Karora Intersects 11.6% Nickel Over 4.6 Metres In A New High-Grade Discovery - "Gamma Zone - 50C" And Extends Gold Mineralized Strike Length By 400 Metres To Over 3.5 Kilometres At Beta Hunt

Highlights:

- **At Beta Hunt, drilling aimed to test for the offset extension of the historic Beta nickel belt south of the Gamma Island Fault has confirmed the presence of massive and matrix nickel sulphide mineralization along the prospective ultramafic/basalt contact.**
- **Significant nickel intersections[1] include:**
  - **G50-22-005E: 11.6% Ni over 4.6 metres, including 18.4% Ni over 2.2 metres**
  - **G50-22-002E: 1.2% Ni over 0.3 metres**
  - **G50-22-003E: 2.4% Ni over 1.8 metres**
- **The new nickel zone - named "50C" has the potential to represent a repeat of the historic Beta Zone which to date has produced in excess of 32,000 tonnes of nickel metal (Nits). The 50C Nickel Trough is located 140 metres from existing development and remains open to the south.**
- **Drilling also intersected gold mineralization above and below the 50C trough and suggests the Beta Hunt gold mineralized system extends for over 3.5 kilometres of strike from the northern end of the A Zone.**
- **Significant gold intersections[1.] include:**
  - **G50-22-002E: 2.7g/t Au over 12.0 meters, including 10.1g/t Au over 1.4 metres**
  - **G50-22-005E: 5.2 g/t Au over 3.2 metres**
  - **G50-22-004E: 2.8g/t Au over 11.5 metres, including 10.5 g/t Au over 0.5 metres**

1. *Downhole intervals. True widths cannot be determined with currently available information.*

TORONTO, April 6, 2021 /CNW/ - Karora Resources Inc. (TSX: KRR) ("Karora" or the "Corporation") is pleased to announce a new high grade nickel discovery at the Beta Hunt Mine – the 50C Nickel Trough. The 50C discovery, located south of the Gamma Island Fault, is the second new nickel discovery at Beta Hunt in the last six months and is further evidence of the upside potential for nickel as a by-product credit to Karora's growing gold production profile. In addition, new gold drilling intersections have extended the known gold mineralized system at Beta Hunt to over 3.5 kilometres along strike.

Paul Huet, Chairman and CEO of Karora said, "I am very excited with the latest set of drill results from Beta Hunt, which continue to return outstanding intersections and now a second new nickel discovery, all within close proximity to existing mine development. The discovery of a new nickel zone south of the Gamma Island Fault is a major breakthrough in understanding the potential extent of nickel mineralization at Beta Hunt and represents a significant, emerging nickel opportunity for Karora. While we are focused on gold production as our core strategy, the potential by-product credits from these nickel grades, as high as 18%, are undoubtedly substantial.

As with the 30C nickel discovery announced in September 2020, the 50C discovery is within close proximity to existing mine development, reflecting the enormous advantage we have at Beta Hunt with over 400 kilometres of existing underground development already in place due to historic nickel mining operations in the highly competent basalt unit since the 1970s. This existing development not only provides for potential near term mining access once ventilation upgrades are completed, but also tremendous underground drilling locations from which to target further resource additions. The extensive infrastructure in place reduces our waste capital development requirements and increases the profitability of the operation. Further drilling targeting nickel growth at Beta Hunt is planned for the second half of the year and we look forward to additional updates as assays come in from the heavily stretched assay labs in Western Australia.

While our drilling in the 50C discovery area was aimed at nickel targets, our efforts also returned some meaningful gold assays including 5.2 g/t over 3.2 metres in hole G50-22-005E. These gold results demonstrate yet another potential area to add to the growing gold resource at Beta Hunt in the near term and have extended the strike extent of Beta Hunt gold mineralization to 3.5 kilometres from 3.1 kilometres previously."

