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KARORA

RESOURCES

FOURTH QUARTER 2023 | CONFERENCE CALL AND WEBCAST

FOURTH 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, consolidated full year production, cost and capital guidance, and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Two Boys Mine, the Pioneer Mine, the Spargos Gold Project, the Lakewood Mill, the HGO Mill and the completion of the Beta Hunt growth plan.

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.sedarplus.ca.

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 March 22, 2024 and MD&A for the period ended December 31, 2023.

CAUTIONARY NOTE

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

- (1) 2024 guidance was announced in March 2023 (see Karora news release March 23, 2023) and updated on March 11, 2024.
- (2) The Corporation'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 Corporation, no significant events which impact operations, an A\$ to US\$ exchange rate of 0.67 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 below "Cautionary Statement Concerning Forward-Looking Statements".
- (3) 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.
- (4) Capital expenditures exclude capitalized depreciation and leased equipment.
- (5) 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. Mine development for projects with greater than 1 year mine life and equipment acquisition are being attributed to growth capital during this growth phase.
- (6) See "Risk Factors" and "Non-IFRS Measures" described in the Corporation's MD&A for the period end December 31, 2023.

HIGHLIGHTS

- Record annual production of 160,492 gold ounces and strong quarterly production of 40,295 gold ounces
- Continued exploration success at Beta Hunt, highlighted by strong drill results from the Fletcher and Mason zones
- Mineral Resource and Mineral Reserve Growth
- Kali Metals transaction to unlock HGO lithium exploration potential



PRODUCTION, COST AND CAPITAL GUIDANCE (2024)

Production & Costs		2024
Gold Production	Koz	170 – 185
All-in sustaining costs	US\$/oz	1,250 – 1,375
Payable Nickel Production	Tonnes	200 - 300
Capital Investments		
Sustaining Capital	A\$ (M)	11 - 16
Growth Capital	A\$ (M)	80 – 90
Exploration & Resource Development	A\$ (M)	18 - 23

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

2023 REVIEW

2023 Operating Highlights:

- Record gold production of 160,492 oz
- Gold sales of 157,054 oz
- Cash operating costs of US\$1,128/oz
- AISC¹ of US\$1,248/oz sold

2023 Financial Highlights:

- Revenue: \$416.3 million
- Net earnings: \$8.9 million (\$0.05/sh)
- Adjusted earnings¹: \$36.1 million (\$0.21/sh)
- Adjusted EBITDA¹: \$129.3 million (\$0.74/sh)
- Cash flow from operating activities \$132.7 million

Financial Position (millions of dollars)

For the periods ended	December 31, 2023	December 31, 2022
Cash and cash equivalents	\$82.5	\$68.8
Working capital ²	54.3	38.0
PP&E & MPI	465.5	427.0
Total assets	604.6	557.1
Current liabilities ³	68.2	73.6
Non-current liabilities ⁴	105.6	86.2
Financial liabilities ⁵	63.2	48.7
Total liabilities	237.0	208.5
Shareholder's equity	\$367.7	\$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 March 22, 2024.
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.

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CONSOLIDATED OPERATIONAL HIGHLIGHTS

○ 2023 consolidated production:

- Gold produced 160,492 oz
- 2,039 kt milled @ 2.59 g/t
- Recoveries: 95%
- Cash operating costs: US\$1,128/oz sold

○ Q4 2023 consolidated production:

- Gold produced 40,295 oz
- 485 kt milled @ 2.75 g/t
- Recoveries: 94%
- Cash operating costs: US\$1,272/oz sold



Beta Hunt Mine Coarse Gold

OPERATIONAL HIGHLIGHTS – BETA HUNT

○ 2023 Beta Hunt:

- Gold produced – 108,698 oz
- 1,314 kt milled @ 2.71 g/t
- Cash operating costs: US\$1,088/oz sold
- Nickel mined – 23,288 t @ 2.2%

○ Q4 2023 Beta Hunt:

- Gold produced – 34,486 oz
- 363 kt milled @ 3.13 g/t
- Cash operating costs: US\$1,123/oz sold
- Nickel mined – 5,253 t @ 2.3%



