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KARORA

RESOURCES

THIRD QUARTER 2023 | CONFERENCE CALL AND WEBCAST

THIRD QUARTER 2023 CONFERENCE CALL

Chairman & CEO

Paul Huet

**Managing Director,
Australia:**

Leigh Junk

**Executive Vice President,
Corporate Development:**

Oliver Turner

DISCLAIMER

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This presentation contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of Karora, production guidance, full year consolidated 2023 and 2024 production guidance and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Aquarius Project, the Spargos Gold Project, the Lakewood Mill, and the completion of the second Beta Hunt decline system.

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.

NON-IFRS MEASURES

Certain non-IFRS measures are included in this Presentation, including Working Capital, Adjusted EBITDA, Adjusted Earnings and AISC. The non-IFRS measure should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers. A definition and reconciliation of these measures is included in the Non-IFRS Measures section of Karora's news release dated November 10, 2023.

CAUTIONARY NOTE

CAUTIONARY NOTES – PRODUCTION, COST AND CAPITAL GUIDANCE (2023 – 2024)

- (1) 2023 and 2024 guidance was announced in June 2021 (see Karora news release June 28, 2021) and updated on March 23, 2023. This production guidance through 2024 is based on the September 2022 Mineral Reserves and Mineral Resources announced on February 13, 2023.
- (2) The Company expects to fund the capital investment amounts listed above with cash on hand and cashflow from operations and through the financing of heavy equipment.
- (3) The material assumptions associated with the expansion of Beta Hunt mining production rate to 2.0 Mtpa during 2024 include the addition of a second ramp decline system driven parallel to the ore body, ventilation and other infrastructure that is required to support these areas, and an expanded mining equipment and trucking fleet.
- (4) The Company's guidance assumes targeted mining rates and costs, availability of personnel, contractors, equipment and supplies, the receipt on a timely basis of required permits and licenses, cash availability for capital investments from cash balances, cash flow from operations, or from a third-party debt financing source on terms acceptable to the Company, no significant events which impact operations, such as COVID-19, nickel price of US\$22,000 per tonne, as well as an A\$ to US\$ exchange rate of 0.70 in 2023 and 2024 and A\$ to C\$ exchange rate of 0.90. Assumptions used for the purposes of guidance may prove to be incorrect and actual results may differ from those anticipated. See above "Cautionary Statement Regarding Forward-Looking Information".
- (5) Exploration expenditures include capital expenditures related to infill drilling for Mineral Resource conversion, capital expenditures for extension drilling outside of existing Mineral Resources and expensed exploration. Exploration expenditures also includes capital expenditures for the development of exploration drifts.
- (6) Capital expenditures exclude capitalized depreciation.
- (7) AISC calculations are for the Australian operations only, and exclude non-cash share-based payments expense, derivative settlements, and net realizable value adjustments to prior period stockpiles. The Company acquired the Lakewood mill in 2022 and embarked on an expansion program to grow the Beta Hunt gold mine to 2Mtpa mining rate during 2024. All mine development, equipment acquisition, and growth leases are being attributed to growth capital during this growth phase..
- (8) See "Non-IFRS Measures" set out in Karora's MD&A for the period ended September 30, 2023.

Q3 HIGHLIGHTS

- Record YTD Q3 2023 production of 120,197 gold ounces and strong quarterly production of 39,547 gold ounces
- Continued exploration success at Beta Hunt , highlighted by strong drill results from the Fletcher and Mason zones
- Strengthened the Board and management team with additions of Tony Makuch (Director), Derek Humphry (CFO) and Peter Ganza (COO, Australia)
- Progress on schedule to unlock HGO lithium exploration potential



PRODUCTION, COST AND CAPITAL GUIDANCE (2023 – 2024)

Production & Costs		2023	2024
Gold Production	Koz	145 - 160	170 – 195
All-in sustaining costs	US\$/oz	1,100 – 1,250	1,050 – 1,200
Payable Nickel Production	Tonnes	450 - 550	600 - 800
Capital Investments			
Sustaining Capital	A\$ (M)	10 - 15	15 - 20
Growth Capital	A\$ (M)	57 - 68	63 – 73
Exploration & Resource Development	A\$ (M)	18 - 22	20 - 25

