

**KIBOKO GOLD INC.**

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All amounts are in Canadian dollars, unless otherwise stated.

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## **Kiboko Gold Offering Update and Full Exercise of Agent's Option**

Kelowna, British Columbia (June 27, 2022) – **Kiboko Gold Inc.** ("Kiboko" or the "Company") is pleased to provide an update with respect to its upsized initial public offering (the "Offering") and listing on the TSX Venture Exchange ("TSX-V"). The Offering is scheduled to close on June 29, 2022 (the "Closing Date") and is being conducted by Haywood Securities Inc. as the sole agent (the "Agent"). Following completion of the Offering, Kiboko's common shares are expected to commence trading on the TSX-V on July 5, 2022, under the symbol KIB.

As detailed in the Company's final prospectus dated June 22, 2022 (the "Prospectus"), Kiboko is offering 8,000,000 units ("Units") at a price of \$0.25 per Unit, 5,520,000 Flow-Through Units ("FT Units") at a price of \$0.29 per FT Unit, and 3,750,000 Québec Charity Flow-Through ("QCFT Units") Units at a price of \$0.44 per QCFT Unit (collectively, the "Offered Securities"). Also, the Agent has exercised its option to sell an additional 15% worth of Offered Securities in the form of 1,790,000 QCFT Units. As a result, the total aggregate proceeds from the Offering are expected to be \$6,038,400.

Each Unit and QCFT Unit is comprised of one common share in the capital of the Company (a "Share") and one common share purchase warrant (each whole such warrant, a "Unit Warrant"). Each Unit Warrant will entitle the holder thereof to purchase one Share at an exercise price of \$0.40 for a period of 60 months from the date of issuance. Each FT Unit is comprised of one Share and one common share purchase warrant (each whole such warrant, a "FT Unit Warrant"). Each FT Unit Warrant will entitle the holder thereof to purchase one Share at an exercise price of \$0.45 for a period of 60 months from the date of issuance.

The Company will use the gross proceeds from the flow-through portion of the Offering for Canadian exploration expenses on its property located in Québec that will qualify as flow-through mining expenditures, as defined in the Income Tax Act (Canada). The Company will use the net proceeds from the non flow-through portion of the Offering to fund the Company's business, as further described in the Company's Prospectus.

Pursuant to the terms and conditions of the Agency Agreement, the Agent will be paid a corporate finance fee of \$75,000 through the issuance of 300,000 Units at a price of \$0.25 per Unit. In addition, the Agent will receive a commission of \$313,667 payable in cash and 958,935 non-transferable common share purchase warrants (each, an "Agent's Warrant"). Each Agent's Warrant is exercisable into one Share at a price of \$0.40 per share for a one-year period.

Immediately following the closing of the IPO, Kiboko will enter into debt settlement agreements to settle obligations relating to accrued consulting fees and expenses totalling \$130,000 owed to two officers of the Company and will issue an aggregate of 520,000 Units at a price of \$0.25 per Unit on a non-brokered basis in settlement thereof (the "Debt Settlement Units"). The Debt Settlement Units will be subject to a statutory four-month hold period from the date of issue.

Immediately following the closing of the IPO, pursuant to the terms and conditions of the Company's Convertible Loan Agreements, the principal and accrued interest of these loans, totalling \$1,110,673 in aggregate as at June 29, 2022, will be converted to equity through the issuance of an aggregate of 4,442,692

Units at a price of \$0.25 per Unit (“Convertible Loan Units”) on a non-brokered basis. The Convertible Loan Units will be subject to a statutory four-month hold period from the date of issue.

Immediately following the closing of the IPO, pursuant to the terms and conditions of the Amended and Restated Option Agreement with Tres-Or Resources Ltd. (“Tres-Or”), Kiboko will issue Tres-Or 6,002,400 common shares of the Company having a value of \$1,500,000 based upon the non-flow-through offer price of the IPO on a non-brokered basis (the “Property Consideration Shares”). The Property Consideration Shares will be subject to a 12-month lock-up agreement (the “Lock-Up Agreement”) and a sale and transfer agreement for as long as Tres-Or’s ownership percentage of Kiboko is at least 5%, calculated on a non-diluted basis, from the date of issue (“Lock-Up Agreement”). Notwithstanding the foregoing restrictions, no earlier than December 30, 2022, Tres-Or is permitted to transfer all or a portion of the Property Consideration Shares to the shareholders of Tres-Or by way of a dividend, return of capital or otherwise (the “Shareholder Distribution”), in accordance with applicable corporate and securities laws and stock exchange rules. Any Property Consideration Shares not distributed under the Shareholder Distribution will remain subject to the Lock-Up Agreement.

Upon completion of the foregoing transactions and closing of the IPO, Kiboko will have 44,137,093 common shares issued and outstanding.

*No securities regulatory authority has either approved or disapproved of the contents of this news release. The Units, the FT Units, the QCFT Units, the underlying Shares and Unit Warrants, FT Unit Warrants and the Shares issuable upon exercise of the Unit Warrants and FT Unit Warrants, have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws. Accordingly, the Units, FT Units, and QCFT Units may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws, or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of Kiboko in any jurisdiction in which such offer, solicitation or sale would be unlawful.*

More information regarding the Offering is found in the Prospectus, which is available under the Company’s profile at [www.sedar.com](http://www.sedar.com).

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*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

**Cautionary Statement Regarding Forward Looking Information**

This news release and the Prospectus contain forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding: the Company’s use of the proceeds of the Offering; the timing of the closing of the Offering; the timing of the issuance of the Debt Settlement Units, Convertible Loan Units and Convertible Loan Units, the timing and expectation that the common shares of the Company will be listed and approved for trading on the TSX-V, are “forward-looking statements”. Forward-looking statements can be identified by the use of words such as “will” or variations of such word, or statements that certain actions, events or results “will” be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or

implied by such forward looking statements. The forward looking information in this news release is based upon certain assumptions that management considers reasonable in the circumstances, including that its capital needs will be as currently projected, that the Company will be able to successfully obtain all necessary permits and approvals to complete the Offering and conduct its business as currently proposed to be conducted, and that the skill and expertise of the Company's management will be sufficient to achieve its business objectives.

Risks and uncertainties associated with the forward looking information in this news release include, among others, commodity prices are volatile and may be lower than expected; the business of exploration for minerals and mining involves a high degree of risk, as few properties that are explored are ultimately developed into producing mines; the Company has limited operating history; the Company's operations are reliant on a limited number of properties; there is no existing public market for the Offered Securities or components thereof and there is no guarantee that the TSX-V will grant final approval to list the common shares of the Company for trading; the successful exploration and development of the Harricana Gold Project depends on the skills of the Company's management and teams; the Company may fail to comply with the law or may fail to obtain or renew necessary permits and licenses; the Company expects to incur losses and experience negative operating cash flow for the foreseeable future; there is no guarantee that the current tax laws and administrative practices of both the federal and provincial tax authorities will not be amended or construed in such a way that the tax considerations for a subscriber holding flow-through shares will not be altered in a materially unfavourable way; the Company may not use the proceeds from the Offering as described in this new release; the Company may not be able to obtain sufficient financing to pursue all of its intended exploration activities or continue on a going concern basis. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. The Company assumes no obligation to update any forward-looking statement, even if new information becomes available as a result of future events, new information or for any other reason except as required by law.