

Karora Resources Closes Oversubscribed \$69 Million Bought Deal Financing

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TORONTO, June 14, 2022 /CNW/ - Karora Resources Inc. (TSX: KRR) (OTCQX: KRRGF) ("Karora" or the "Corporation") is pleased to announce that it has closed its previously announced bought deal financing of 14,375,000 common shares of the Corporation (the "Common Shares"), at a price of \$4.80 per Common Share (the "Issue Price"), for gross proceeds to the Corporation of \$69,000,000 (the "Offering"), including the exercise in full of the Underwriters' over-allotment option. The Offering was underwritten on a "bought deal" basis by a syndicate of underwriters, co-led by Haywood Securities Inc., as co-lead underwriter and sole bookrunner, and Cormark Securities Inc., as co-lead underwriter, and including Canaccord Genuity Corp., Desjardins Securities Inc., Red Cloud Securities Inc., and Stifel Nicolaus Canada Inc. (collectively, the "Underwriters").

The Corporation intends to use the net proceeds received from the Offering to fund a portion of the cash consideration due at a closing of the Lakewood Mill acquisition as further described in the Corporation's news release dated May 24, 2022 (which transaction is subject to the satisfactory completion by the Corporation of its due diligence and other applicable closing conditions), advancement of the Corporation's nickel exploration and development program its Beta Hunt Mine, and for working capital and general corporate purposes.

The Corporation filed a final short form prospectus (the "Prospectus") in all of the provinces of Canada, except Québec, pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* to qualify for distribution of the Common Shares offered pursuant to the Offering. Copies of the Prospectus and documents incorporated by reference therein are available electronically on SEDAR (www.sedar.com) under Karora's issuer profile.

The securities offered in the Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor will there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Karora Resources

Karora is focused on increasing gold production to a targeted range of 185,000-205,000 ounces by 2024 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 are 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 1,900 square kilometers. The Corporation also owns the high grade Spargos Reward project, which came into production 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 anticipated use of proceeds of the Offering and the completion of the acquisition of the Lakewood Mill.

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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SOURCE Karora Resources Inc.

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