

Karora Announces Filing Of Technical Report For Previously Reported Gold Mineral Reserves And Mineral Resources

TORONTO, Feb. 1, 2021 /CNW/ - Karora Resources Inc. (TSX: KRR) ("Karora" or the "Corporation") today announced that the Corporation has filed on SEDAR a technical report prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") supporting the mineral resource and reserve statement for Beta Hunt and Higginsville operations in Western Australia previously reported in Karora's news release dated December 16, 2020.

The full technical report, titled "Technical Report Higginsville-Beta Hunt Operation, Eastern Goldfields, Western Australia", can be found under the Corporation's issuer profile at www.sedar.com.

As previously reported, the new consolidated gold Proven and Probable Mineral Reserves increased 334% to 1.33 million ounces for Karora's Beta Hunt and Higginsville operations in Western Australia. The updated Mineral Resource and Reserve estimate is effective as of September 30, 2020. The new consolidated Measured and Indicated ("M&I") gold Mineral Resource of 2.52 million ounces, is an increase of 167% compared to the prior estimate. This Mineral Resource update does not include the high grade Spargos Reward Project, which is expected to be completed in the first half of 2021.

The Mineral Reserve and Mineral Resource estimates as at September 30, 2020 are presented in the tables below.

Consolidated Mineral Resource and Reserve Summary for Higginsville and Beta Hunt

Karora Consolidated Gold Mineral Reserves as at 30 September, 2020

Sept-2020 Mineral Reserve	Proven			Probable			Proven & Probable		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Beta Hunt	329	2.4	25	5,451	2.6	456	5,780	2.6	482
Higginsville	8,503	1.3	362	9,249	1.6	483	17,752	1.5	845
Total	8,832	1.4	387	14,700	2.0	940	23,531	1.8	1,327

See below Detailed Footnotes relating to Mineral Reserve Estimates as at September 30, 2020.

Karora Consolidated Gold Mineral Resources as at 30 September, 2020

Sept-2020 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Beta Hunt	630	2.4	49	11,369	2.8	1,006	11,999	2.7	1,055	6,146	2.7	537
Higginsville	13,362	1.4	604	16,633	1.6	862	29,994	1.5	1,466	4,581	2.1	310
Total	13,992	1.5	653	28,001	2.1	1,868	41,994	1.9	2,521	10,727	2.5	847

See below Detailed Footnotes relating to Mineral Resource Estimates as at September 30, 2020.

Karora Consolidated Nickel Mineral Resources as at 30 September, 2020

Sept-2020 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	% Ni	Nits	Kt	% Ni	Nits	Kt	% Ni	Nits	Kt	% Ni	Nits
Beta Hunt	-	-	-	561	2.9%	16,100	561	2.9%	16,100	314	2.8%	8,680

Nits refers to contained nickel tonnes

See below Detailed Footnotes relating to Mineral Resource Estimates as at September 30, 2020.

Higginsville

Higginsville Gold Mineral Reserves as at September 30, 2020

Sept-2020 Mineral Reserve	Proven			Probable			Proven & Probable		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
HGO Central	340	2.2	24	3,016	2.0	194	3,357	2.0	218

HGO Greater	7,988	1.3	333	5,454	1.5	268	13,442	1.4	602
Stockpiles	175	0.8	5	778	0.8	21	953	0.8	25
Total	8,503	1.3	362	9,249	1.6	483	17,752	1.5	845

See below Detailed Footnotes relating to Mineral Reserve Estimates as at September 30, 2020.

Higginsville Gold Mineral Resources as at September 30, 2020

Sept-2020 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
HGO Central	953	3.0	91	3,266	2.8	291	4,219	2.8	382	1,455	3.1	145
HGO Greater	12,234	1.3	508	12,094	1.4	540	24,328	1.3	1,048	3,126	1.6	165
Stockpiles	175	0.8	5	1,273	0.7	30	1,448	0.7	35	-	-	-
Total	13,362	1.4	604	16,633	1.6	862	29,994	1.5	1,466	4,581	2.1	310

See below Detailed Footnotes relating to Mineral Resource Estimates as at September 30, 2020.

Beta Hunt

Gold

Beta Hunt Gold Mineral Reserves as at September 30, 2020

Sept-2020 Mineral Reserve	Proven			Probable			Proven & Probable		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Western Flanks	245	2.4	19	4,411	2.7	381	4,657	2.7	400
A Zone	84	2.5	7	1,039	2.3	75	1,123	2.3	82
Total	329	2.4	25	5,451	2.6	456	5,780	2.6	482

See below Detailed Footnotes relating to Mineral Reserve Estimates as at September 30, 2020.

Beta Hunt Gold Mineral Resources as at September 30, 2020

Sept-2020 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Western Flanks	451	2.4	35	8,816	2.8	800	9,267	2.8	835	4,133	2.7	360
A Zone	180	2.4	14	2,553	2.5	206	2,733	2.5	220	2,013	2.7	177
Total	630	2.4	49	11,369	2.8	1,006	11,999	2.7	1,055	6,146	2.7	537

See below Detailed Footnotes relating to Mineral Resource Estimates as at September 30, 2020.

