

Karora Among The World's First Carbon Neutral Gold Mining Companies Following The Retirement Of Diversified Carbon Offsets

TORONTO, Sept. 7, 2021 /CNW/ - Karora Resources Inc. (TSX: KRR) ("Karora" or the "Corporation") is pleased to announce that it will achieve carbon neutrality in 2021 for its own operations (Scope 1 emissions) and purchased electricity consumption (Scope 2 emissions) through the purchase and retirement of 80,000 tonnes of verified carbon offset credits. The credit retirements form the preliminary phase of a long term emissions reduction strategy underway across Karora's business units.

Paul Andre Huet, Chairman & CEO, commented: "To be among the world's first carbon neutral gold producers is an exciting achievement for Karora and in line with our commitment to develop a pathway toward a True Net Zero mining future. Mining will form the backbone of critical metals delivery in the years to come and we are proud to be sector leaders in the junior gold mining space.

Our selection of offsets was driven by a thorough analysis of carbon reduction and removal quality and credibility as well as the social impact expected from the variety of offset projects selected. Our decision to invest in a reforestation project in Australia was a direct result of both our geographical community focus and an effort to help the nation recover from the devastating bushfires of late 2019 and early 2020. Through this project, we are both offsetting our Scope 1 and 2 emissions as well as ensuring the protection of Australia's unique biodiversity.

Today's announcement is one of the many steps in our broader strategy of reducing our greenhouse gas (GHG) emissions moving forward. We have begun analysis of our future projected emissions and emissions intensities and will be using these forecasts as the basis for our company-wide emissions reduction plan. As we progress this work, we will be setting annual reduction targets for our operating business units. Our goal is to continue to be a sector leader amongst our junior gold mining peers with our initial focus on Scope 1 and 2 emissions reductions and ultimately reducing our Scope 3 emissions to achieve True Net Zero emissions status."

Karora, through its partnership with The Net Zero Company™, selected a range of offset projects in order to support a diversified basket of important carbon offset projects ranging from renewable projects to reforestation in Australia. The retired Australian carbon offsets are independently verified by Gold Standard and simultaneously qualify as government accredited Australian Biodiversity Units, meeting the stringent standards required for the Australian Government's Climate Active Program (formerly the National Carbon Offset Standard – NCOS).

The Mount Sandy Conservation project selected in Australia involves the protection of a 200 hectare strategic habitat with replanting of over 30 species of native vegetation including tree cover. The project area is managed via close collaboration with the traditional land owners and custodians of Coorong County, the local Ngarindjeri people. Native plant species for revegetation will be supplied by the local nursery at Raukkan Aboriginal Community located 50 kilometres northwest of the project site.

About Karora Resources

Karora is focused on doubling gold production to 200,000 ounces by 2024 compared to 2020 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 1.6 Mtpa processing plant, expanding to a planned 2.5 Mtpa by 2024, which is fed at capacity from Karora's underground Beta Hunt mine and Higginsville mines. 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 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 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 Company achieving a True Net Zero mining future in line with Science Based Targets, including the goals of reaching Scope 1 Scope 2 net zero emissions, reducing the Company's carbon footprint, achieving net zero GHG emissions across the business and the Company becoming world's first Net Zero GHG junior mining company.

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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