1. See caution regarding non-IFRS measures on slide 3
2. See caution on slide 4

Q3 2023 REVIEW

Q3 Operating Highlights:

- Gold production of 39,547 oz
- Gold sales of 41,278 oz
- Cash operating costs of US\$1,062/oz
- AISC¹ of US\$1,196/oz sold

Q3 Financial Highlights:

- Revenue: \$107.1 million
- Net earnings: \$6.9 million (\$0.04/sh)
- Adjusted earnings¹: \$14.0 million (\$0.08/sh)
- Adjusted EBITDA¹: \$37.0 million (\$0.21/sh)
- Cash flow from operating activities \$45.3 million

Financial Position (millions of dollars)

For the periods ended	September 30, 2023	December 31, 2022
Cash and cash equivalents	\$84.2	\$68.8
Working capital ²	68.4	38.0
PP&E & MPI	449.3	427.0
Total assets	583.8	557.1
Current liabilities ³	57.1	73.6
Non-current liabilities ⁴	104.2	86.2
Financial liabilities ⁵	61.2	48.7
Total liabilities	222.5	208.5
Shareholder's equity	\$361.4	\$348.6

1. All-in Sustaining Costs (AISC), Earnings before interest, taxes, depreciation and amortization ("EBITDA") and adjusted earnings are non-IFRS measures. A definition and reconciliation of these measures is included in the Non-IFRS Measures section of Karora's news release dated November 10, 2023.
2. Working capital surplus (deficit) is a measure of current assets (including cash and cash equivalents) less current liabilities.
3. Excluding current portion of financial liabilities
4. Excluding non-current portion of financial liabilities
5. Financial liabilities include long-term debt and lease obligations.

SECOND QUARTER 2023 CONFERENCE CALL

Chairman & CEO

Paul Huet

**Managing Director,
Australia:**

Leigh Junk

**Executive Vice President,
Corporate Development:**

Oliver Turner

CONSOLIDATED OPERATIONAL HIGHLIGHTS

○ Q3 2023 consolidated production:

- Gold produced 39,547 oz
- 516 kt milled @ 2.51 g/t
- Recoveries: 95%
- Cash operating costs: US\$1,062/oz sold
- No nickel by-product credit were recorded due to timing of sales
- 5,193 tonnes were mined @ 1.6% Ni representing ~US\$22/oz by-product credit when sold (prior quarter by product credit was US\$38/oz)

○ YTD Q3 2023 consolidated production:

- Gold produced 120,197 oz
- 1,554 kt milled @ 2.54 g/t
- Recoveries: 95%
- Cash operating costs: US\$1,083/oz sold



Beta Hunt Mine Coarse Gold

OPERATIONAL HIGHLIGHTS – BETA HUNT

○ Q3 2023 Beta Hunt:

- Gold produced – 21,926 oz
- 333 kt milled @ 2.17 g/t
- Cash operating costs:
US\$1,233/oz sold
- No nickel by-product credit recorded in Q3 due to timing of sales
- Prior quarter nickel by-product credit was US\$61/oz

○ YTD Q3 2023 Beta Hunt:

- Gold produced – 74,212 oz
- 951 kt milled @ 2.55 g/t
- Cash operating costs:
US\$1,071/oz sold



OPERATIONAL HIGHLIGHTS – HGO

○ Q3 2023 HGO mines production:

- Gold produced 17,621 oz
- 183 kt milled @ 3.13 g/t
- Cash operating costs:
US\$832 /oz sold

○ YTD Q3 2023 HGO mines production:

