



NEWS RELEASE

Karora Resources Announces Partnership with The Net Zero Company to Develop Pathway to Become One of the World's First Net Zero GHG Junior Gold Mining Companies

Highlights

- Karora is announcing a partnership with The Net Zero Company™ in order to commit to, and implement, a pathway to become one of the world's first net zero junior gold mining companies.
- Karora will work with The Net Zero Company™ to seek to ensure its approach to setting and achieving GHG reduction targets is inline with best practices based on available science to achieve the aspirations of the Paris Agreement. As the program is further outlined and targets are identified, updates will be provided to the market.
- Karora's initial focus will be on Scope 1 and 2 emissions reductions, followed by Scope 3 emissions reductions to work toward its goal of reaching True Net Zero (Scope 1, 2 and 3) status.
- Progress on the GHG reduction program will be included in Karora's inaugural ESG Report which is expected in early 2022.

TORONTO, June 14, 2021 – Karora Resources Inc. (TSX: KRR) ("Karora" or the "Company" - <https://www.commodity-tv.com/ondemand/companies/profil/karora-resources-inc/>) is pleased to announce a new partnership with The Net Zero Company™ focused on developing a greener future across Karora's operations and corporate offices.

The partnership will see Karora, together with The Net Zero Company™, develop a pathway and set targets towards a *True Net Zero* mining future (covering Scope 1, 2 and 3 green house gas emissions). The pathway will involve setting green house gas ("GHG") emissions reduction targets based on science-based methodologies. This partnership will build upon the robust ESG program that is already underway at Karora, with the goal of delivering its inaugural ESG report in early 2022.

Paul Huet, Chairman and CEO of Karora said, "Mining is a critical part of the global response to climate change not only with respect to the supply of key materials required for the low carbon transition, but also with respect to reducing greenhouse gas emissions at mine sites. At Karora, not only are we already preparing to do our part, but we are setting the stage to be a sector leader in the junior gold mining space with the goal to ultimately become a Net Zero business. Mining is a carbon intensive industry, and we view this partnership as an opportunity to take a proactive approach in reducing our carbon footprint.

Our near-term efforts will be focused on analyzing GHG emissions reduction opportunities across our operations, including the potential implementation of alternative and renewable power sources. We will

also be evaluating the potential for further operational efficiencies, an initiative with which we have already had tremendous success over the past two years as we aggressively reduced our cost structure. While we are evaluating these potential opportunities, we intend to complement this GHG emissions reduction work with strategies to offset our current emissions.

At Karora, we are focused on working towards our *True Net Zero* goal by using a science-based approach to setting our GHG reduction targets. Scope 1 and 2 emissions will form the basis of our initial focus – we will prioritize reductions in these directly controlled areas first. Next, we will turn our focus to evaluating and reducing our Scope 3 emissions, which are critical to achieving *True Net Zero* status.

After a tremendous two years of operational success since acquiring the Higginsville Gold Operations, we are now squarely focused on improving our carbon footprint, helping to drive a greener future in the mining business.”

Andre Fernandez, CEO of The Net Zero Company™ stated, "Partnering with a top performing gold mining company like Karora is a momentum builder for The Net Zero Company™. The operational and corporate turnaround executed by Karora over the past two years has been best-in-class and we are impressed by their pioneering attitude towards becoming one of the world's first net zero junior gold miners: a sector defining moment.

We have already begun work on several parallel cost positive initiatives with Karora aimed towards rapidly achieving *True Net Zero* status that is anchored in science. We offer a phased approach to achieving Net Zero by analyzing and prioritizing emission reduction opportunities as well as sequestration solutions to transform companies into greener global citizens while driving stakeholder returns.

We look forward to this journey towards mining a very profitable and sustainable future together with Karora."

Net Zero Roadmap Work Underway

Karora's early efforts with regards to GHG emissions reductions at site are underway. The phased replacement of the aged haul fleet at Beta Hunt with new AD60 haul trucks has led to a reduction in total GHG emissions, while improving productivity and output as reflected by the operational deliveries over the last year.

The company intends to disclose the results of its GHG emissions inventory assessment, including all Scope 1 and 2 emissions, on its website. Once a pathway is developed, Karora aims to set interim GHG reduction targets as part of its reduction program. The Company will then report annually on progress towards reaching interim and net zero GHG reduction targets.

Karora has engaged third party renewable power experts to evaluate the use of solar and other renewable strategies to reduce GHG emissions at its operations. If viable, these solutions have the potential for multiple benefits including reduced exposure to highly variable diesel prices, grid power pricing fluctuations as well as potentially lowering overall average power costs.

The Company's strategy will focus initially on reaching Scope 1 and Scope 2 net zero emissions. Following this milestone, the Company will turn its focus towards Scope 3 emissions to reach *True Net*

Zero status over the coming years. For reference, Scope 1 involves direct emissions on Karora's properties, Scope 2 includes purchased electricity feeding Karora's operations, and Scope 3 represents both upstream and downstream value/supply chain emissions.

About Karora Resources

Karora is focused on growing gold production and reducing costs in an energy conscious manner at its integrated Beta Hunt Gold Mine and Higginsville Gold Operations ("HGO") in Western Australia. The Higginsville treatment facility is a low-cost 1.4 Mtpa processing plant which is fed at capacity from Karora's underground Beta Hunt mine and open pit Higginsville mine. 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 is anticipated to begin mining in 2021. Karora has a strong Board and management team focused on delivering shareholder value. Karora's common shares trade on the TSX under the symbol KRR. Karora shares also trade on the OTCQX market under the symbol KRRGF.

About The Net Zero Company

The Net Zero Company ("NZC") is focused on driving a cost positive solution to reduce GHG emissions for the mining industry. Recognizing a global shift in institutional investment criteria and the near term opportunity for the mining sector to be a leader in the global emissions reduction space, NZC has assembled a experienced team of experts in the carbon markets, GHG reduction, mining operations and capital markets sectors to help mining companies deliver a Net Zero strategy that will both materially impact emissions and potentially drive significant stakeholder and shareholder returns.

Here's to a greener (and golden) future.

Contact us: info@thenetzeroco.com - www.thenetzerocompany.com

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the Company achieving a True Net Zero mining future in line with Science Based Targets, including the goals of reaching Scope 1 Scope 2 net zero emissions, reducing the Company's carbon footprint, achieving net zero GHG emissions across the business reducing exposure to diesel prices, grid power pricing fluctuations and a source of additional labour creation and the Company becoming world's first Net Zero GHG junior mining company.

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.

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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