KGL enters a US$300 million agreement for silver and gold by-product streaming with Wheaton Precious Metals

Level 5, 167 Eagle Street
Brisbane Queensland 4000
Australia
kglresources.com.au

For personal use only

2 April 2026

ASX Announcement

KGL Resources Limited (ASX:KGL) ("**KGL**" or the "**Company**") is pleased to announce it has entered into a Precious Metals Purchase Agreement totalling US$300 million (the "**PMPA**" or "**Streaming Arrangement**") with Wheaton Precious Metals International Ltd., a wholly owned subsidiary of Wheaton Precious Metals Corp. (together, "**Wheaton**"). The PMPA will, in part, fund construction and development of the Jervois Copper Project in the Northern Territory, Australia (the "**Project**").

The funding provides US$275 million **Stream Upfront Consideration** and US$25million contingent cost overrun (the "**Cost Overrun Facility"** or "**COF").** The US$275 million will be provided as;

- US$32 million available prior to any construction expenditure (the **"Early Deposit"**); and
- US$243 million available in four tranches following achievement of certain construction expenditure milestones (the **"Remaining Deposit"**)

Key Terms of the PMPA are provided in Appendix 1.

With the necessary development and mining permits in place, the PMPA represents a major step forward towards development of the Project, positioning KGL to become the next meaningful Australian copper producer. This is Wheaton's first streaming transaction in Australia and follows Wheaton's entry into a streaming agreement in respect of BHP's portion of the Antamina mine, announced in February 2026.

Highlights

- KGL's copper production remains unencumbered, with full exposure to the tightening copper market.
- The transaction recognises the value of silver and gold.
- This US dollar funding package is secured against US dollar revenue that effectively provides risk mitigation.
- The PMPA benefits from an absence of traditional fixed repayment obligations and project financing-style financial covenants, substantially de-risking the Project, especially during commissioning and ramp-up.
- The Early Deposit will be immediately available upon the satisfaction of customary conditions to progress Project construction.
- The PMPA applies only to the Jervois tenements and not to any other tenements held by KGL (i.e. it excludes the Unca Creek tenement).

Next Steps

KGL is in the process of finalising the scope and cost of the process plant construction contract, updating the production schedule, providing for price escalation (where applicable) and incorporating changes resulting from movements in commodity prices. KGL expects its review of these items (which remains ongoing) to result in changes to the technical and economic framework for Project delivery, as set out in the 2025 Feasibility Study Update (announced 10 February 2025) ("**2025 FSU**"). Specifically, KGL expects both overall Project capital costs and revenue forecasts to increase. KGL's expects to be able to provide an update by May 2026. Any such update (including its content) is subject to the final outcomes of the ongoing review and KGL board approval.

KGL remains in active dialogue with global traders and off-takers as well as other capital providers and arrangers to finalise the full funding of the Project. In addition to the PMPA, Wheaton has committed to participate in any future equity raise by KGL in connection with funding the Jervois mine, for the lesser of up to (i) AU$35 million and (ii) that number of new shares representing 20% of the shares offered under the equity raise, where such equity raise is completed by the first anniversary of the date of the PMPA, at KGL's election and on commercial terms to be agreed (provided that Wheaton's interest in the Company shall not exceed 9.9%).

KGL's Chairman, Jeff Gerard, commented:

"We are delighted to secure this significant capital commitment from a leading global precious metals streaming company as a major cornerstone partner in our financing strategy for the Jervois Project. Our advisors ran a global process and the Wheaton proposal was the most attractive on several fronts and suitable for our needs to finance Jervois.

KGL's CEO, Sam Strohmayr, commented:

"This partnership with Wheaton is the culmination of a significant amount of work and collaboration by KGL, our advisors and the Wheaton team. This is an exciting and significant milestone for KGL which supports the next phases of advancing the Jervois project towards production. The near-term availability of the Early Deposit ensures we can maintain our development schedule, and we are now on the cusp of breaking ground on Australia's next major copper mine."

About Wheaton

Wheaton is the world's largest precious metals streaming company, focused primarily on gold and silver streaming agreements across a global portfolio of high-quality mining operations. Its business model offers investors commodity price leverage and exploration upside. Wheaton is committed to strong environmental and social governance ("**ESG**") practices and giving back to the communities where Wheaton and its mining partners operate. Wheaton creates sustainable value through streaming for all of its stakeholders.

KGL was advised by its joint financial advisors, amicaa Advisors Pty Ltd ("**amicaa**") and Cutfield Freeman & Co Limited ("**CF&Co**"). Allens acted as legal adviser to the Company.

This announcement has been approved by the board of KGL Resources Limited.