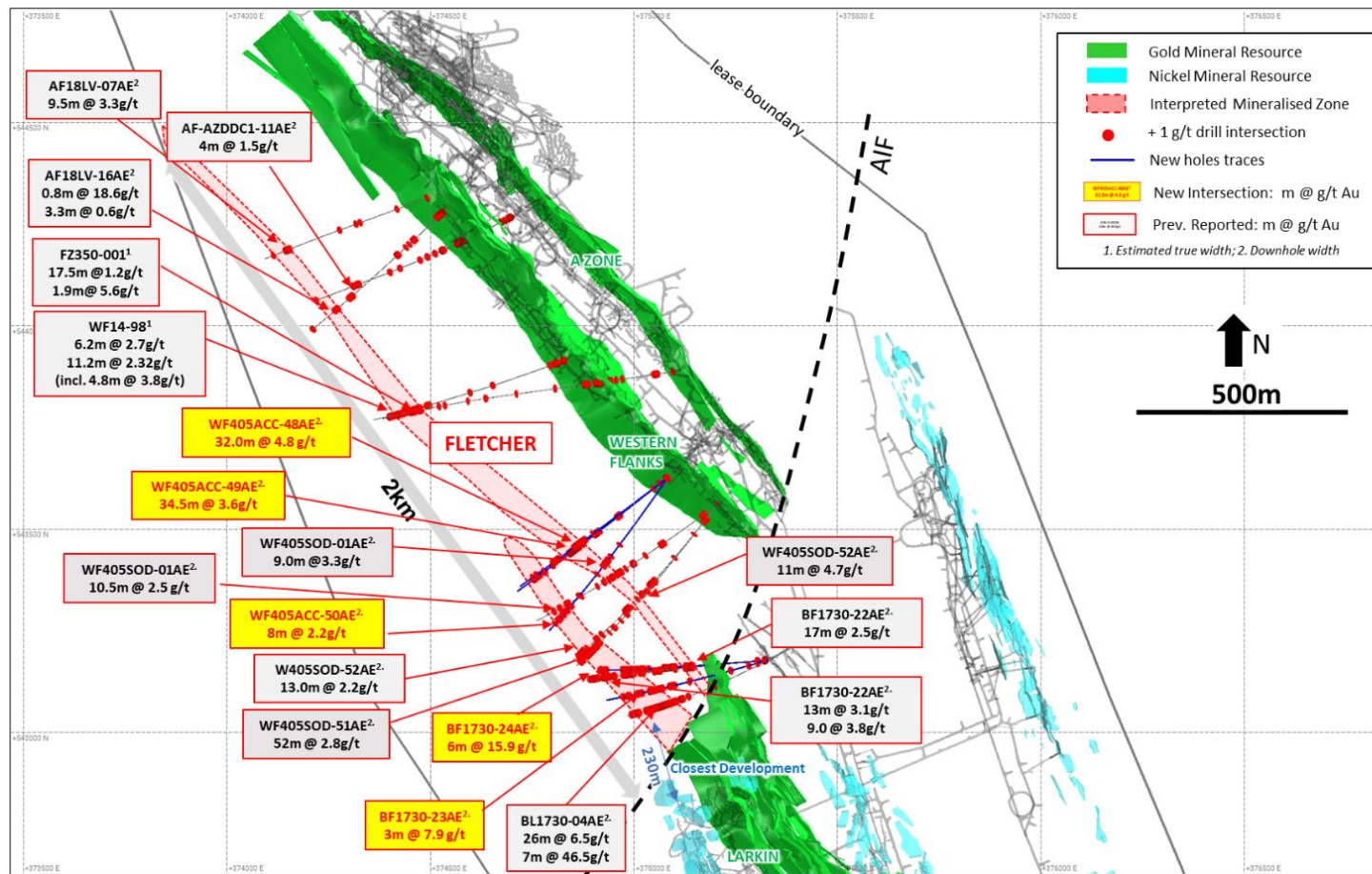
- Gold produced 45,985 oz
- 603 kt milled @ 2.52 g/t
- Cash operating costs:
US\$1,101 /oz sold



