



## NEWS RELEASE

### **Karora Announces Updated Consolidated Gold Mineral Resource Highlighted by Maiden Gold Resource for the Larkin Zone at Beta Hunt; Consolidated Mineral Resource Now Totals 2.71 Million Measured and Indicated ounces and 1.21 Million Inferred ounces**

#### **Highlights:**

- **Beta Hunt Gold Measured and Indicated Mineral Resources increased by 7% to 1.12 million ounces and Inferred Mineral Resource increased by 46% to 786,000 ounces**
- **Significant Beta Hunt additions include:**
  - **Maiden Larkin Mineral Resource comprising Measured and Indicated 1.44 million tonne @ 2.6g/t for 119,000 ounces and Inferred 2.17 million tonnes @ 2.3g/t for 162,000 ounces**
- **On a consolidated basis Karora's Gold Measured and Indicated Mineral Resource inventory increased by 8% to 2.71 million ounces net of mining depletion**
- **On a consolidated basis, Karora's Gold Inferred Mineral Resources increased by 43% to 1.21 million ounces**
- **The expanded Mineral Resource further supports Karora's Growth Plan to increase production to a targeted 185,000 - 205,000 ounces per annum by 2024**

**TORONTO, April 7, 2022** – Karora Resources Inc. (TSX: KRR) (OTCQX: KRRGF) ("Karora" or the "Corporation" - <https://www.commodity-tv.com/ondemand/companies/profil/karora-resources-inc/>) is pleased to announce its Consolidated Gold Measured and Indicated ("M&I") Mineral Resource, net of depletions, has increased by 8% and the Consolidated Inferred Mineral Resources have increased by 43%. The update is highlighted by the addition of the maiden Larkin Zone Mineral Resource at Beta Hunt which contributed 1.44 million tonnes @ 2.6 g/t for 119,000 ounces in the M&I category and 2.17 million tonnes @ 2.3 g/t for 162,000 ounces in the Inferred category.

Paul Andre Huet, Chairman & CEO, commented: "We are very pleased to announce robust increases, net of mining depletion, to our Consolidated Gold Mineral Resource in the M&I category to over 2.7 million ounces and over 1.2 million ounces in the Inferred category.

In particular, the addition of the maiden Mineral Resource for the Larkin Zone at Beta is exciting as it demonstrates how quickly we were able to move from the initial discovery of the zone announced in September 2020 (see Karora news release dated September 10, 2020) to the development of our first Mineral Resource of 119,000 ounces in the M&I category and a further 162,000 ounces in the Inferred category. The Larkin Zone has been delineated to a strike length of over 1,000 metres and a depth of 150 metres and remains open along strike and at depth providing significant potential for further expansion as our drill program at Beta Hunt continues. Our ability to rapidly convert new discoveries at

Beta Hunt bodes well for future Mineral Resource updates as we continue to drill at our other recent discoveries at the mine – the Fletcher Shear Zone and the Gamma Block.

Our success in expanding the Beta Hunt Mineral Resource is a critical component of our growth plan to increase production to our guided range of 185,000-205,000 ounces annually by 2024. Approximately 80% of our mill feed will come from our flagship Beta Hunt mine once operations are fully expanded to the schedule outlined in our growth plan.”

