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ASX RELEASE

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$4.0 Million Placement to Strategic Investors to Expedite Exploration at the Company's Canadian Lithium Projects

Highlights

- Firm commitments received for a placement to raise $4.0 million at $0.15 per share – a 7.1% premium to the previous closing price.
- Proceeds from the Placement to be primarily used to expedite exploration at the Company's portfolio of high-quality lithium-pegmatite projects in Canada.

Koba Resources Limited (ASX:KOB; "Koba" or the "Company") is pleased to advise that it has received firm commitments for a placement to raise $4.0 million ("**Placement**"). The Placement is subject to shareholder approval to be obtained at a meeting currently scheduled for Tuesday, 4 April 2023 ("**Meeting**").

The Placement was oversubscribed with strong support from new, strategic investors. Net proceeds from the Placement will be used to expedite exploration at the Company's portfolio of high-quality lithium-pegmatite projects including:

(i) the Whitlock Lithium Project in Manitoba, located along strike from the Tanco Lithium Mine - Canada's only producing lithium mine;

(ii) the JB1 Lithium Project located in the emerging James Bay Lithium District, Quebec; and

(iii) the Python Lithium Project located in the Pilbara region of Western Australia.

The Placement will also provide funding for Koba to aggressively pursue new opportunities in the battery metals sector.

Cygnet Capital acted as Lead Manager to the Placement.

Koba Managing Director and CEO, Mr Ben Vallerine, said:

"I would like to thank Cygnet Capital and its clients for their support of this $4.0 million Placement which is a strong endorsement of the Company and its assets. The funds raised will be used to expedite exploration programs at our high-quality portfolio of lithium-pegmatite projects within world class lithium districts in Canada and Australia."

Placement Details

The Placement will result in the issue of approximately 26,666,667 new fully paid shares ("**Shares**") at $0.15 per Share ("**Placement Shares**"), representing a 7.1% premium to the Company's previous closing share price on 20 February 2023. One unlisted attaching option ("**Placement Option**") will be issued for every four Placement Shares. The Placement Options will have an exercise price of $0.30 per option and an expiry date of 27 December 2024.

The issuance of the Placement Shares and the Placement Options will be subject to shareholder approval at a meeting that is currently scheduled for Tuesday, 4 April 2023 ("**Meeting**").

Settlement of the Placement Shares is expected to occur on Tuesday, 11 April 2022 with the allotment of the Placement Shares and Placement Options expected on Friday, 14 April 2023.

The Placement Shares will rank equally with existing ordinary shares from the date of issue.

As lead managers to the Placement, Cygnet Capital will be paid a 6% capital raising fee on the funds raised. The Company will also issue Cygnet Capital (or nominees) 4.0 million unlisted options with a $0.30 exercise price and an expiry date of 27 December 2024 ("**Broker Options**"). Shareholder approval of the Broker Options will also be sought at the Meeting.

This announcement has been authorised for release by the Board.

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