HGO Processing Plant

BETA HUNT EXPLORATION UPDATE

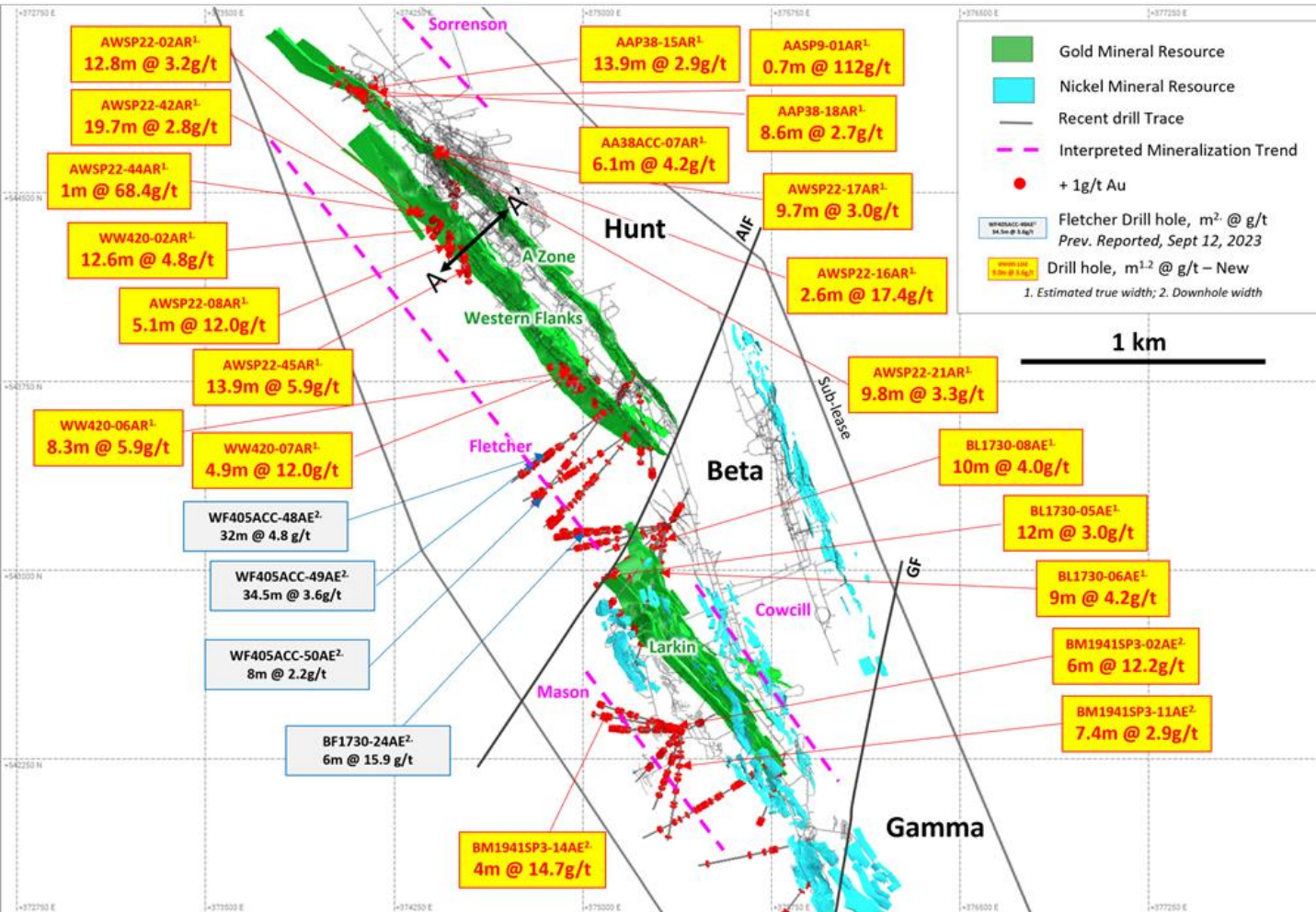
Fletcher Zone mineralized strike length potential of 2 km



- Structural analogue to Western Flanks, Beta Hunt's largest and most prolific gold zone
- Recent exploration results:
 - BL1730-04AE: 6.5 g/t over 26.0 m
 - BL1730-04AE: 46.5 g/t over 7.0 m
 - WF405SOD-51AE: 2.8 g/t over 52 m and 11.8 g/t over 2.9 m
 - WF405SOD-52AE: 4.7 g/t over 11.0 m
 - WF405ACC-48AE: 4.8 g/t over 32.0 m and 4.9 g/t over 5.0 m
 - WF405ACC-49AE: 3.6 g/t over 34.5 m and 11.2 g/t over 2.0 m
 - BF1730-24AE: 15.9 g/t over 6.0 m (EOH) and 18.0 g/t over 3.0 m