New Nickel Discovery – Gamma Zone 50C

Nickel

Late last year Karora completed a five hole, 1,381 metre underground diamond drill program aimed to test for an offset continuation of the western Beta nickel belt at the very southern end of the Beta Hunt mine. The offsetting structure is known as the Gamma Island Fault and is interpreted to up-throw the southern block up to 200 metres. The drill program as designed was the result of a recent assessment and geological review of the area by Karora's exploration team and was co-funded by the Western Australian Government as part of its co-funded Exploration Incentive Scheme (EIS).

The targeted basalt/ultramafic contact was intersected in four of the five holes with nickel mineralization intersected in three holes - G50-22-005E, G50-22-003E and G50-22-002 in the targeted nickel contact position. Two holes, G50-22-005E and G50-22-003E encountered strong nickel mineralization logged as massive and disseminated nickel sulphide, with hole G50-22-005E intersecting 2.2 metres (downhole) of massive nickel sulphide. Assay results[1] support the visual observation of high tenor mineralization in this hole:

- G50-22-005E: 11.6% nickel over 4.6 meters, including 18.4% Ni over 2.2 meters
- G50-22-002E: 1.2% Ni over 0.3 meters
- G50-22-003E: 2.4% Ni over 1.8 meters

1. *Downhole intervals. True widths cannot be determined with currently available information.*

These results are 140 metres from existing mine development and reinforce the potential for a repeat of the Beta style mineralization south of the Gamma Island Fault, potentially representing a significant growth opportunity for by-product nickel production at Beta Hunt. Current Beta Hunt Measured and Indicated Resources total 561 kt @ 2.9% Ni for 16,100 contained nickel tonnes (see Karora's Technical Report dated February 1, 2021 available under Karora's profile on Sedar.com).

Beta Hunt Nickel Mineral Resources

Sept-2020 Mineral Resource	Measured			Indicated			Measured & Indicated			Inferred		
	k t	*% Ni*	*Nits*	*k t*	*% Ni*	*Nits*	*k t*	*% Ni*	*Nits*	*k t*	*% 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**

(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 Nickel Mineral Resource is reported above a 1% Ni cut-off grade.
(5) Mineral Resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.
(6) Nickel Mineral Resources are effective as of September 30, 2020.

A downhole electromagnetic (EM) survey using the recently completed holes is planned for the third quarter to assist in the targeting of nickel troughs in this area. Results will be interpreted and used for follow-up drilling planned later this year.

Gold

The five drill holes designed to test for nickel mineralization also returned encouraging gold intersections south of the Gamma Island Fault, occurring both in the underlying footwall basalt (same environment that hosts both the A Zone and Western Flanks Mineral Resources), and the overlying ultramafic. The association of gold mineralization with the ultramafic is not typical of the Beta Hunt gold mineralized system and requires further study to understand the significance of this observation.

The confirmation of gold mineralization south of the Gamma Island Fault extends the Beta Hunt gold system over a 3.5 kilometre strike length from the northern end of A zone and indicates potential for the continued growth of the existing gold Mineral Resource. Significant gold intersections[1] include:

- G50-22-002E: 2.7g/t over 12.0 meters, including 10.1g/t over 1.4 meters
- G50-22-005E: 5.2 g/t over 3.2 meters
- G50-22-004E: 2.8g/t over 11.5 meters, including 10.5 g/t over 0.5 meters
- G50-22-003E: 4.2g/t over 2.0 meters

1. *Downhole intervals. True widths cannot be determined with currently available information.*

Compliance Statement (JORC 2012 and NI 43-101)

The disclosure of scientific and technical information contained in this news release has been reviewed and approved by Stephen Devlin, FAusIMM, Group Geologist, Karora Resources Inc., a Qualified Person for the purposes of NI 43-101.

