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KARORA
RESOURCES

SECOND QUARTER 2022 | CONFERENCE CALL AND WEBCAST

SECOND QUARTER 2022 CONFERENCE CALL

Chairman & CEO:

Paul Andre Huet

**Executive Vice President,
Corporate Development:**

Oliver Turner

DISCLAIMER

CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking information" including without limitation statements relating to production guidance, cost guidance, the Corporation's growth plan, the completion of the HGO mill expansion, the growth opportunities at Beta Hunt Mine and the potential of the Beta Hunt Mine, Higginsville Gold Operation and the Spargos Gold Mine.

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 presentation 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 Adjusted Working Capital, 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.

CAUTIONARY STATEMENT REGARDING 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.

CAUTIONARY NOTE – RESOURCES

In accordance with applicable Canadian securities regulatory requirements, all mineral resource estimates of Karora disclosed in this Presentation have been prepared in accordance with Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves Definitions and Guidelines" (the "CIM Guidelines").

Pursuant to the CIM Guidelines, mineral resources have a higher degree of uncertainty than mineral reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with measured or indicated mineral resources, have the least certainty as to their existence, and it is reasonably expected the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. Pursuant to NI 43-101, inferred mineral resources may not form the basis of any economic analysis, including any feasibility study. Accordingly, readers are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral reserve, or is or will ever be economically or legally mineable or recovered. Premier is not aware of any environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the mineral resource estimate. The definitions under NI 43-101 and the CIM guidelines differ from the definitions in Guide 7 of the U.S. Securities and Exchange Commission. Accordingly, information regarding mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States Securities laws and the policies and regulations thereunder.

TECHNICAL REPORTS

Technical Report on the Higginsville-Beta Hunt Operation Eastern Goldfields, Western Australia), dated January 29, 2021, available under Karora's profile at www.sedar.com

QP STATEMENT

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

CAUTIONARY NOTE

CAUTIONARY NOTES – PRODUCTION, COST AND CAPITAL GUIDANCE (2022 – 2024)

- (1) The 2022 guidance was updated August 12, 2022. 2023 and 2024 guidance was announced in January 2021 (see Karora news release dated January 19, 2021), is unchanged. This production guidance through 2024 is based on the 2020 year-end Mineral Reserves and Mineral Resources announced on December 16, 2020.
- (2) The Corporation expects to fund the capital Investment amounts listed above with cash on hand and cashflow from operations, includes the capital required during the applicable periods to expand the capacity of the Higginsville mill to 2.5 Mtpa. See below for further detail regarding this expansion.
- (3) The material assumptions associated with the expansion of Beta Hunt mining production rate to 2.0 Mtpa in 2024 include the addition of a second ramp decline system driven parallel to the ore body, ventilation and other infrastructure that is required to support these areas, and an expanded trucking fleet.
- (4) 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, such as COVID-19, nickel price of US\$22,000 per tonne, as well as an A\$ to US\$ exchange rate of 0.70 in the second half of 2022 and 0.78 in 2023 and 2024. and A\$ to C\$ exchange rate of 0.91. 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".
- (5) 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.
- (6) Capital expenditures exclude capitalized depreciation.
- (7) AISC guidance includes Australian general and administrative costs and excludes share-based payment expense.
- (8) See "Non-IFRS Measures" set out at the end of this news release and Karora's MD&A dated for the period ended June 30, 2022.

RECENT HIGHLIGHTS

- Closed transformative acquisition of 1.0 Mtpa Lakewood Mill
- Closed an oversubscribed bought deal financing of 14,375,000 common shares at \$4.80 per share for gross proceeds of \$69 M
- Positive PEA for increased nickel production from Beta Hunt yielding a base case pre-tax NPV5% of A\$57 M at US\$19,500/t Ni price and upside case pre-tax NPV5% of A\$111 M at US\$25,000/t
- Closed an \$80 M credit agreement with Macquarie Bank consisting of \$40 M term loan and \$40M revolving credit facility with an interest rate of CDOR +4.5%