## Gold Mineral Resource Summary

**Table 1: Gold– Consolidated Mineral Resources as at January 31, 2022**

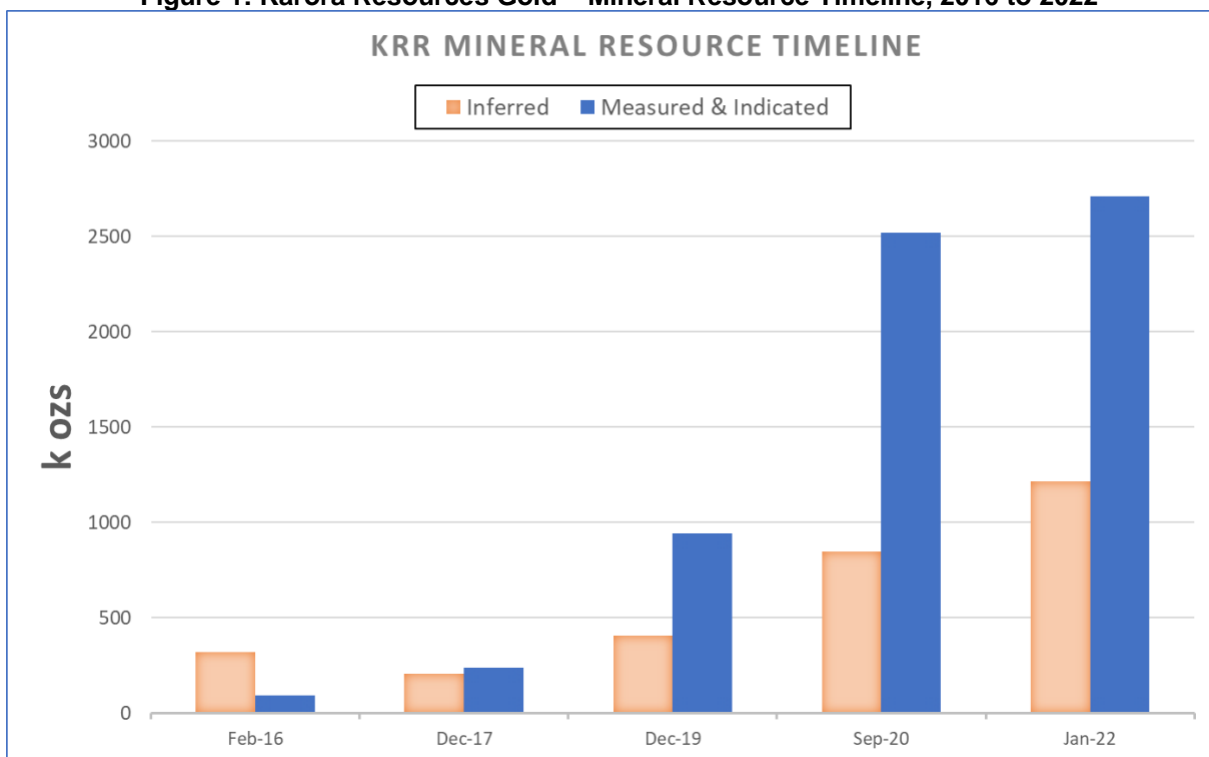
Jan-2022 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Beta Hunt	628	2.3	46	12,583	2.7	1,079	13,210	2.6	1,124	9,426	2.6	786
Higginsville	15,449	1.3	657	16,262	1.8	930	31,711	1.6	1,587	6,372	2.1	428
<b>Total</b>	<b>16,077</b>	<b>1.5</b>	<b>703</b>	<b>28,845</b>	<b>2.1</b>	<b>2,009</b>	<b>44,921</b>	<b>1.9</b>	<b>2,712</b>	<b>15,798</b>	<b>2.5</b>	<b>1,214</b>

*Note: Refer to detailed footnotes below*

Updated Consolidated Measured and Indicated (“M &I”) Gold Mineral Resource totals 2.71 million ounces, an increase of 8% over September the 30, 2020 estimate. Updated Consolidated Inferred Gold Mineral Resource now totals 1.21 million ounces, representing a 43% increase. The result continues the trend of increasing Mineral Resources (Figure 1) in support of the Company’s Growth Plan (see Karora news release, June 28, 2021). Major contributors to the increase in Mineral Resources are the Larkin Zone at Beta Hunt, and the Spargos Deposit at Higginsville, both detailed below:

- Maiden Larkin Mineral Resource comprises Measured and Indicated 1.44 million tonne @ 2.6 g/t for 119,000 ounces and Inferred 2.17 million tonnes @ 2.3g/t for 162,000 ounces
- Spargos Reward Mineral Resource comprises Measured and Indicated 1.01 million tonnes @ 3.0 g/t for 105,000 ounces and Inferred 0.40 million tonnes @ 3.5g/t for 45,000 ounces added to the Consolidated Mineral Resource (previously report in Karora news release dated June 28, 2021)

**Figure 1: Karora Resources Gold – Mineral Resource Timeline, 2016 to 2022**



## Beta Hunt

### Summary

**Table 2: Beta Hunt Gold Mineral Resources as at 31 January, 2022**

Jan 2022 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Western Flanks	315	2.4	25	8,446	2.8	747	8,762	2.7	772	4,959	2.7	437
A Zone	312	2.1	21	2,696	2.5	212	3,008	2.4	233	2,297	2.5	187
Larkin Zone	0	0	0	1,441	2.6	119	1,441	2.6	119	2,170	2.3	162
<b>Total</b>	<b>628</b>	<b>2.3</b>	<b>46</b>	<b>12,583</b>	<b>2.7</b>	<b>1,079</b>	<b>13,210</b>	<b>2.6</b>	<b>1,124</b>	<b>9,426</b>	<b>2.6</b>	<b>786</b>

*Note: Refer to detailed footnotes below*

Exploration and resource definition activities at Beta Hunt in 2021 were concentrated on the newly discovered Larkin Zone and infill and extensional drilling of the A Zone and Western Flanks.

