Kobo Resources Announces Upsize to Previously Announced Non-Brokered Private Placement and Concurrent Brokered Private Placement

written by Raj Shah | May 30, 2024

May 30, 2024 (Source) – Kobo Resources Inc. ("**Kobo**" or the "**Company**") (**TSX.V: KRI**) is pleased to announce that, due to strong investor demand, it has upsized its previously announced non-brokered private placement of units (the "**Offering**") and concurrent brokered private placement of units (the "**Concurrent Financing**").

Edward Gosselin, CEO and Director of Kobo commented: *"Due to strong investor interest, we are pleased to announce an increase in the size of our previously announced private placement. The additional funding will enable our team to implement further exploration initiatives at the Kossou Gold Project in 2024, including extending the known mineralisation at our three main targets: the Road Cut Zone, Jagger Zone, and Kadie Zone. Additionally, we look forward to initiating early-stage exploration efforts at our Kotobi Research Permit, which covers approximately 302 km^2 and is also underlain by Birimian Group rocks. Our 2024 diamond drilling program continues to progress as planned, and we remain optimistic about the future, including with the support of Luso Global Mining."*

The upsized Offering is for up to 14,285,714 units of the Company (the "**Units**") at a price of $0.35 per Unit for gross

proceeds of up to approximately $5.0 million, increased from the previously announced 12,857,143 Units for gross proceeds of up to $4.5 million.

The upsized Concurrent Financing is for up to 8,571,430 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 approximately $3.0 million, increased from the previously announced 7,142,857 Additional Units for gross proceeds of up to $2.5 million.

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**"). The Additional Units will be issued 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 June 4, 2024 and the final closing to occur no later than July 2, 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 amended and restated 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, 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.

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