PRODUCTION, COST AND CAPITAL GUIDANCE (2022 – 2024)³

Production & Costs		2022	2023	2024
Gold Production	Koz	120 – 135	150 - 170	185 - 205
All-in sustaining costs	US\$/oz	1,100 – 1,200	890 - 990	885 - 985
Capital Investments				
Sustaining Capital	A\$ (M)	9 – 15	11 - 16	18 - 23
Growth Capital	A\$ (M)	57 – 70	47 - 57	30 - 40
Exploration & Resource Development	A\$ (M)	21 - 24	22 - 25	20 - 23

1. See caution regarding non-IFRS measures on slide 3.
2. Guidance assumes no significant interruption in operations as a result of the COVID 19 virus.
3. See cautionary notes on slide 4

Q2 2022 FINANCIAL REVIEW

Q2 2022 Operating Highlights:

- Gold production of 30,652 oz
- Gold sales of 30,398 oz
- Cash operating costs of US\$1,130/oz
- AISC¹ of US\$1,190/oz sold **(15% improvement compared to Q1 2022)**

Q2 2022 Financial Highlights:

- Revenue: \$73.6 million
- Net earnings: \$(0.3) million (\$(0.00)/sh)
- Adjusted earnings¹: \$4.7 million (\$0.03/sh)
- Adjusted EBITDA¹: \$22.6 million (\$0.14/sh)
- Cash flow from operating activities \$11.2million

Financial Position

For the periods ended	June 30, 2021	December 31, 2021
Cash and cash equivalents	\$78.1	\$91.0
Working capital surplus (deficit) ²	75.6	64.4
PP&E & MPI	322.3	300.7
Total assets	476.9	436.3
Total liabilities	160.3	185.0
Shareholder's equity	\$316.6	\$251.4

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 MD&A dated August 12, 2022.
2. Working capital surplus (deficit) is a measure of current assets (including cash and cash equivalents) less current liabilities.

CONSOLIDATED OPERATIONAL HIGHLIGHTS & HGO

○ Q2 2022 consolidated production:

- Gold produced 30,652 oz
- 462 kt milled @ 2.21 g/t
- Recoveries: 94%
- Cash operating costs: US\$1,130/oz sold

○ Q2 2022 HGO mine production:

- Gold produced 11,484 oz
- 167 kt milled @ 2.32 g/t
- Cash operating costs: US\$1,130/oz sold



OPERATIONAL HIGHLIGHTS – BETA HUNT

- **Q2 2022 Beta Hunt production:**
 - Gold produced 19,169 oz
 - 295 kt milled @ 2.14 g/t, including 52 kt of lower grade stockpile material at 1.34 g/t
 - Cash operating costs: US\$1,130/oz sold
- **Q2 2022 mine production was a record 290,000 tonnes**
- **Second decline construction on schedule and on budget for completion in Q1 2023**
- **Gold and nickel exploration successes**



Beta Hunt Second Decline Earthworks from Surface

LAKEWOOD MILL ACQUISITION

Pending acquisition of ~1 Mtpa mill significantly de-risks growth plan

Lakewood Mill Purchase Terms

- Purchase price of A\$80M (A\$70M cash and A\$10M shares)
- Acquisition closed in July 2022

Lakewood Mill Overview

- ~1 Mtpa processing capacity
- Located ~6km outside of Kalgoorlie, WA and ~60km from Beta Hunt Mine
- Successfully toll milled 60 kt of Beta Hunt material in Q1 2022 with 94% gold recovery



FIRST QUARTER 2022 CONFERENCE CALL

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BETA HUNT NICKEL PEA HIGHLIGHTS

- Strong economics based on current Mineral Resource of 19,600 nickel tonnes in M&I category and 13,200 tonnes in Inferred category
- Low production costs equate to approximate annual average of A\$80 - \$100 per ounce in by-product credits to gold production