The Larkin Zone was discovered in late 2020 as part of a drill program targeting the 30C nickel trough which lies directly above the gold mineralization. The Larkin Zone is Karora's first gold Mineral Resource south of the Alpha Island Fault (AIF) and is interpreted as the southern fault off-set extension of the Western Flanks. The Larkin Zone remains open along strike to the south and down-dip.

The A Zone drilling tested both the northern up-plunge and down-dip extensions of the Sept 2020 Mineral Resource. The Western Flanks drilling, both along strike and down-dip, upgraded and extended both the northern and southern margins of the September 2020 Inferred Mineral Resource. Both the A zone and Western Flanks remain open down-dip with the A Zone still open to the north.

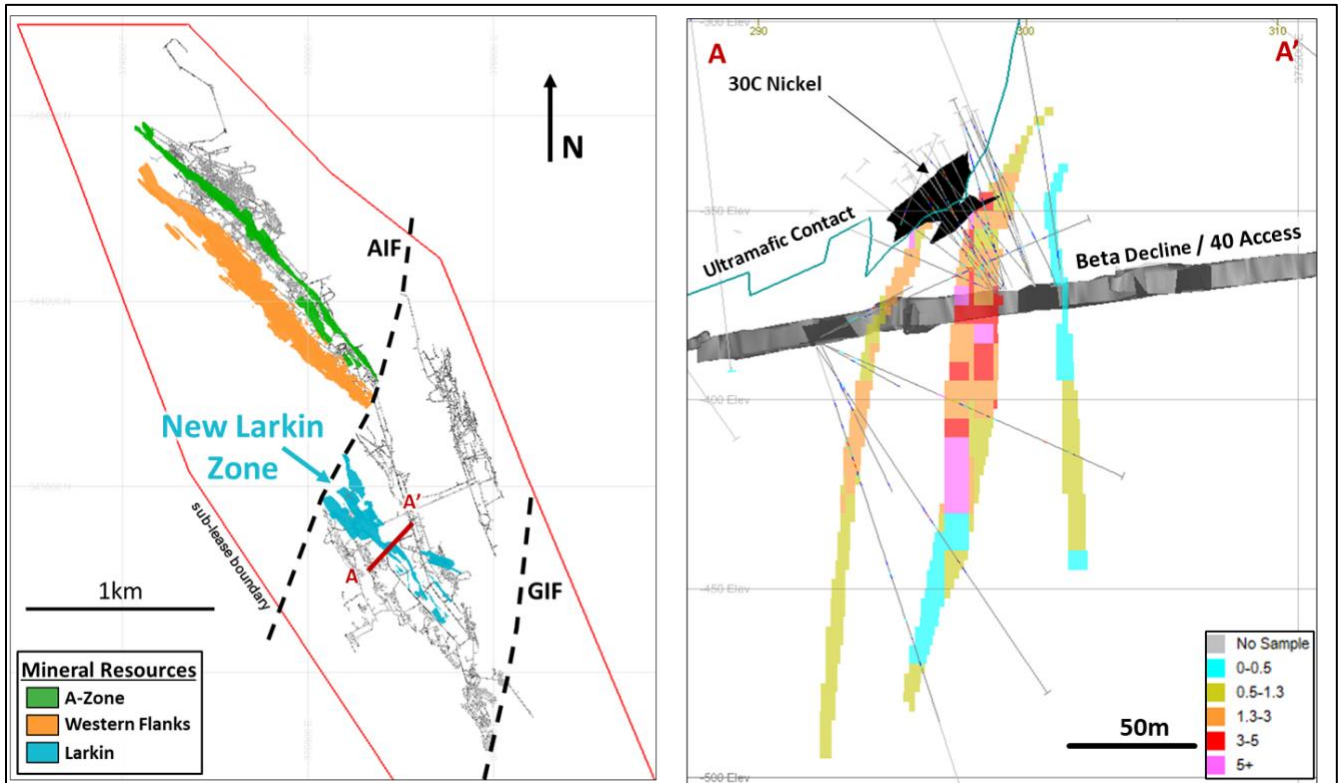
Targeted drilling at Beta Hunt continues to grow the Gold Mineral Resource inventory in support of the Karora Growth Plan which is underpinned by an expansion to 2.0 Mtpa mine production from Beta Hunt by 2024. At January 31, 2022, Measured and Indicated Mineral Resources totaled 13.21 million tonnes grading 2.6 g/t for 1,124,000 ounces, an increase of 69,000 ounces, or 7% compared to the 2020 Measured and Indicated Mineral Resource estimate. At January 31, 2022, Inferred Mineral Resources totaled 9.43 million tonnes grading 2.6 g/t for 786,000 ounces, an increase of 249,000 ounces, or 46%, compared to the 2020 Inferred Mineral Resource estimate. The new Mineral Resource incorporates updates to both A Zone and Western Flanks with the bulk of the increased resources due to the addition of the Larkin Zone which makes up 11% (119,000 ounces) of the Beta Hunt Measured and Indicated Mineral Resource and 21% (162,000 ounces) of the Inferred Mineral Resource. The Beta Hunt Mineral Resource estimate is net of mine production depletion of 1.16 million tonnes grading 2.9 g/t for 108,000 ounces over the period October 1, 2020 to January 31, 2022.

