



NEWS RELEASE

Karora Drills Highest Grade Interval To-Date at Beta Hunt's Larkin Zone Reporting 29.8 g/t Gold over 7.8 metres

TORONTO, July 19, 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 high-grade drill results¹ from the Larkin Zone as part of its ongoing underground diamond drill program at Beta Hunt, which includes the following intersections:

- **29.8 g/t over 7.8 metres** (BL1890-03AR)
- **8.7 g/t over 4.0 metres** (BL1890-13AR)
- **4.2 g/t over 6.9 metres** (BL1890-01AR)

1. Interval lengths are estimated true widths

Results from the drilling program support and extend the mineralization already defined by the current Larkin Mineral Resource and provide strong encouragement for potential high-grade mineralization to continue at depth, over 120 metres below the ultramafic/basalt contact.

Paul Andre Huet, Chairman & CEO, commented: "I am very pleased with the latest set of drill results at Beta Hunt which continue to demonstrate the tremendous high-grade potential of this underground mine. While our mined grades are consistent with our 2.6 g/t Mineral Reserve, we often encounter higher grade pockets such as those reported in today's announcement, with one returning almost an ounce per tonne intercept - an exciting result in any gold mine.

Success in our newest addition to Mineral Resources at Beta Hunt's Larkin zone continues to reinforce both our robust near term growth plan and the long term ambitions at Beta Hunt. The new drilling was aimed at upgrading and extending the known Larkin Mineral Resource and was successful on both counts. It is particularly exciting that an intercept of 29.8 g/t over 7.8 metres, the best Larkin result to-date, was drilled 20 metres beyond the existing Mineral Resource and 120 metres below the ultramafic/basalt contact, indicating potential higher grade areas at depth in the zone.

Over the past 24 months, we have reported results that not only support the extension and upgrade potential of the Western Flanks and A Zone existing Mineral Resources, but also the potential for additional gold Mineral Resources associated with mineralization intersected in drilling at Western Flanks North, A Zone North, Fletcher, Gamma and the newly discovered Sorrenson Zone. Our decision to significantly expand our drilling budget since 2020 has been well rewarded and we look forward to continued success across the very large areas remaining to be drilled. Coupled with our renewed nickel exploration success at Beta Hunt, the low cost mining potential of our flagship mine continues to develop.”

Beta Hunt Larkin Drilling Update

From February 1, 2022 to June 30, 2022, a total of 17 gold resource definition and exploration holes were drilled in the Larkin Zone for 3,298 metres (see Figure 1). Drilling focused on extending and infilling the recently released Larkin Mineral Resource (see Karora news release April 7, 2022). 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 Mineral Resource 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 drilling at Larkin represents the first drilling completed in this area since the release of the January 31, 2022 Mineral Resource and is part of an overall program designed to support the Growth Plan which is expected to increase gold production to between 185,000 and 205,000 ounces by 2024. Results received from 12 of the 17 holes to date support and extend the existing Mineral Resource. Significant results¹ are listed below:

- BL1890-01AR: 4.2 g/t over 6.9 metres
- BL1890-02AR: 3.6 g/t over 18.5 metres, including 22.9 g/t over 0.4 metres
- BL1890-03AR: 29.8 g/t over 7.8 metres, including 101.8 g/t over 1.9 metres
- BL1890-04AR: 3.9 g/t over 5.2 metres
- BL1890-09AR: 2.7 g/t over 7.0 metres
- BL1890-13AR: 8.7 g/t over 4.0 metres, including 82.9 g/t over 0.3 metres

1. *Interval lengths are estimated true widths*

Drilling results are highlighted by an intersection of 7.8 metres grading 29.8 g/t in drill hole BL1890-03AR (see Figure 2) which represents the highest grade drill intersection recorded to date from Larkin, extending the mineralization by 20 metres beyond the existing Mineral Resource. Significantly, the intersection occurs 120 metres below the ultramafic/basalt contact providing strong encouragement for high grade Larkin mineralization to continue at depth, similar to the adjacent Western Flanks and A Zone deposits.