At Beta Hunt all drill core sampling is conducted by Karora personnel. Samples for gold analysis are shipped to SGS Mineral Services of Kalgoorlie for preparation and assaying by 50 gram fire assay analytical method. All gold diamond drilling samples submitted for assay include at least one blank and one Certified Reference Material ("CRM") per batch, plus one CRM or blank every 20 samples. In samples with observed visible gold mineralization, a coarse blank is inserted after the visible gold mineralization to serve as both a coarse flush to prevent contamination of subsequent samples and a test for gold smearing from one sample to the next which may have resulted from inadequate cleaning of the crusher and pulveriser. The lab is also required to undertake a minimum of 1 in 20 wet screens on pulverised samples to ensure a minimum 90% passing at -75µm. Samples for nickel analysis are shipped to SGS Australia Mineral Services of Kalgoorlie for preparation. Pulps are then shipped to Perth for assaying. The analytical technique is ICP41Q, a four acid digest ICP-AES package. Assays recorded above the upper detection limit (25,000ppm Ni) are re-analyzed using the same technique with a greater dilution (ICP43B). All samples submitted for nickel assay include at least one Certified Reference Material (CRM) per batch, with a minimum of one CRM per 20 samples. Where problems have been identified in QAQC checks, Karora personnel and the SGS laboratory staff have actively pursued and corrected the issues as standard procedure.

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 Mineral gold 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 new high grade nickel discovery at the Beta Hunt Mine – the 50C Nickel Trough, the extension of the Beta Hunt gold mineralized system and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Aquarius Project 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.

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.

Table 1(a): Beta Hunt - Gamma Zone-March 2020 - Significant Intersections – Nickel[1]

Hole ID	Sub interval	From (m)	To (m)	Downhole Interval (m)	% Ni [2.]
G50-22-003E		161.95	163.77	1.82	2.42
G50-22-004E		193.60	193.87	0.27	1.21
G50-22-005E		135.10	139.65	4.55	11.59
	including	135.92	138.15	2.23	18.36

1. Downhole widths - estimated true widths cannot be determined with available information
2. Reported Ni Grades > 1% Ni

Table 1(b): Beta Hunt - Gamma ZoneMarch 2020 - Significant Intersections - Gold[1]

	Sub	From	To	Downhole	

Hole ID	interval	From (m)	(m)	Interval (m)	Au (g/t)[2.]
G50-22-001E		72.7	73.7	1.0	2.36
G50-22-002E		184.6	186.3	1.7	1.26
		191.9	193.0	1.1	1.69
		250.0	251.0	1.0	4.04
		312.5	324.0	12.0	2.7
	including	321.9	323.3	1.4	10.11
		328.2	333.0	1.8	1.07
		334.0	335.0	1.0	1.34
G50-22-003E		4.00	5.00	1.00	1.5
		105.97	107.10	2.23	1.04
		141.0	143.0	2.0	4.16
		145.2	147.0	1.8	1.09
		218.6	220.1	1.5	1.05
		226.6	229.0	2.5	2.41
		232.0	233.9	1.9	1.11
		240.7	242.2	1.5	1.52
		261.7	263.7	2.0	1.86
G50-22-004E		250.0	261.5	11.5	2.79
	including	258.0	258.5	0.5	10.46
		266.0	267.0	1.0	1.16
		287.0	291.8	4.8	1.97
G50-22-005E		3.0	7.0	4.0	2
		40.0	42.0	2.0	2.14
		74.9	78.0	2.0	2.35
		193.8	*197.0*	*3.2*	*5.18*
		216.0	*218.9*	*2.9*	*2.58*

1. Downhole widths - estimated true widths cannot be determined with available information.
2. Reported gold grades > 0.5g/t Au over 1metre.

Table 2: Beta Hunt - Gamma ZoneMarch 2020 - Drill holes completed inDecember 2020

Hole ID	Northing	Easting	MGA N	MGA E	mRL	AZI	DIP	Total Length (m)
G50-22-001E	541760.0	376209.9	6541821.9	376227.3	-338.5	210.6	-14.9	308.9
G50-22-002E	541760.6	376209.8	6541822.4	376227.2	-338.9	210.1	6.3	342
G50-22-003E	541760.2	376209.9	6541822.0	376227.3	-336.6	215.1	19.6	263.7
G50-22-004E	541760.3	376209.9	6541822.1	376227.3	-336.9	211	13.1	306
G50-22-005E	541760.3	376209.9	6541822.1	376227.3	-335.9	208.9	25.3	218.9

Note: Eastings and Northings in MGA, Zone 51

SOURCE Karora Resources Inc.

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