For 2022, drilling at Beta Hunt will continue to extend and upgrade the Western Flanks, A Zone and new Larkin Zone resources. In addition, exploration drilling will test the along strike continuity of the Fletcher Zone, target parallel mineralized zones to the Larkin Zone in the Beta Block as well as new mineralization identified in the Gamma Block.

### Larkin Zone

The first-ever Gold Mineral Resource was completed for the Larkin Zone (see table 2) and comprises Measured and Indicated, 1.44 million tonnes grading 2.6 g/t (119,000 ounces) and Inferred 2.17 million tonnes grading 2.3 g/t (162,000 ounces). The Mineral Resource is located south of the Alpha Island Fault (AIF) in the Beta Block and represents Karora's first resource south of this Fault. The Larkin Zone is interpreted as the southern off-set extension to the Western Flanks deposit.

**Figure 2(A): Beta Hunt Gold Resource plan highlighting location of new Larkin Zone Mineral Resource;**  
**Figure 2A: Cross-section through central Larkin Zone showing resource block model with gold grades**



The Larkin Mineral Resource incorporates both historical nickel holes and more recent drilling targeted at the Larkin Zone and the overlying 30C nickel Mineral Resource (see Karora’s Technical Report, February 1, 2021 at [www.sedar.com](http://www.sedar.com)). Through calendar 2020 and 2021, Karora completed 126 exploration and resource definition holes totalling 16,504 metres to define both gold and nickel mineralization in the Beta Block. The maiden Larkin Mineral Resource includes the results of 286 holes.

Gold mineralization in the Larkin Zone is hosted in the Lunnon Basalt below the 30C nickel trough and comprises a series of mineralized sheared, veined and altered zones steeply dipping to the west, and striking north north-west. The exception to this is a western footwall mineralized pod which strikes west-northwest in contrast to the general Beta Hunt mineralized trend. Mineralized lenses vary in thickness from 1 metre to 15 metres wide. The Larkin Zone is mineralized over approximately 1.1 kilometres of strike length with the northern part containing the higher grade and greater thickness in multiple lenses.

Mineralized zones are associated with shearing, biotite-pyrite alteration, albite alteration and quartz veining and broadly follow the nickel mineralized troughs at the top of the basalt. At the Larkin Zone’s northern end there are up to eight subparallel gold mineralized zones interpreted beneath the nickel mineralization. Mineralization generally dips steeply west with thrusting close to the basalt-ultramafic contact, producing shallower dips nearer the contact.

A block model was created using Studio RM software using a parent block size of 5 metres x 5 metres x 5 metres vertical with sub-blocking to 1 metre by 1 metre by 2.5 metres. Ordinary kriging (OK) with

dynamic anisotropy was used for the grade estimation. The final gold grade was made using the top-cut drill composites only. The model was depleted for mine voids.

The deposit was classified as Indicated or Inferred Mineral Resource based on a combination of quantitative and qualitative criteria which included geological continuity and confidence in volume models, data quality, sample spacing, lode continuity, and estimation parameters.

## Higginsville

### Summary

Resource definition drilling in 2021 was focused on infilling and extending near-mill resources. Additional drilling was also undertaken to upgrade the Spargos deposit. Results from the drilling were used to update existing mineral resources and produce two new resources at Aquarius and Spargos. The Spargos Mineral Resource was previously reported in Karora news release, June 28, 2021.

Reporting for the Higginsville Mineral Resource inventory is split into two main areas – Higginsville Central and Higginsville Greater. The former covers Mineral Resources within a radius approximately 10 kilometres of the Higginsville mill while Higginsville Greater covers all Mineral Resources that fall outside the Higginsville Central area.

