-Engil's extensive in-country experience, Kobo is well-positioned to drive forward our exploration efforts in Côte D'Ivoire and beyond."*

Alexander Shaw, CEO of LGM commented: *"We are pleased to begin this journey with Kobo as this marks the first step in what we anticipate being a productive and lasting partnership going*

forward. LGM is fully committed to developing a strong relationship with Kobo, and we are enthusiastic about the opportunities this collaboration presents. The early exploration efforts at the Kossou Gold Project are promising, indicating significant potential for further discovery through additional drilling. We look forward to working with the Company on its future strategic priorities.”

In addition to the Units offered pursuant to the Offering, the Company also intends to complete a brokered private placement (the “**Concurrent Financing**”) of a maximum of 7,142,857 additional Units of the Company (the “**Additional Units**” and together with the Units, the “**Offered Units**”) at a price of \$0.35 per Additional Unit for additional gross proceeds of up to \$2.5 million, pursuant to the listed issuer financing exemption available under Part 5A of NI 45-106.

Each Offered Unit is to be comprised of one Common Share and one-half of one common share purchase warrant (each whole common share purchase warrant (“**Warrant**”). Each whole Warrant will entitle its holder to acquire one Common Share at a price of \$0.55 per share for a period of 24 months from the closing of the Offering. The securities issued under the Offering will be subject to a statutory hold period in accordance with applicable Canadian securities laws and the securities issued under the Concurrent Financing will not be subject to a hold period in accordance with applicable Canadian securities laws.

The Offering and the Concurrent Financing together are subject to the receipt by the Company of a minimum of \$2,500,000 in gross proceeds (the “**Minimum Offering Proceeds**”) from either the Offering or a combination of both the Offering and the Concurrent Financing.

The Company intends to use the net proceeds of the Offering and

the Concurrent Financing to expand its 2024 diamond drill program on its Kossou exploration permit, initiate a soil geochemical survey and a geological exploration program on the Kotobi research permit and for general corporate and working capital purposes.

Leede Jones Gables Inc. will act as agent in connection with the Concurrent Financing.

Closing of the Offering and the Concurrent Financing may occur in one or more closings with the first closing expected to occur on or about May 30, 2024 and the final closing to occur no later than June 28, 2024 (the “**Closing**”), and are subject to certain closing conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange and the receipt of the Minimum Offering Proceeds.

There is an offering document related to the Concurrent Financing that can be accessed under the Company’s profile at www.sedarplus.ca and at www.koboresources.com. Prospective investors should read this offering document before making an investment decision.

The Company anticipates that certain “related parties” of the Company will participate in the Offering. The participation in the Offering of such “related parties” will constitute a “related party transaction” as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company expects that the Offering will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of securities being issued to the related parties nor the consideration being paid by related parties will exceed 25% of the Company’s market capitalization.

The Offered Units and underlying Common Shares and Warrants have not been registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any U.S. state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the “United States” or “U.S. persons” (as such terms are defined in Regulation S under the U.S. Securities Act) absent registration under the U.S. Securities Act and all applicable U.S. state securities laws or compliance with an exemption from such registration requirements. This press release is not an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction.

About Kobo Resources Inc.

Kobo Resources is a growth-focused gold exploration company with a compelling new gold discovery in Cote d’Ivoire, one of West Africa’s most prolific and developing gold districts, hosting several multi-million-ounce gold mines. The Company’s 100%-owned Kossou Gold Project is located approximately 20 km northwest of the capital city of Yamoussoukro and is directly adjacent to one of the region’s largest gold mines with established processing facilities.

The Company is drilling to unlock the potential size and scale of Kossou within 9+ km strike length of highly prospective gold in soil geochemical anomalies with excellent rock and trench sampling results. The Company completed ~6,000 m of RC drilling and ~5,400 m of trenching in 2023 and is planning on additional drilling and trenching in 2024. Significant gold mineralisation has been identified at three main targets within a 300 m wide, 2+ km long, pervasively altered structural corridor defining a potentially large mesothermal gold system.

Kobo's common shares trade on the TSX Venture Exchange under the symbol "KRI". For more information, please visit www.koboresources.com.

NEITHER THE TSXV NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSXV) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Cautionary Statement on Forward-looking Information:

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", "anticipates", "plans", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements include, but are not limited to, statements regarding the Company's ability to obtain requisite approvals, including approval of the TSX Venture Exchange for the Offering and the Concurrent Financing; the Company's ability to raise the Minimum Offering Proceeds; the completion of the Offering and the Concurrent Financing, including the completion of the subscription of LGM, on the terms described herein or at all; the anticipated closing date for the Offering and the Concurrent Financing; the proposed use of proceeds; the completion of the

Company's business objectives, and the timing, costs, and benefits thereof; development and exploration costs; the Company's ability to complete or not its diamond drill program on the Kossou Gold Project and the Company's ability to conduct the proposed exploration program on its Kotobi exploration permit, located in Côte d'Ivoire.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: failure by the Company to raise the Minimum Offering Proceeds; general business, economic, competitive, political and social uncertainties; and the delay or failure to receive requisite approvals. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, the Company assumes no obligation to update the forward-looking statements.

Contacts

Edward Gosselin
Chief Executive Officer and Director
1-418-609-3587
ir@kobores.com