Figure 1: Beta Hunt plan view with Larkin Mineral Resource and highlighted recent drill results

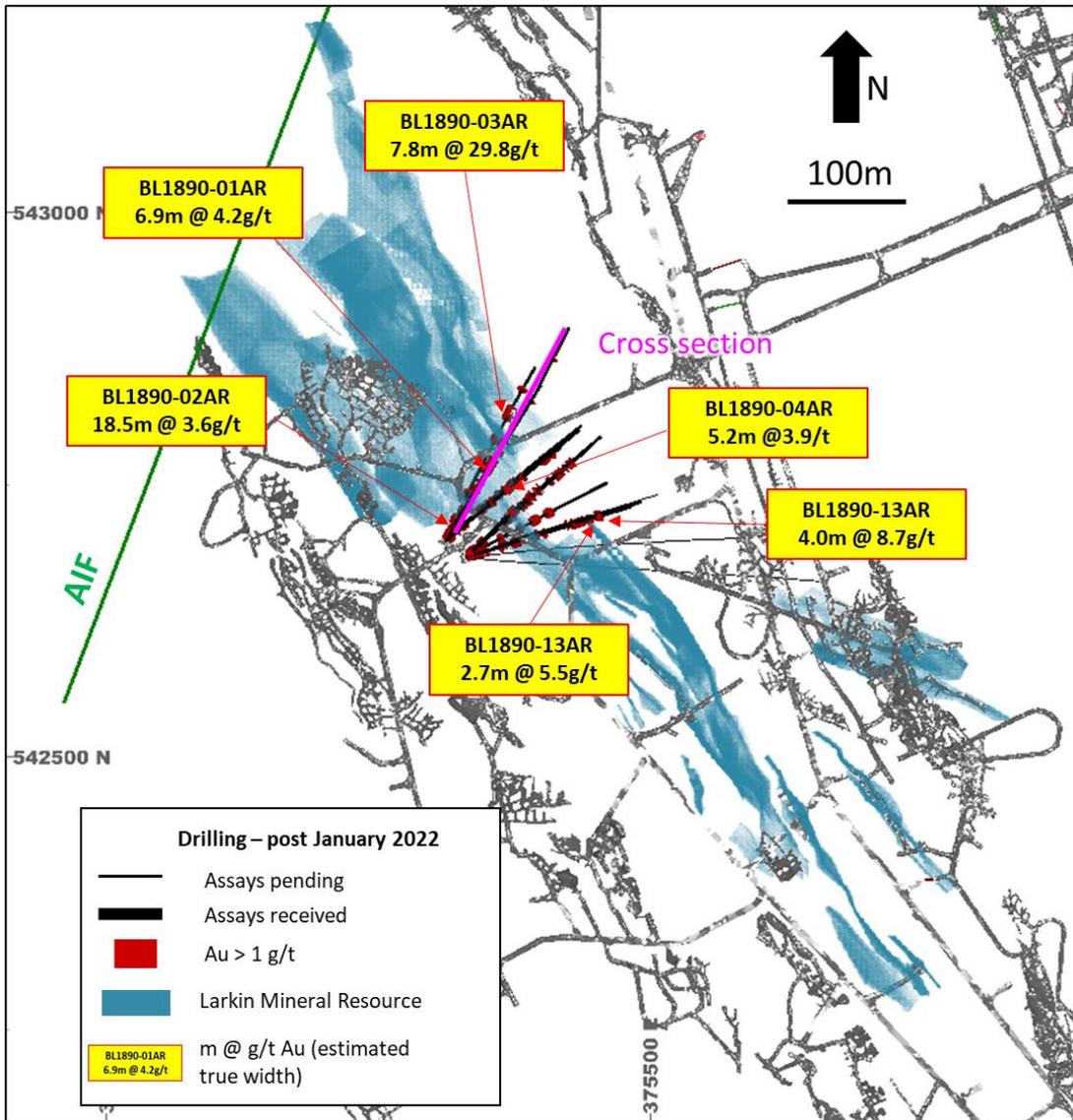
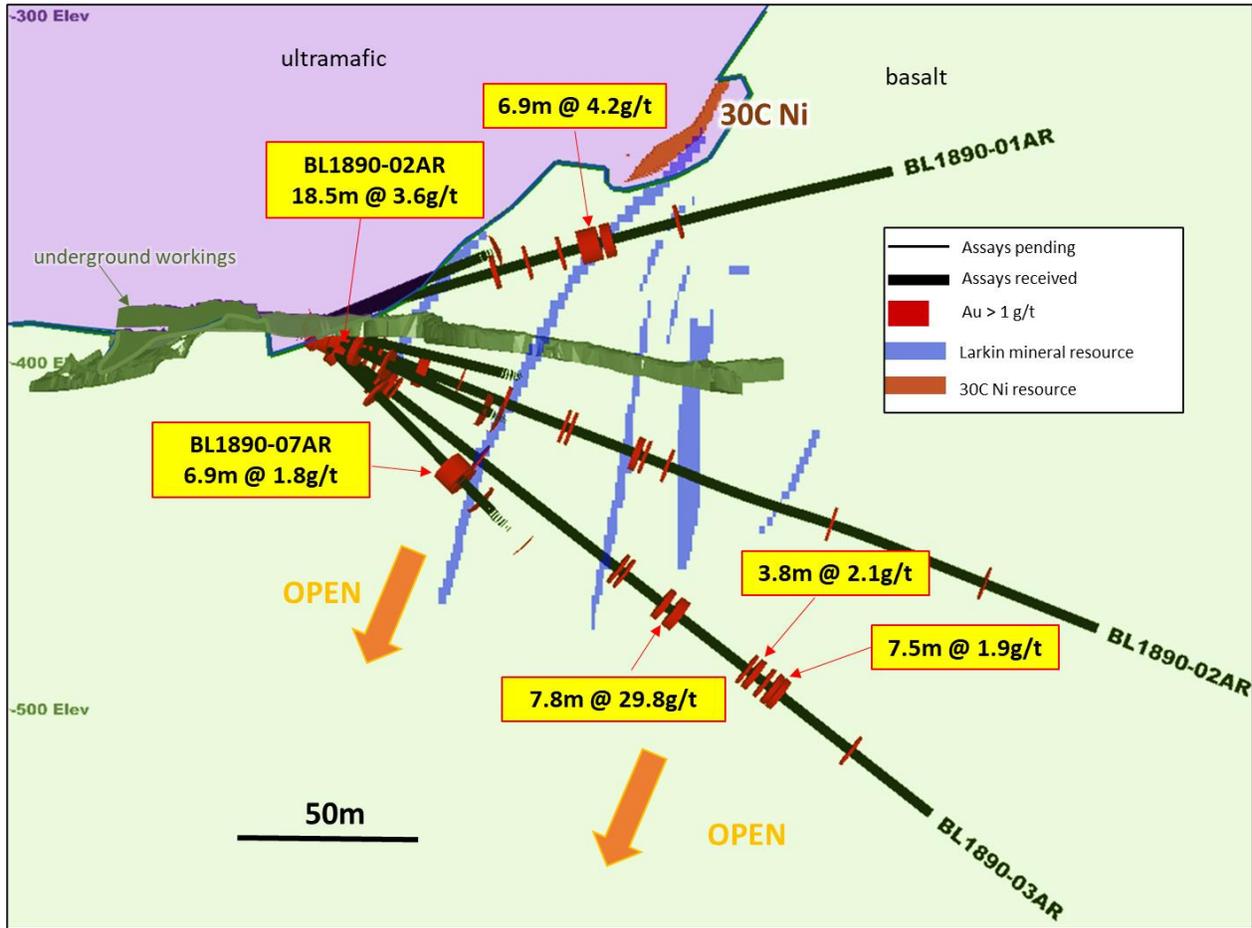