OPERATIONAL HIGHLIGHTS – HGO

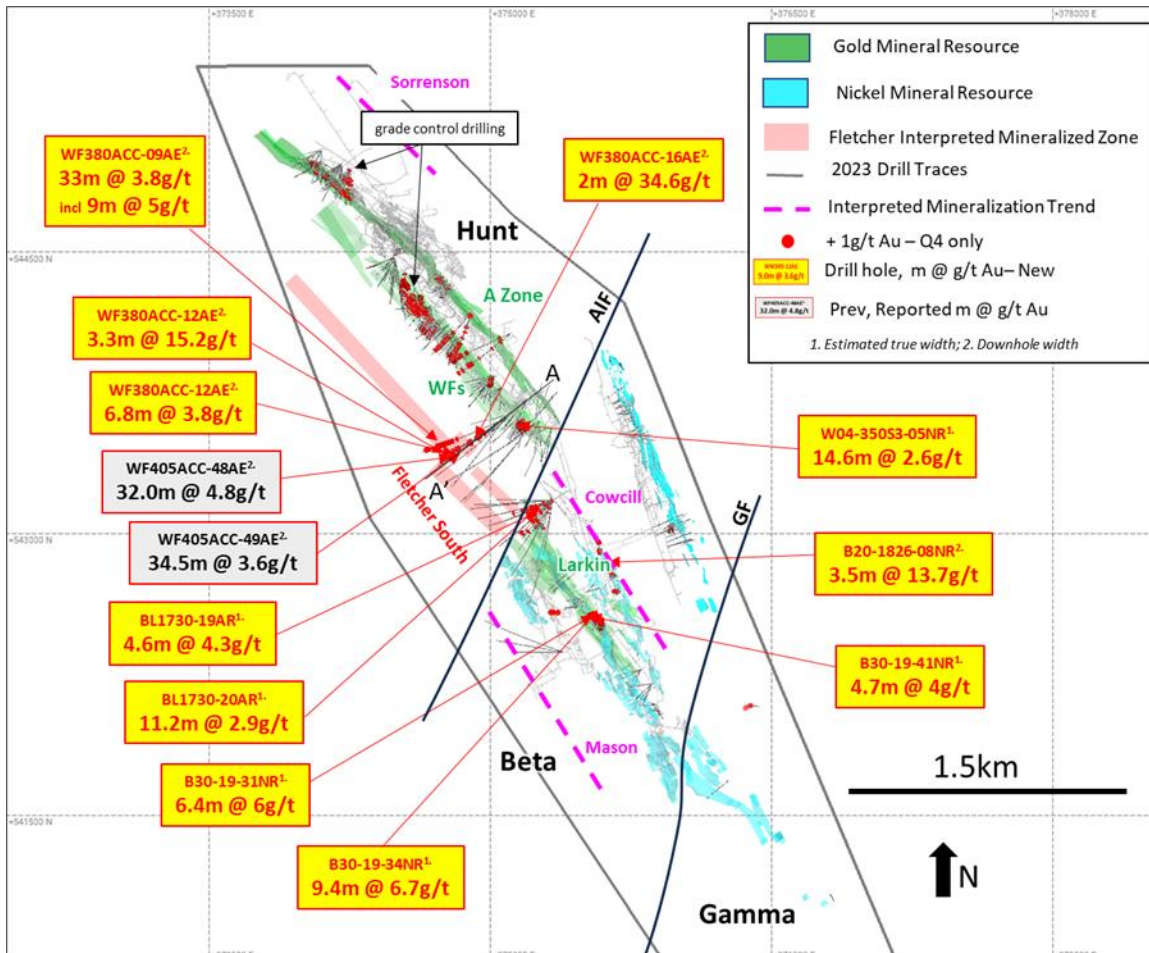
- **2023 HGO mines production:**
 - Gold produced 51,794 oz
 - 726 kt milled @ 2.36 g/t
 - Cash operating costs: US\$1,209 /oz sold
- **Q4 2023 HGO mines production:**
 - Gold produced 5,809 oz
 - 123 kt milled @ 1.61 g/t
 - Cash operating costs: US\$2,112 /oz sold



