

Letter to Shareholders – KalGold Priority Entitlement

Ardea Resources Limited (**ASX: ARL, Ardea**) advises that the following letter regarding the Kalgoorlie Gold Mining Limited Priority Offer will be despatched to eligible Ardea shareholders.

This announcement has been authorised for release by the Board of Ardea.

24 September 2021

Name
Address

Priority Access Code

Dear Shareholder,

RE: KALGOORLIE GOLD MINING LIMITED IPO OPENS - PRIORITY OFFER

Ardea Resources Limited (**Ardea**) is pleased to provide an update in relation to the proposed demerger and Initial Public Offer (**IPO**) of its Kalgoorlie gold assets into Kalgoorlie Gold Mining Limited (**KalGold**) and the opening of the Priority Offer to eligible Ardea shareholders.

Demerger and Distribution of Kalgold Shares

Ardea advises that the Prospectus for KalGold was lodged with ASIC on 17 September 2021 and applications under the general and priority offers (**Offers**) open on 25 September 2021 (unless ASIC extends the exposure period in respect of the Prospectus).

Under the proposed demerger, all eligible Ardea shareholders are entitled to automatically receive an in-specie distribution of KalGold shares (at no cost) – with 1 KalGold Share for each 3.94 Ardea shares held (approximately) on the in-specie distribution record date of 29 October 2021, subject to the outstanding conditions of the proposed demerger being satisfied or waived. These conditions include: (i) Ardea Shareholders approving the transaction at its general meeting to be held on 25 October 2021; (ii) KalGold receiving valid applications for a minimum of \$7,000,000 under the IPO; and (iii) KalGold receiving a conditional admission letter from the ASX on terms satisfactory to the directors of KalGold.

KalGold IPO and Priority Offer to Ardea Shareholders

As an Ardea Shareholder (registered in Australia and New Zealand) who held fully paid ordinary shares at 5.00pm (WST) on 17 September 2021, you are eligible to subscribe for additional shares in the KalGold IPO under a PRIORITY APPLICATION at the issue price of 20 cents per share (subject to the terms and conditions set out in the Prospectus).

The Prospectus can be accessed through any of the following websites and you should use your unique Priority offer access code sent by email and post to submit your Application under the Priority Offer.

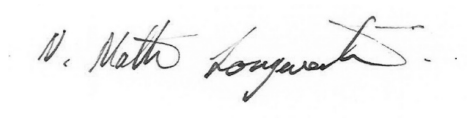
Alternatively please enter your existing Ardea Resources Limited (**ASX: ARL**) Holder Identification Number (**HIN**) or Securityholder Reference Number (**SRN**) when submitting your Application under the Priority Offer. Note, the priority offer will close on **8 October 2021** (unless the directors of KalGold resolve otherwise):

- Automatic Share Registry website (<https://investor.automic.com.au/#/ipo/kalgoorliegoldpriority>)
- Ardea website (www.ardearesources.com.au)
- KalGold website (www.kalgoldmining.com.au)

Only applications made under the Prospectus will be accepted by KalGold.

For further information on how to apply for KalGold Shares, please see the Prospectus, which is available on-line at any of the above websites.

Yours sincerely,

A handwritten signature in black ink, reading "M. Mathew Longworth". The signature is written in a cursive style with a large, stylized "M" and "L".

Mathew Longworth
Chair