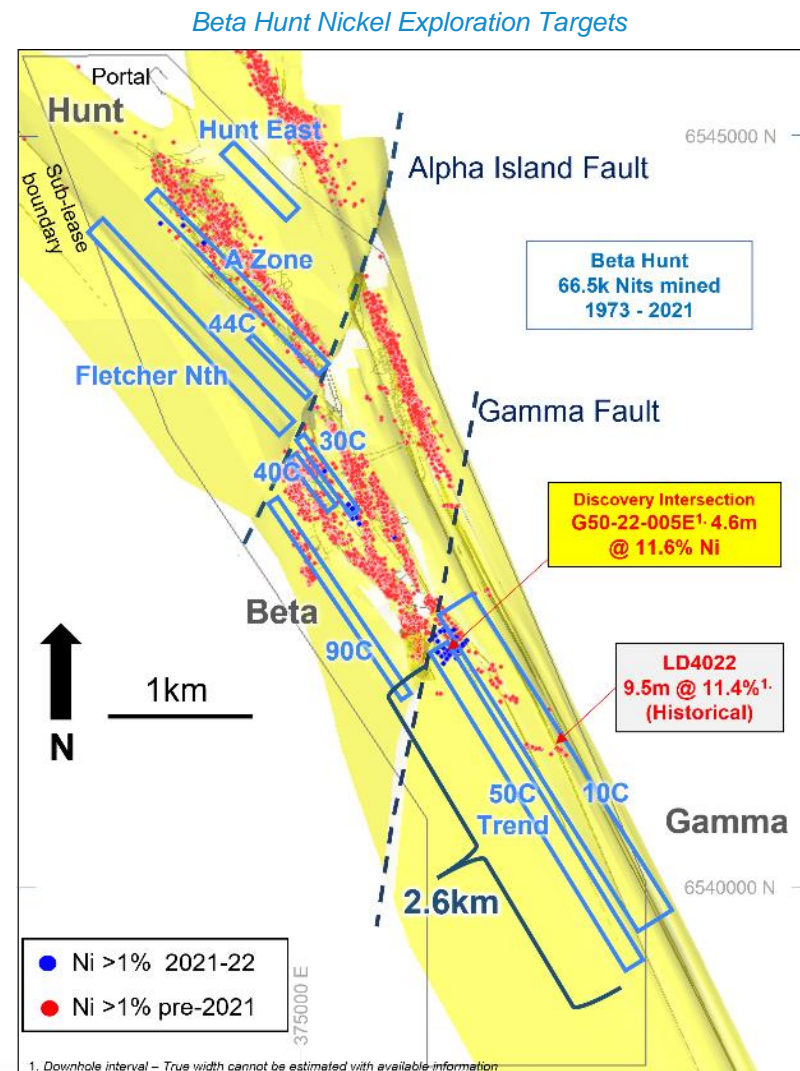
PEA Base Case and Upside Case Operating Summary

Category	Item	Units	Base Case (Nickel Price US\$19,500/t)	Upside Case (Nickel Price US\$25,000/t)
Production	Mineralization Mined	'000 t	862	862
	Payable Nickel ¹	T	9,435	9,435
Opex	Revenue/ore tonne ²	A\$/t	\$292	\$375
	Total Operating Costs	A\$/t	\$159	\$159
	Ni Net C1 Costs	A\$/t Ni ¹	\$14,542	\$14,542
Capex & Total Costs	Total Capital Investment ³	A\$M	\$18.67	\$18.67
	Ni Net AISC ⁴	A\$/t Ni ¹	\$16,946	\$17,624
Valuation ^{5,6}	NPV 5% (US\$19,500/t Ni)	A\$M	\$57.4	\$110.6
	IRR	%	105%	232%

1. Payable nickel recovered to concentrate (payability x Ni to concentrate)
2. Revenue includes deductions for payability
3. Capital investment excludes closure costs
4. AISC: all-in sustaining cost includes site costs, offsite costs, royalties and sustaining capital
5. NPV includes operating cash flow and capital investment
6. Pre-tax NPV and IRR