Figure 2: Larkin Zone cross section looking northwest with Larkin Mineral Resource and highlighted recent drill results.



Drill intersection intervals reported as estimated true widths

The Larkin drill results above, along with results from all holes drilled in first half of 2022 at Beta Hunt, will be incorporated into an updated Beta Hunt Mineral Resource as part of Karora’s Annual Mineral Resource & Reserve update planned for release in the fourth quarter of 2022.

Compliance Statement (JORC 2012 and NI 43-101)

The disclosure of scientific and technical information contained in this news release has been reviewed and approved by Stephen Devlin, FAusIMM, Group Geologist, Karora Resources Inc., a Qualified Person for the purposes of NI 43-101.

At Beta Hunt all drill core sampling is conducted by Karora personnel. Samples for gold analysis are shipped to SGS Mineral Services of Kalgoorlie for preparation and assaying by 50 gram fire assay analytical method. All gold diamond drilling samples submitted for assay include at least one blank and one Certified Reference Material ("CRM") per batch, plus one CRM or blank every 20 samples. In samples with observed visible gold mineralization, a coarse blank is inserted after the visible gold mineralization to serve as both a coarse flush to prevent contamination of subsequent samples and a test for gold smearing from one sample to the next which may have resulted from inadequate cleaning of the crusher and pulveriser. The lab is also required to undertake a minimum of 1 in 20 wet screens on pulverised samples to ensure a minimum 90% passing at -75µm. Samples for nickel analysis are

shipped to SGS Australia Mineral Services of Kalgoorlie for preparation. Pulps are then shipped to Perth for assaying. The analytical technique is ICP41Q, a four acid digest ICP-AES package. Assays recorded above the upper detection limit (25,000ppm Ni) are re-analyzed using the same technique with a greater dilution (ICP43B). All samples submitted for nickel assay include at least one Certified Reference Material (CRM) per batch, with a minimum of one CRM per 20 samples. Where problems have been identified in QAQC checks, Karora personnel and the SGS laboratory staff have actively pursued and corrected the issues as standard procedure.

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 are 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 production guidance and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Aquarius Project and the Spargos Gold Project, the commencement of mining at the Spargos Gold Project and the completion of the resource estimate.