HGO Processing Plant

BETA HUNT EXPLORATION UPDATE

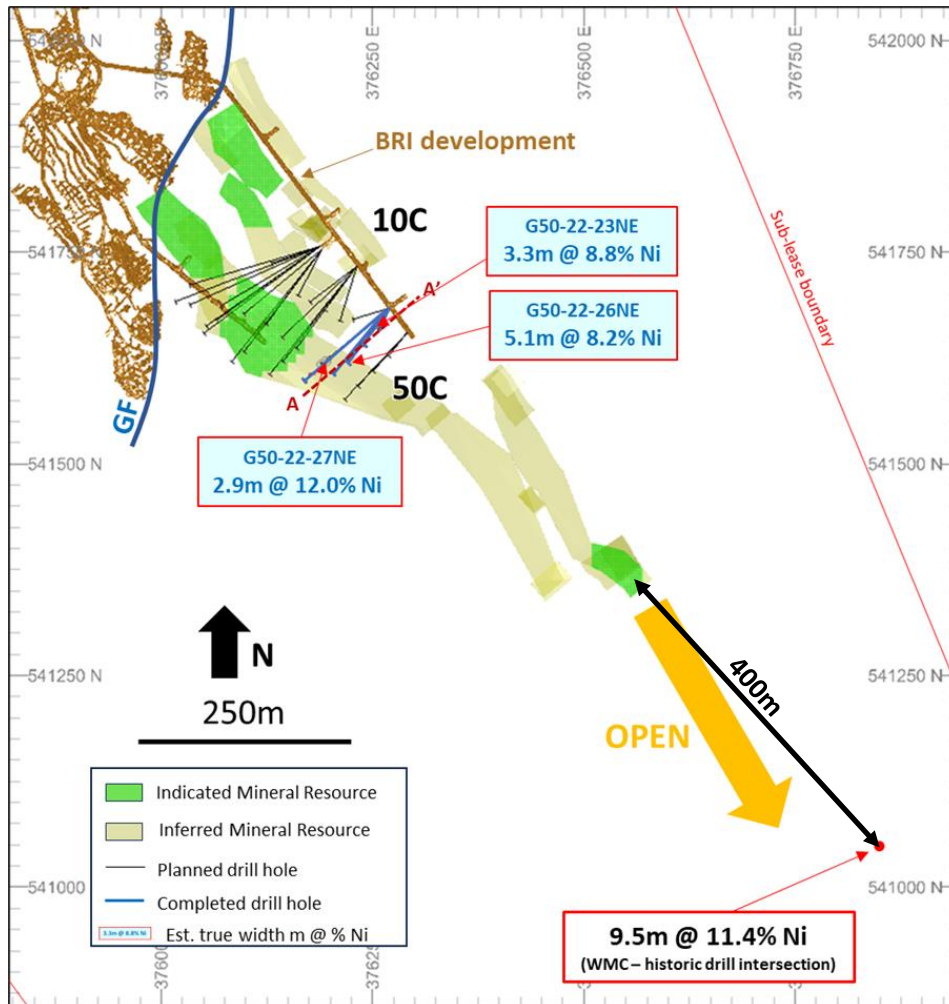
Strong Recent Results from Fletcher and Larkin Zones



- Fletcher Stage 2 drilling results support interpretation of a significant gold mineralized system:
 - WF380ACC-09AE: 3.8 g/t over 33.0 metres and 5 g/t over 9.0 metres
 - WF380ACC-12AE: 15.2 g/t over 3.3 metres and 3.8 g/t over 6.8 metres
 - WF380ACC-16AE: 34.6 g/t over 2.0 metres
- Larkin drill results support next update of Mineral Resource model:
 - B30-19-34NR: 6.7 g/t over 9.4 metres
 - B20-1826-08NR: 13.7 g/t over 3.5 metres
 - B30-19-41NR: 4.0 g/t over 4.7metres

BETA HUNT EXPLORATION UPDATE

50C Nickel Zone – New High-Grade Nickel Intercepts



Recent infill drilling returned some of the highest grade intercepts from Gamma to-date