At January 31, 2022, Measured and Indicated Gold Mineral Resources at Higginsville totaled 31.71 million tonnes grading 1.6 g/t for 1,587,000 ounces, an increase of 121,000 ounces, or 8%, compared to the September 30, 2020 Measured and Indicated Resource of 1,466,000 ounces. This increase mainly reflects a successful drilling campaign which supported the upgrade of the Historical Spargos Mineral Resource into Karora’s Consolidated Mineral Resource. At January 31, 2022, Inferred Mineral Resources totaled 6.37 million tonnes grading 2.1 g/t for 428,000 gold ounces, an increase of 118,000 ounces, from the September 2020 Inferred Mineral Resource estimate of 310,000 ounces. The consolidated Higginsville Mineral Resource is net of mine production depletion of 0.6 million tonnes grading 2.1 g/t for 41,000 ounces over the period October 1, 2020 to January 31, 2022.

For 2022, exploration and resource definition drilling at Higginsville is planned to upgrade and extend short-term mining production targets (0 – 2 years) complemented by a strong commitment to greenfields exploration targeting significant new discoveries. The initial drilling focus for 2022 resource definition includes extensional and infill drilling to potentially support an underground mine at Spargos and ongoing extensional drilling around the existing underground mines at Two Boys and Aquarius within the Higginsville Central area.

**Table 4: Higginsville Gold Mineral Resources as of 31 January 2022**

January-2022 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
HGO Central	847	3.1	85	3,380	2.8	307	4,227	2.9	392	1,724	3.1	172
HGO Greater	12,224	1.3	514	12,882	1.5	624	25,106	1.4	1,137	4,647	1.7	256
Stockpiles	2,378	0.8	58				2,378	0.8	58			
<b>Total</b>	<b>15,449</b>	<b>1.3</b>	<b>657</b>	<b>16,262</b>	<b>1.8</b>	<b>930</b>	<b>31,711</b>	<b>1.6</b>	<b>1,587</b>	<b>6,372</b>	<b>2.1</b>	<b>428</b>

*Note: Refer to detailed footnotes below*

## Looking Ahead

An updated Nickel Mineral Resource estimate is expected to be released in the second quarter of 2022 and Karora's Annual Mineral Reserves and Resource Statement is planned to be announced in Q4 2022 in conjunction with the Corporation's annual budgeting cycle.

## Compliance Statement (JORC 2012 and NI 43-101)

Mr. Stephen Devlin is Group Geologist for Karora, a full time employee of Karora and a Fellow of the AusIMM. Mr Devlin has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition, and fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101. Mr Devlin has reviewed and approved the disclosure of the technical information for the Beta Hunt and Higginsville Gold Mineral Resource included in this news release.

The "JORC Code" means the Australasian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia. There are no material differences between the definitions of Mineral Resources under the applicable definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM Definition Standards") and the corresponding equivalent definitions in the JORC Code for Mineral Resources.

## Detailed Footnotes relating to Mineral Resource Estimates as at January 31,2022

- (1) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
- (2) The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce Mineral Reserves.
- (3) The Mineral Resource estimates include Inferred Mineral Resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that Inferred Mineral Resources will be converted to Measured and Indicated categories through further drilling, or into Mineral Reserves once economic considerations are applied.
- (4) The Gold Mineral Resource are estimated using a long term gold price of US\$1,600/oz with a US:AUD exchange rate of 0.70.
- (5) Gold Mineral Resources were estimated using variable cut-off grades taking into account variable operational costs: Beta Hunt and Higginsville Underground (Chalice, Trident and Aquarius) - 1.3g/t, Higginsville Open Pits (excluding Mt Henry Project) – 0.5g/t, Mt Henry Project – 0.4g/t, Spargos uses a 0.5 g/t Au cut-off grade above 300mRL and 1.6g/t below 300mRL.
- (6) To best represent “reasonable prospects of eventual economic extraction” the mineral resource for open pits has been reported within optimized pit shells at A\$2,285 (US\$1,600) and, for underground resources, areas considered sterilized by historical mining are depleted from the Mineral Resource.
- (7) Mineral Resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.

## 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 Mineral gold Resource and Reserve and prospective land package totaling approximately 1,800 square kilometers. The Company also owns the high grade Spargos Reward project, which came into production 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 of technical studies and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Aquarius Project and the Spargos Gold Project.*

*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](http://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.*

### **Cautionary Statement Regarding the Higginsville Mining Operations**

*A production decision at the Higginsville gold operations was made by previous operators of the mine, prior to the completion of the acquisition of the Higginsville gold operations by Karora and Karora made a decision to continue production subsequent to the acquisition. This decision by Karora to continue production and, to the knowledge of Karora, the prior production decision were not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, which include increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on the Corporation's cash flow and future profitability. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.*

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