



KORE MINING ANNOUNCES RECEIPT OF INTERIM ORDER AND FILING OF MANAGEMENT INFORMATION CIRCULAR FOR SPECIAL MEETING TO APPROVE THE SPIN-OUT OF KARUS GOLD

Vancouver, BC December 23, 2020 - KORE Mining Ltd. (TSXV: KORE | OTCQX: KOREF) (“**KORE**” or the “**Company**” - <https://www.commodity-tv.com/ondemand/companies/profil/kore-mining-ltd/>) is pleased to announce that it has obtained an interim order from the Supreme Court of British Columbia for its previously announced proposed plan of arrangement (the “**Arrangement**”), pursuant to which the Company plans to transfer all of its British Columbia gold exploration assets (“**Spin-out**”) into Karus Gold Corp. (“**Karus**” or “**Karus Gold**”).

The Company has also filed the management information circular (the “**Circular**”) and related materials for the special meeting of the KORE shareholders (the “**Meeting**”) to be held on January 20, 2021 under its profile on SEDAR and on the Company’s website at www.koremining.com/specialmeeting.

As previously announced in the Company’s press release dated [December 16, 2020](#), shareholders of the Company will consider and vote on the approval of the Spin-out. To be effective, the Spin-out must be approved by a special resolution passed by: (a) at least 66⅔% of the votes cast by KORE shareholders present or represented by proxy at the Meeting and (b) a majority of the votes cast by shareholders in person or represented by proxy at the Meeting, after excluding the votes cast by those shareholders whose votes are required to be excluded in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Each shareholder is entitled to one vote for each KORE common share held.

2176423 Ontario Ltd. (a corporation beneficially controlled by Mr. Eric Sprott), which holds 25.75% of the Company’s currently issued and outstanding common shares is an insider and control person, will be the only excluded vote pursuant to MI 61-101. 2176423 Ontario Ltd. is the sole warrant holder of KORE and pursuant to the Arrangement, will be issued 1,750,000 Karus warrants at an exercise price of \$0.75 per Karus Share, exercisable for the same period of time as the KORE warrants.

In light of the ongoing COVID-19 pandemic, the Meeting will be held by way of virtual only format whereby shareholders may participate in the Meeting remotely. The Meeting is scheduled to begin at 10:00 a.m. (Vancouver time) January 20, 2021. Shareholders of record as of the close of business on December 17, 2020 are entitled to receive notice of and to vote at the Meeting.

The Company welcomes all registered shareholders and duly appointed proxyholders who wish to participate to the online Meeting to do so by joining the live webcast available at <https://web.lumiagm.com/204510194>. As usual, only duly appointed proxyholders will be allowed to vote and intervene during the live Meeting. Unregistered shareholders and guests will be able to watch the online Meeting via the live webcast available at the same link.

Instructions to vote and participate in the online Meeting, including submitting questions to management and to the Chairman of the Board of Directors of the Company, will be available on the Company’s website and on the online Meeting platform. KORE encourages shareholders to vote and submit their proxies prior to the Meeting.



The Board of Directors has determined that the Spin-out is in the best interest of the Company and unanimously recommends that KORE shareholders vote in favour of the Spin-out.

The Circular and other meeting materials are available on the Company's website at www.koremining.com/specialmeeting and under KORE's profile at www.sedar.com.

Additional information about Karus Gold is available at www.koremining.com/Karus or by contacting us as karusgold@koremining.com.

About KORE Mining

KORE is 100% owner of a portfolio of advanced gold exploration and development assets in California and British Columbia. KORE is supported by strategic investor Eric Sprott who after three successive financings in 2019 and 2020 owns 26%. KORE management and Board are aligned with shareholders, owning an additional 38% of the basic shares outstanding. KORE is actively developing its Imperial and Long Valley Gold projects while aggressively exploring across its portfolio of assets.

On behalf of KORE Mining Ltd

"Scott Trebilcock"
Chief Executive Officer

Karus Gold Spin Out Investor Support

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Neither the 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 contains forward-looking statements relating to the future operations of the Company and Karus Gold and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "plan", "should", "anticipate", "expects", "intends", "indicates" and similar expressions. All statements other than statements of historical fact, included in this release,

including, without limitation, statements regarding the future plans and objectives of the Company and Karus Gold are forward-looking statements. Forward-looking statements in this news release include, but are not limited to, the expected timeline and date of completion of the Arrangement, the ability of KORE to receive and obtain shareholder approval and court approval, the ability of the parties to satisfy, in a timely manner, the other conditions to closing of the Arrangement, the future listing of Karus Gold and the expected timeline and completion of the anticipated Karus rights offering. There can be no assurance that the Arrangement will be completed or that it will be completed on the terms and conditions contemplated in this news release. The Arrangement could be modified or terminated in accordance with its terms. Such forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business. Management believes that these assumptions are reasonable. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Such factors include, among others: the Arrangement will be completed on the terms currently contemplated, the Arrangement will be completed in accordance with the timing currently expected without any undue delay, all conditions to the completion of the Arrangement will be satisfied or waived in due course and the Arrangement Agreement will not be terminated prior to the completion of the Arrangement, assumptions and expectations related to the trading price of KORE and the future listing of Karus Gold, and other expectations and assumptions concerning the Arrangement.

In addition to the above summary, additional risks and uncertainties inherent to the Company and its operations are described in the “Risk Factors” section of the Company’s management discussion and analysis for the year ended December 31, 2019, prepared as of April 27, 2020, available under the Company’s issuer profile on www.sedar.com. Other risks and uncertainties include, among other things: the Arrangement may not be completed on the terms, or in accordance with the timing currently contemplated, or at all; the Company and Karus Gold has incurred expenses in connection with the Arrangement and will be required to pay for those expenses regardless of whether or not the Arrangement is completed; the Company and Karus Gold may not be successful in satisfying the conditions to the Arrangement, including failing to obtain KORE shareholder approval; the possibility of adverse reactions or changes in business relationships resulting from the announcement or completion of the Arrangement; the failure to realize the expected benefits of the Arrangement; and other risks inherent to KORE’s current business and/or factors beyond its control which could have a material adverse effect on KORE or the ability to consummate the Arrangement.

Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.