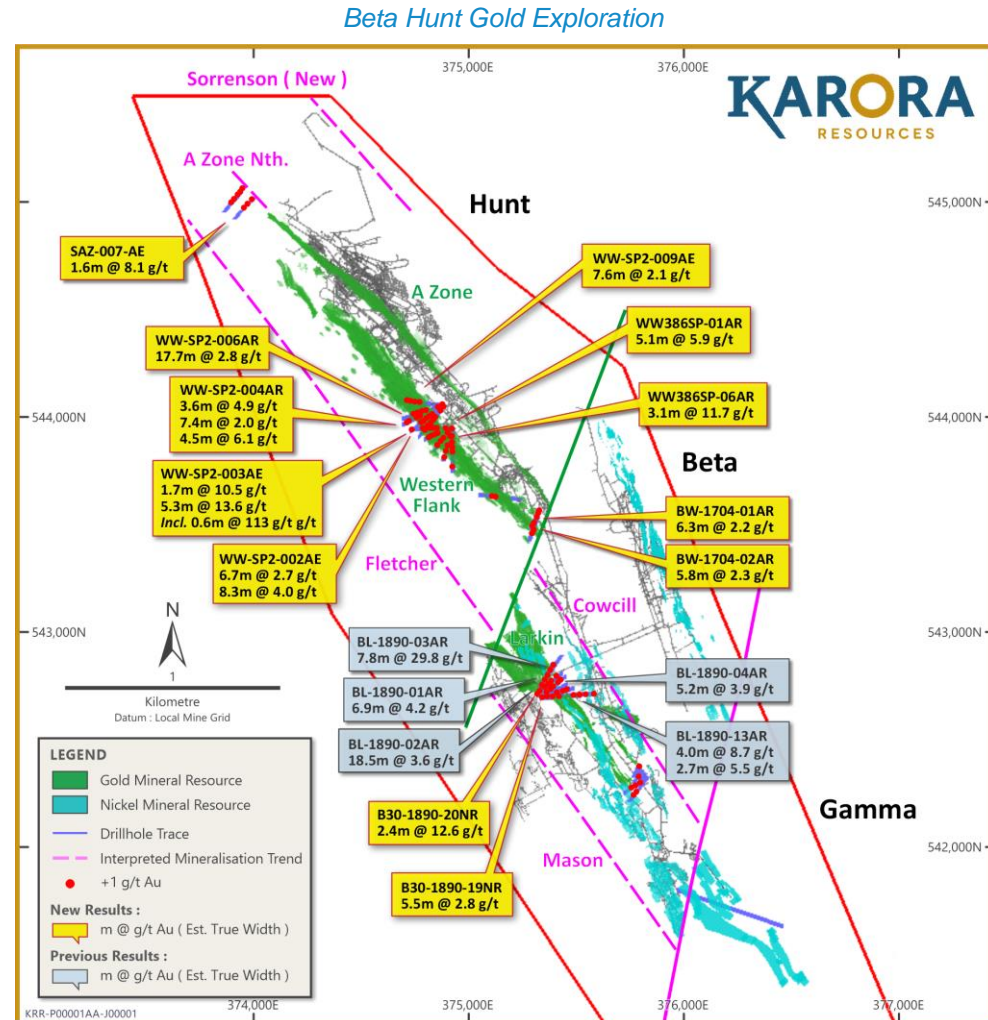
BETA HUNT NICKEL EXPLORATION POTENTIAL

- **Significant exploration potential**
 - Strong potential for discovery of additional nickel deposits at Beta Hunt
 - Parallel structures to known nickel shoots are poorly tested
 - Recent discoveries include the 30C nickel trough and 50C nickel trend
- **Beta Hunt infrastructure advantage demonstrated by rapid movement from discovery to Mineral Resource at 30C and 50C**



BETA HUNT GOLD EXPLORATION

- **Well funded exploration and resource definition program**
 - Annual budget of A\$20-25M through 2024
 - 16,710 metres drilled in Q2 (approximately 80% dedicated to gold and balance to nickel)
- **Q2 drilling**
 - Tested down-dip extensions to Western Flanks and A Zone
 - New drilling at Mason and Cowcill which have been identified as shear zones parallel to the Larkin Zone south of the AIF





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