



NEWS RELEASE

Karora Resources Signs Long-Term Power Purchase Agreement and Announces Plan to Achieve a 20% Reduction in Greenhouse Gas Emissions by 2030

TORONTO, January 16, 2024 – Karora Resources Inc. (TSX: KRR) (OTCQX: KRRGF) ("Karora" or the "Company") - <https://www.commodity-tv.com/ondemand/companies/profil/karora-resources-inc/> - is pleased to announce that it has signed a long-term Power Purchase Agreement ("PPA"), a critical first step in achieving its initial target to reduce Scope 1 & 2 greenhouse gas ("GHG") emissions by 20% by 2030, compared to a 2024 forecasted business-as-usual baseline. The agreement forms an integral part of Karora's Environmental, Social and Governance ("ESG") strategy which is outlined in Karora's latest ESG report (2022) now published and available for download on the Company's website at <https://www.karoraresources.com/download/Karora-ESG-Report-2022.pdf>.

Paul Andre Huet, Chairman & CEO, commented: "The release of Karora's second ESG report was delayed slightly while we finalized a new Power Purchase Agreement. The report is highlighted by this long-term PPA for our Higginsville operations, including required supporting power distribution infrastructure. This is an exciting step for us as the PPA will replace current on-site diesel power generation of 7MW as the primary power source for Higginsville. Once the new PPA is fully implemented in 2025, we expect to realize a significant reduction of 11-13% in Scope 1 & 2 carbon emissions by 2030. The anticipated reduction in carbon emissions represents approximately 40% of our initial targeted 20% Scope 1 and 2 emissions reduction by 2030, placing our goals well within reach.

We remain committed to implementing additional initiatives to achieve our 2030 target and are evaluating technology and efficiency-based solutions to further reduce our emissions. We are also analyzing the use of supplemental renewable power and fuel switching including the potential for increased use of bio diesel.

Guided by our comprehensive ESG Strategy developed in 2021, we have continually worked to enhance ESG integration into our governance processes and risk management systems. I believe the steps we have taken to formally integrate ESG factors into everything we do at Karora make us a much stronger Company for all our stakeholders.

Further details on our ESG efforts can be found in our 2022 ESG report available on Karora's website."

ESG Performance Highlights from Latest Report

- Developed new ESG-related policies to enhance oversight:
 - Potable Water Management Policy
 - Cultural Heritage Policy
 - Stakeholder Engagement Policy
- Maintained zero fatalities and zero near miss rates for employees and contractors.
- Established a target to reduce our absolute Scope 1 and 2 GHG emissions by 20% by 2030, compared to a 2024 forecasted business-as-usual baseline. We have identified an initial plan to achieve this target, which focuses on conversion to cleaner energy sources.
- Our Scope 1 and Scope 2 GHG emissions were compensated for the second consecutive year through the purchase and retirement of a 95,000 tonne portfolio of verified carbon offset credits.

About Karora Resources

Karora is focused on increasing gold production at its integrated Beta Hunt Gold Mine and Higgsville Gold Operations in Western Australia. Ore is processed at two centralized plants: the 1.6 Mtpa Higgsville mill and the 1.0 Mtpa Lakewood mill, both located near our mining operations. At Beta Hunt, a robust gold Mineral Resource and Reserve is hosted in multiple gold shears, with gold intersections along a 5 km strike length remaining open in multiple directions. Higgsville has a substantial Mineral gold Resource and Reserve and prospective land package totaling approximately 1,900 square kilometers. 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 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, the new nickel exploration results at Beta Hunt, the timing of the updated resource estimate and additional production of nickel, at Beta Hunt, production guidance and the potential of the Beta Hunt Mine, Higgsville Gold Operation, 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.

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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