



NEWS RELEASE

Karora Announces First Quarter Gold Production of 27,489 ounces and Sales of 26,286 ounces

TORONTO, April 20, 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 consolidated gold production of 27,489 ounces for the first quarter of 2022 from its Beta Hunt and Higginsville mines in Western Australia. Gold sales for the quarter were 26,286 ounces. Karora's consolidated unaudited cash balance was \$78 million as of March 31, 2022 as the company deployed capital into its growth plan.

Paul Andre Huet, Chairman & CEO, commented: "I am extremely proud of our gold production during the first quarter which was in line with our 2022 mine plan, despite challenging conditions.

As with many of our peers in the mining business, the first quarter of 2022 was impacted by lower labour availability and higher costs associated with state-mandated COVID-19 protocols. With Western Australia's interstate border opening on March 3rd, the state has seen an elevated number of COVID-19 cases which has led to increased worker absenteeism across all sectors.

Our full-year 2022 guidance range for gold production of between 110,000 to 135,000 ounces and AISC¹ of US\$950 to US\$1,050 per ounce sold remains unchanged. As previously indicated, we expect the temporary cost and labour impacts of COVID-19 mandates on operations to diminish as the year progresses resulting in full year production being weighted to the second half of the year with associated lower costs. It is important to note that we introduced payable nickel production guidance for 2022 of between 450 to 550 tonnes. We assumed a conservative nickel price of US\$16,000 per tonne (see Karora new release dated February 14, 2022) in our AISC¹ by-product credit forecast, well below the current spot price of over US\$33,000 per tonne.

1. Non-IFRS: the definition and reconciliation of these measures are included in the Non-IFRS Measures section of Karora's news release dated March 14, 2022 and Karora's MD&A dated March 14, 2022.

Our March 31, 2022 unaudited cash balance of \$78 million was approximately \$13 million lower than our December 31, 2021 cash balance as a result of increased capital expenditures related to our growth plan to increase gold production to an anticipated range of 185,000 to 205,000 ounces by 2024. The major growth plan capital expenditures for 2022 are related to advancing work on the second decline at Beta Hunt and expanding the Higginsville Mill from 1.6 Mtpa to 2.5 Mtpa by 2024.

Overall, our performance in the first quarter of 2022 was in line with our expectations as we anticipated COVID-19 related pressures on production costs in the first half of 2022 and, accordingly, factored this into our 2022 guidance. I am grateful to our operating team in Western Australia for their continued strong performance during challenging times."

About Karora Resources

Karora is focused on increasing gold production to a targeted range of 185,000-205,000 ounces by 2024 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 1,900 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 for the completion of technical studies, liquidity and capital resources of Karora, production guidance, the completion of the HGO mill expansion 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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