BETA HUNT EXPLORATION UPDATE

Mason Zone mineralized strike length increased to 800 m



- Mason infill and extensional drilling:
 - BM1941SP3-02AE: 12.2 g/t over 6.0 m
 - BM1941SP3-14AE: 14.7 g/t over 4.0 m and 8.0 g/t over 7.0 m
- Larkin north end infill drilling:
 - BL1730-06AE: 4.2 g/t over 9.0 m and 11.2g/t over 2.7 m
- Western Flanks and Zone drilling focused on upgrading Mineral Resource:
 - AWSP22-45AR: 5.9 g/t over 13.9 metres, including 9.2 g/t over 1.7 m
 - AWSP22-08AR: 12.0 g/t over 5.1 m
 - AASP22-16AR: 17.4 g/t over 2.6 m

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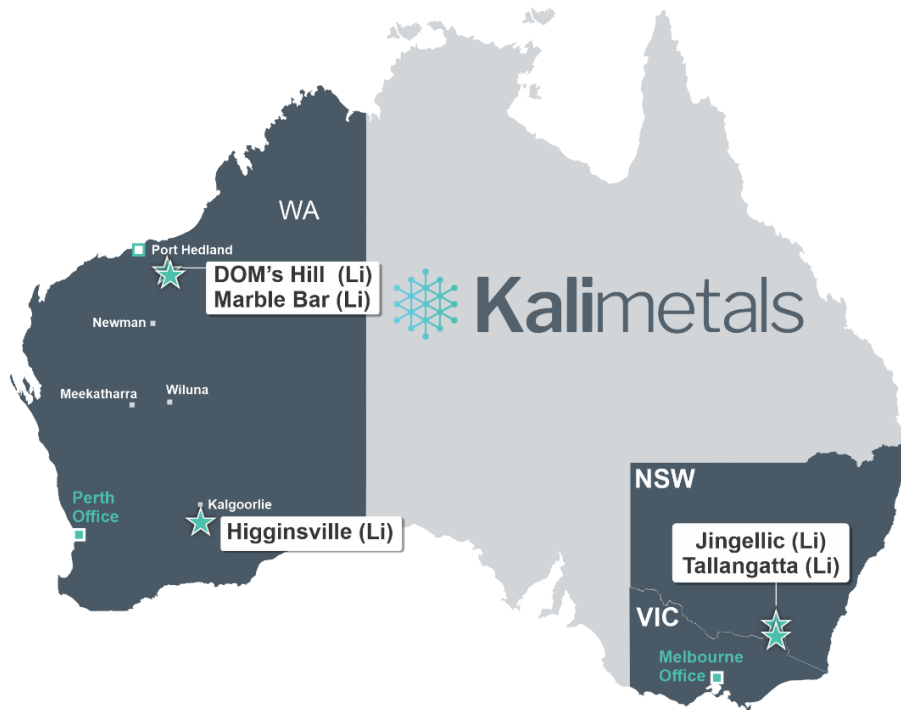
Leigh Junk

**Executive Vice President,
Corporate Development:**

Oliver Turner

LITHIUM EXPLORATION POTENTIAL

Agreement with Kalamazoo Resources to Unlock Value Through Creation of Kali Metals



- On November 3, Kali lodged its prospectus for an IPO on the ASX – Kali is expected to raise ~A\$12 million at IPO, to close in December 2023
- Karora and Kalamazoo Resources Limited (ASX: KZR) have vended their lithium exploration projects into Kali Metals Limited, a new jointly owned but separately run lithium-focused company to be listed on the ASX
- Karora shareholders to participate in the significantly enhanced upside potential of a large lithium-focused investment vehicle that will fund its own activities
- Extensive exploration portfolio adjacent to world-class lithium mines and deposits in the Higginsville (1,607km²) and Pilbara (199km²) WA, and prospective lithium exploration projects in the Lachlan Fold Belt (2,027km²) in NSW and VIC
- Kalamazoo owns 55% of Kali, with Karora owning the remaining 45% (prior to the proposed capital raise)
- Kali will be led by Managing Director Graeme Sloan and Non-Executive Chairman Luke Reinehr



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