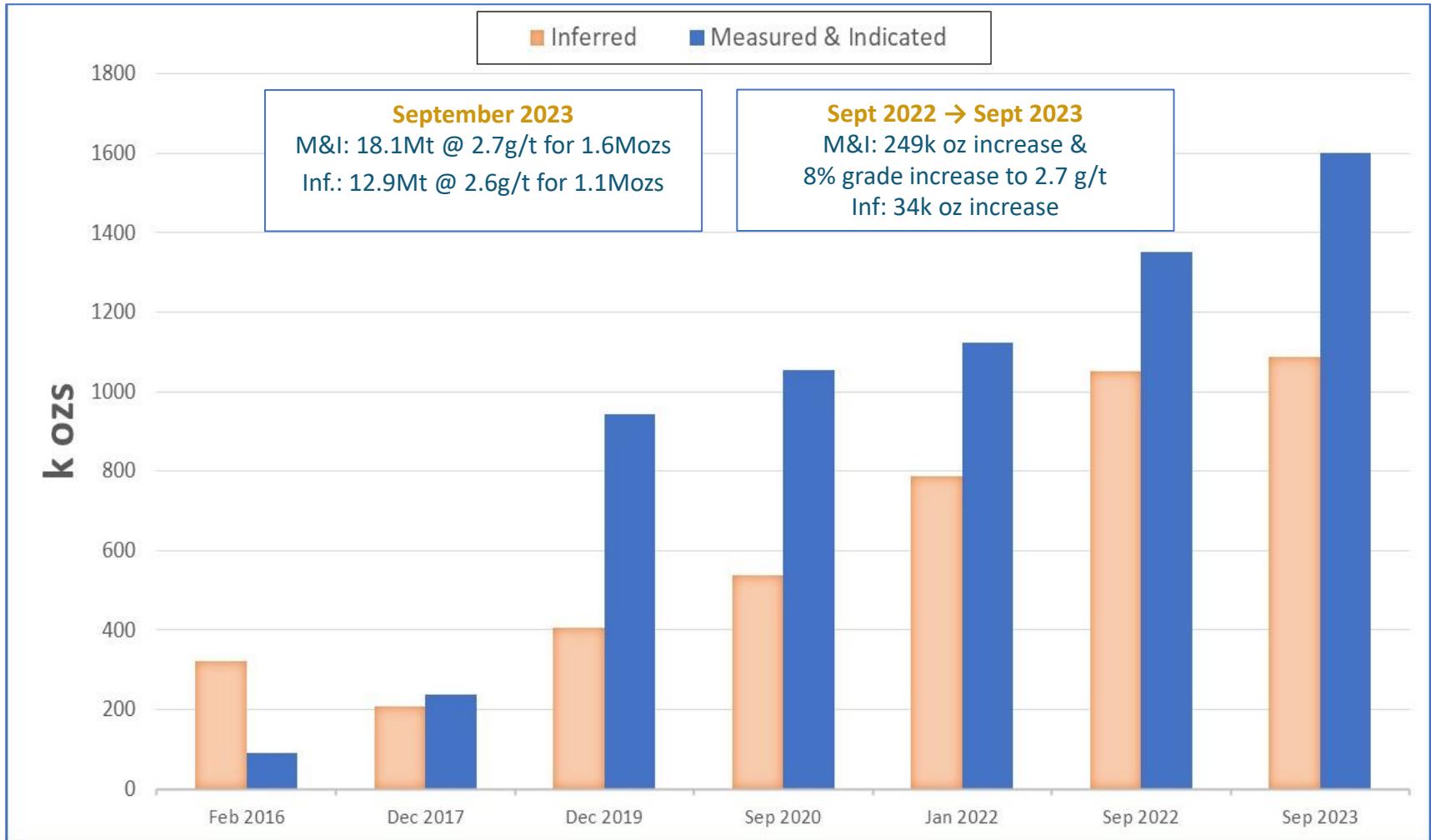
Gamma zone nickel drill results:

- G50-22-26NE: 8.2% Ni over 5.1 metres, including 13.7% over 2.6 metres
- G50-22-27NE: 12.0% Ni over 2.9 metres
- G50-22-23NE: 8.8% Ni over 3.3 metres
- G50-22-23NE: 8.8% Ni over 3.3 metres

Potential Strike Length of 3km

- Open along strike
- Historic drill intersection of 11.4% over 9.5m 400 metres south of Gamma Nickel Mineral Resource