Further Information

For further information please contact:

Mr Jeff Gerrard
Chairman
KGL Resources Limited
E: info@kglresources.com.au
P: +61 7 3071 9003

Mr Sam Strohmayr
Chief Executive Officer
KGL Resources Limited
E: info@kglresources.com.au
P: +61 7 3071 9003

Forward Looking Statement

This announcement includes certain forward-looking statements. The words "forecast", "estimate", "like", "anticipate", "project", "opinion", "should", "could", "may", "target" and other similar expressions are intended to identify forward looking statements. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding forecast cash flows and potential mineralisation, resources and reserves, exploration results and future expansion plans and development objectives of KGL are forward-looking statements that involve various risks and uncertainties. Although every effort has been made to verify such forward-looking statements, there can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. You should therefore not place undue reliance on such forward-looking statements. Statements regarding plans with respect to the Company's mineral properties may contain forward looking statements. Statements in relation to future matters can only be made where the Company has a reasonable basis for making those statements.

For personal use only

For personal use only

APPENDIX 1

PMPA Key Terms

The key transaction terms of the PMPA include:

Stream Upfront Consideration: Wheaton will pay KGL total consideration of up to US$275 million comprising:

- Two US$16 million instalments available prior to construction commencement, subject to satisfaction of conditions precedent including customary conditions precedent, and (for the second instalment) Foreign Investment Review Board ("**FIRB**") approval being received by Wheaton and evidence of early works expenditure (together, comprising the "**Early Deposit**"); and
- US$243 million in four (4) equal tranches available after certain conditions (detailed below) have been met (the **"Remaining Deposit"**).

Production Payments: Wheaton will make ongoing payments for the purchased metal ounces equal to 20% of the prevailing spot price.

Streamed Metal: In return for the Stream Upfront Consideration and the Production Payments, KGL will deliver the following:

- **Streamed Silver Metal**: 75% of the payable silver produced until 4,300,000 silver ounces are delivered ("**First Silver Dropdown**"); reducing to 37.5% of produced silver until an additional 1,700,000 silver ounces are delivered; and thereafter reducing to 25%.
- **Streamed Gold Metal**: 75% of the produced gold until 45,000 gold ounces are delivered; reducing to 37.5% of produced gold until an additional 15,000 gold ounces are delivered; and there after reducing to 25%.

Cost Overrun Facility ("COF"): At KGL's option, Wheaton will pay KGL an additional US$25 million. Wheaton will purchase 15% of the produced silver equivalent to the initial Streamed Silver Metal increasing from 75% to 90% of silver metal produced and will increase the First Silver Dropdown. The COF does not apply to gold. A termination fee (**Standby Fee)** will be payable by KGL if the Company does not exercise the option to utilise the COF. The termination fee is equal to 1.5% of the COF per annum for that period.

Delay Protections:

- KGL will be required to deliver additional ounces of gold and silver if there are delays in construction relative to an agreed construction timeline. Obligations to deliver any additional ounces are reduced by reference to actual throughput achieved for the prior month period.
- Each of the First Gold Dropdown Threshold and First Silver Dropdown Threshold will be subject to adjustment if there are delays in construction or deliveries relative to an agreed schedule.

Security and Guarantees: Corporate guarantees and first-ranking security granted by KGL and relevant group entities over Project and KGL corporate assets, subject to permitted prior-ranking encumbrances and an agreed intercreditor framework where Project debt financing is incurred.

Initial Early Deposit conditions: Conditions to initial utilisation of the Early Deposit include demonstrating compliance with customary working capital testing, provision of an early works budget with respect to early development of the Project, and entry into of the security and guarantees described above, among other customary conditions for a transaction of this nature.

Other Terms:

- Payment of the Remaining Deposit is subject to a customary conditions, including: (i) appointment of the open pit mining contractor and execution of other material development and construction and contracts; (ii) on-going sustainability reporting; (iii) FIRB approval; and (iv) balance of capital is secured for Project completion.
- In the event of a change of control of KGL prior to the earlier of completion and 31 December 2029, KGL will have an option to buyback one third of the stream.

- Wheaton has a right of first refusal on any future precious metal streams, royalties or similar transactions.
- The PMPA will apply to the Jervois Project tenement EL25429. For avoidance of doubt, the PMPA does not apply to future metal extracted from the 73km2 Unca Creek tenement EL28082 or any metal extracted outside of the Jervois tenement or toll treated through the Jervois processing infrastructure.
- The PMPA contains such undertakings, warranties and terms and conditions as would be standard and customary to include in arrangements and transactions of this nature.

For personal use only