Nickel

Beta Hunt Nickel Mineral Resources as at September 30, 2020

Sept-2020 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	% Ni	Nits	Kt	% Ni	Nits	Kt	% Ni	Nits	Kt	% Ni	Nits
Beta	-	-	-	286	2.6%	7,480	286	2.6%	7,480	216	2.7%	5,830
East Alpha	-	-	-	276	3.1%	8,620	276	3.1%	8,620	98	2.9%	2,850
Total	-	-	-	561	2.9%	16,100	561	2.9%	16,100	314	2.8%	8,680

See below Detailed Footnotes relating to Mineral Resource Estimates as at September 30, 2020.

Compliance Statement (JORC 2012 and NI 43-101)

Shane McLeay is a mining engineer and a Fellow of the AusIMM. Mr McLeay is an employee of Entech Pty Ltd of Perth, Western Australia, who were employed by Karora to undertake the Gold Mineral Reserve estimate for Beta Hunt. Mr McLeay has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition, and fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101. Mr McLeay has reviewed and approved the disclosure of the scientific and technical information for the Beta Hunt Gold Mineral Reserves included in this news release.

Anton von Wielligh is a mining engineer and a Fellow of the AusIMM. Mr von Wielligh is an employee of ABGM Pty Ltd of Perth, Western Australia, who were employed by Karora to undertake the Gold Mineral Reserve estimate for Higginsville (Central & Greater, excluding Mt Henry). Mr von Wielligh has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition, and fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101. Mr von Wielligh has reviewed and approved the disclosure of the scientific and technical information for the Higginsville (excluding Mt Henry) Gold Mineral Reserves included in this news release.

Ross Cheyne is a mining engineer and a Fellow of the AusIMM. Mr Cheyne is an employee and Director of Orelogy Mine Consulting of Perth, Western Australia, who were employed by Karora to undertake the Gold Mineral Reserve estimate for the Mt Henry Project. Mr Cheyne has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition, and fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101. Mr Cheyne has reviewed and approved the disclosure of the scientific and technical information for the Mt Henry Gold Mineral Reserves included in this news release. The Mt Henry Gold Mineral Reserve is part of the Higginsville Greater Mineral Reserve estimate.

Mr. Stephen Devlin is Group Geologist – Exploration & Growth for Karora, a full time employee of Karora and a Fellow of the AusIMM. Mr Devlin has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition, and fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101. Mr Devlin has reviewed and approved the disclosure of the scientific and technical information for the Beta Hunt and Higginsville Gold Mineral Resource and the Beta Hunt Nickel Mineral Resource included in this news release.

Mr. Ian Glacken is a geologist and geostatistician and a Fellow of the AusIMM. Mr Glacken is an employee of Optiro Pty Ltd, of Perth, Western Australia, who were employed by Karora to undertake the Gold Mineral Resource estimate for the Mt Henry Project. Mr Glacken has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition, and fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101. Mr Glacken has reviewed and approved the disclosure of the scientific and technical information for the Mt Henry Gold Mineral Resource in this news release. The Mt Henry Gold Mineral Resource is part of the Higginsville Greater Mineral Resource estimate.

The "JORC Code" means the Australasian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia. There are no material differences between the definitions of Mineral Resources under the applicable definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM Definition Standards") and the corresponding equivalent definitions in the JORC Code for Mineral Resources.

Detailed Footnotes relating to Mineral Resource Estimates as at September 30, 2020

- (1) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
- (2) The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce Mineral Reserves.
- (3) The Mineral Resource estimates include Inferred Mineral Resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that Inferred Mineral Resources will be converted to Measured and Indicated categories through further drilling, or into Mineral Reserves once economic considerations are applied.
- (4) The Gold Mineral Resources are estimated using a long term gold price of US\$1,600/oz with a US:AUD exchange rate of 0.70.
- (5) Gold Mineral Resources were estimated using variable cut-off grades taking into account variable operational costs: underground - 1.3 g/t; open pits, 0.4 g/t to 0.5g/t.
- (6) To best represent "reasonable prospects of eventual economic extraction" the mineral resource for open pits has been reported within an optimized pit shells at A\$2,285 (US\$1,600) and, for underground resources, areas considered sterilized by historical mining are depleted from the Mineral Resource.
- (7) The Nickel Mineral Resource is reported above a 1% Ni cut-off grade.
- (8) Mineral Resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.

Detailed Footnotes relating to Mineral Reserve Estimates as at September 30, 2020

- (1) The Gold Mineral Reserve are estimated using a long term gold price of US\$1,400/oz with a US:AUD exchange rate of 0.70.
- (2) Cut-off grades for open-pit mineral reserves vary from 0.50g/t to 0.85g/t. The cut-off grade takes into account dilution, mine

recovery and operating mining, processing/haulage, sustaining capital and G&A costs. Dilution and recovery factors varied by deposit.

- (3) At Beta Hunt, underground mineral reserves are reported at a 1.6g/t incremental cut-off grade. At Higginsville, underground mineral reserves cut-off grades vary between 1.6g/t (modified and diluted grade) to 2g/t (modified/diluted grade). The cut-off grade takes into account Operating Mining, Processing/Haulage and G&A costs, excluding capital.
- (4) The Mineral Reserve is depleted for all mining to September 30, 2020.

Mineral Reserve tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add

- (5) due to rounding.

About Karora Resources

Karora is focused on growing gold production and reducing costs 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 gold Mineral Resource and Reserve and prospective land package totaling approximately 1,800 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.

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, liquidity and capital resources of Karora, production guidance and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Aquarius Project and the Spargos Gold Project and the timing for production at 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.

SOURCE Karora Resources Inc.

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