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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Table 1: Beta Hunt Gold- Larkin Deposit Significant Results - February 1, 2022 to June 30, 2022

Hole ID	Sub interval	From (m)	To (m)	Downhole Interval (m)	Estimated True Width (m)	Au (g/t) ¹
BL1890-01AR		80.2	91.0	10.8	6.9	4.2
BL1890-02AR		3.6	22.0	18.5	18.5	3.6
	including	3.6	4.0	0.5	0.5	11.9
	and	7.0	7.4	0.4	0.4	22.9
	and	10.0	12.0	2.0	2.0	9.1
	and	21.0	22.0	1.0	1.0	11.0
		33.0	36.0	3.0	3.0	2.1
		78.4	81.3	3.0	3.0	2.9
BL1890-03AR		100.0	104.0	4.0	4.0	1.6
		23.0	30.7	7.7	7.5	1.8
		128.0	136.0	8.0	7.8	29.8
	including	129.0	131.0	2.0	1.9	101.8
	and	134.0	136.0	2.0	1.9	16.3
		160.0	163.9	3.9	3.8	2.1
BL1890-04AR		166.3	174.0	7.7	7.5	1.9
		77.0	84.0	7.0	5.2	3.9
BL1890-05AR	including	78.9	79.5	0.6	0.5	18.8
	assays pending	-	-	-	-	-
BL1890-06AR		2.7	8.0	5.3	5.3	2.0
		85.0	88.0	3.0	3.0	1.9
BL1890-07AR		57.0	65.0	9.0	6.9	1.8
		112.0	116.0	4.0	3.1	2.9
BL1890-08AR		59.0	66.0	7.0	5.9	1.5
		90.0	92.0	2.0	1.7	3.3
BL1890-09AR		1.0	8.0	7.0	7.0	2.7
		21.0	23.0	2.0	2.0	2.6
		57.0	61.0	4.0	4.0	2.3
		73.0	74.0	1.0	1.0	7.1
		112.5	118.0	5.5	5.5	2.4
		129.0	135.0	6.0	6.0	2.7
BL1890-10AR		52.0	53.0	1.0	0.9	5.6
BL1890-11AR		100.0	103.1	3.1	2.4	2.0

Hole ID	Sub interval	From (m)	To (m)	Downhole Interval (m)	Estimated True Width (m)	Au (g/t) ¹
BL1890-13AR		38.6	39.4	0.8	0.8	7.9
		59.3	62.4	3.1	3.1	1.6
		128.0	132.0	4.0	4.0	8.7
	including	129.7	130.0	0.3	0.3	82.9
BL1890-14AR		4.0	10.8	6.8	6.1	1.1
		78.0	81.0	3.0	2.7	2.6
		142.0	145.0	3.0	2.7	5.5
BL1890-15AR	assays pending	-	-	-	-	-
BL1890-16AR	assays pending	-	-	-	-	-

1. Reported gold grades > 1.0 g/t downhole and gram x metre > 5.

Table 2: Beta Hunt - Larkin Deposit - Drillhole Collars for Significant Gold Results reported Feb 1, 2022 to June 30, 2022

Hole ID	MGA_N	MGA_E	mRL	DIP	AZI	Total Length (m)
BL1890-01AR	6542768.9	375345.2	-386.4	17.0	24.7	173.8
BL1890-02AR	6542768.9	375346.1	-387.9	-20.0	24.9	242.9
BL1890-03AR	6542768.9	375346.0	-388.1	-38.0	23.6	227.8
BL1890-04AR	6542768.6	375345.1	-385.4	22.0	41.7	170.9
BL1890-05AR	6542768.9	375345.5	-387.5	-11.5	40.8	167.9
BL1890-06AR	6542768.8	375346.2	-387.9	-23.7	44.6	167.7
BL1890-07AR	6542768.7	375346.2	-388.1	-42.6	46.4	188.8
BL1890-08AR	6542754.0	375363.7	-385.0	15.3	46.4	170.7
BL1890-08ARA	6542754.0	375363.7	-385.0	15.6	46.7	8.8
BL1890-09AR	6542754.0	375363.8	-387.0	-11.4	54.1	150.0
BL1890-10AR	6542754.5	375363.7	-387.5	-23.9	50.2	174.0
BL1890-11AR	6542754.3	375363.7	-387.5	-43.9	64.7	204.0
BL1890-12AR	6542754.3	375363.6	-385.7	14.0	70.1	188.9
BL1890-13AR	6542753.9	375363.8	-387.1	-11.1	76.6	173.8
BL1890-14AR	6542754.4	375363.7	-387.7	-33.5	76.6	192.0
BL1890-15AR	6542754.3	375363.7	-387.7	-40.1	84.9	335.9
BL1890-16AR	6542753.8	375363.9	-387.3	-19.7	95.7	360.5