



NEWS RELEASE

Karora Announces Record Gold Production of 30,365 ounces and Gold Sales of 28,935 ounces for the Third Quarter

TORONTO, October 14, 2021 – Karora Resources Inc. (TSX: KRR) ("Karora" or the "Corporation" - <https://www.commodity-tv.com/ondemand/companies/profil/karora-resources-inc/>) is pleased to announce record quarterly consolidated gold production since the Higginsville acquisition of 30,365 ounces for the third quarter of 2021 from its Beta Hunt and Higginsville mines in Western Australia. Gold sales were 28,935 ounces sold during the quarter.

Production for the first three quarters of 2021 is a total of 84,889 ounces, in line with consolidated 2021 production guidance of 105,000 – 115,000 ounces. Karora's consolidated cash balance as at September 30, 2021 was \$86.7 million, an increase of \$4.5 million compared to June 30, 2021, after deployment of capital this past quarter into new mining operations at Higginsville and Spargos and into our aggressive drilling program.

Paul Andre Huet, Chairman & CEO, commented: "Record third quarter gold production of over 30,000 ounces continues to track well with our increasing gold production profile as we move through 2021 and places us on solid footing to achieve our full year 2021 guidance range.

During the quarter we continued to make significant investments in earthworks to prepare new, higher grade mining areas at Higginsville Central mines – Aquarius and Two Boys – and at our Spargos Mine. We also continued with our aggressive drilling program with a focus both on resource definition and exploration drilling. We have maintained a strong cash position while investing in the business and ended the third quarter with a healthy cash balance of \$86.7 million, inclusive of the proceeds from the exercise of warrants during the quarter.

As we work through the final quarter of 2021 and look forward to 2022, we remain on track to deliver on our fully funded organic growth plan, which we believe to be one of the most robust growth plans in the junior gold mining sector."

About Karora Resources

Karora is focused on doubling gold production to 200,000 ounces by 2024 compared to 2020 and reducing costs at its integrated Beta Hunt Gold Mine and Higginsville Gold Operations ("HGO") in Western Australia. The Higginsville treatment facility is a low-cost 1.6 Mtpa processing plant, expanding to a planned 2.5 Mtpa by 2024, which is fed at capacity from Karora's underground Beta Hunt mine and Higginsville mines. At Beta Hunt, a robust gold Mineral Resource and Reserve is hosted in multiple gold shears, with gold intersections along a 4 km strike length remaining open in multiple directions. HGO has a substantial gold Mineral Resource and Reserve and prospective land package totaling approximately 1,900 square kilometers. The Company also owns the high grade Spargos Reward project which is anticipated to begin mining in 2021. Karora has a strong Board and management team focused on

delivering shareholder value and responsible mining, as demonstrated by Karora's commitment to reducing emissions across its operations. Karora's common shares trade on the TSX under the symbol KRR and also trade on the OTCQX market under the symbol KRRGF.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the timing for the completion of technical studies, liquidity and capital resources of Karora, production guidance and the potential of the Beta Hunt Mine, Higginsville Gold Operation and the Spargos Gold Mine and the timing for production at the Spargos Gold Mine.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Karora to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; results of exploration programs; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash operating costs, failure to obtain regulatory or shareholder approvals. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to Karora's filings with Canadian securities regulators, including the most recent Annual Information Form, available on SEDAR at www.sedar.com.

Although Karora has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and Karora disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

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