BETA HUNT GOLD MINERAL RESOURCE TIMELINE



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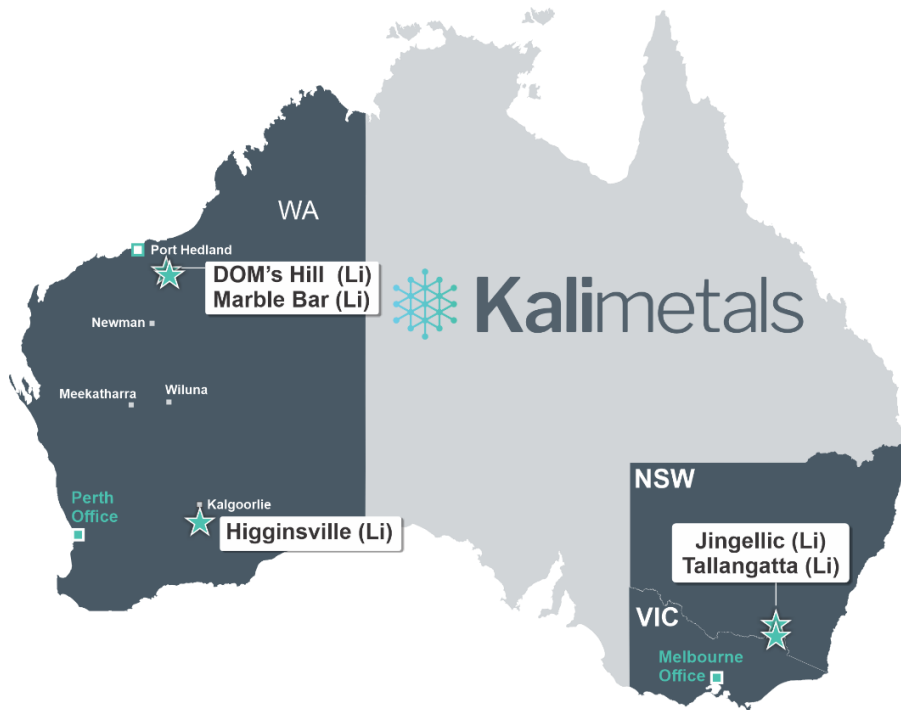
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LITHIUM EXPLORATION POTENTIAL

Unlocking Value Through 22% ownership of Kali Metals



- On January 8, 2024 Kali began trading on the ASX following a successful and heavily oversubscribed IPO of A\$15M (A\$55M of demand) on November 20. Post IPO, Karora owns ~22% of Kali Metals Ltd.
- Karora and Kalamazoo Resources Limited (ASX: KZR) vended their lithium exploration projects into Kali Metals Limited, a new jointly owned but separately run lithium-focused company listed on the ASX
- Kali Metals strategic shareholders include Mineral Resources (ASX:MIN, A\$12.1Bn Mkt Cap, ~14% ownership of Kali)
- Extensive ~3,900km² exploration portfolio adjacent to world-class lithium mines and deposits including Higginsville (+1,600km²) and Pilbara (~200km²) WA, and prospective lithium exploration projects in the Lachlan Fold Belt (+2,000km²) in NSW and VIC
- Exploration programs, including soil sampling are already underway at all three projects and an initial drilling program anticipated to commence in H1 2024 at Kali's Higginsville
- Kali is led by Managing Director Graeme Sloan and Non-Executive Chairman Luke Reinehr

LONG TERM POWER PURCHASE AGREEMENT

Addressing Climate Change and Reducing Costs

- As part of its 2022 ESG Report, Karora set an initial target to reduce Scope 1 & 2 GHG emissions by 20% by 2030, compared to a 2024 forecasted business-as-usual baseline.
- Karora's first step in achieving this target:
- Negotiated and executed a long-term Power Purchase Agreement (PPA) to replace diesel power generation at our HGO operations with tie into grid power, including supporting infrastructure
- Once implemented in 2025, an 11–13% decrease in carbon emissions by 2030 is expected (representing 40% of Karora's 20% Scope 1 & 2 GHG emissions reductions target)
- In tandem with emissions reduction analysis, Scope 1 & 2 GHG emissions were compensated for in 2021 and 2022 through purchase and retirement of verified carbon offset credits
- Expect to significantly reduce power costs at HGO by approximately 30% at HGO beginning in 2025



**INITIAL TARGET:
20% REDUCTION IN GHG
EMISSIONS BY 2030**



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