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KARORA
RESOURCES

SECOND QUARTER 2023 | CONFERENCE CALL AND WEBCAST

SECOND QUARTER 2023 CONFERENCE CALL

**Managing Director,
Australia:**

Leigh Junk

**Executive Vice President,
Corporate Development:**

Oliver Turner

DISCLAIMER

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of Karora, production guidance, full year consolidated 2023 and 2024 production guidance and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Aquarius Project, the Spargos Gold Project, the Lakewood Mill, and the completion of the second Beta Hunt decline system.

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.

NON-IFRS MEASURES

Certain non-IFRS measures are included in this Presentation, including Working Capital, Adjusted 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. A definition and reconciliation of these measures is included in the Non-IFRS Measures section of Karora's news release dated August 14, 2023.

CAUTIONARY NOTE

CAUTIONARY NOTES – PRODUCTION, COST AND CAPITAL GUIDANCE (2023 – 2024)

- (1) 2023 and 2024 guidance was announced in June 2021 (see Karora news release June 28, 2021) and updated on March 23, 2023. This production guidance through 2024 is based on the September 2022 Mineral Reserves and Mineral Resources announced on February 13, 2023.
- (2) The Company expects to fund the capital investment amounts listed above with cash on hand and cashflow from operations.
- (3) The material assumptions associated with the expansion of Beta Hunt mining production rate to 2.0 Mtpa during 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 Company'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 Company, 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 2023 and 2024 and A\$ to C\$ exchange rate of 0.90. 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 in Karora's MD&A for the period ended December 31, 2022.

Q2 HIGHLIGHTS

- Record quarterly production of 40,823 gold ounces
- Record H1 2023 production of 80,650 gold ounces
- Continued exploration success at Beta Hunt with extension to Fletcher Zone and strong drill results
- Agreement to unlock HGO lithium exploration potential



PRODUCTION, COST AND CAPITAL GUIDANCE (2023 – 2024)

Production & Costs		2023	2024
Gold Production	Koz	145 - 160	170 – 195
All-in sustaining costs	US\$/oz	1,100 – 1,250	1,050 – 1,200
Payable Nickel Production	Tonnes	450 - 550	600 - 800
Capital Investments			
Sustaining Capital	A\$ (M)	10 - 15	15 - 20
Growth Capital	A\$ (M)	57 - 68	63 – 73
Exploration & Resource Development	A\$ (M)	18 - 22	20 - 25

1. See caution regarding non-IFRS measures on slide 3
2. See caution on slide 4

Q2 2023 REVIEW

Q2 Operating Highlights:

- Gold production of 40,823 oz
- Gold sales of 42,172 oz
- Cash operating costs of US\$1,068/oz
- AISC¹ of US\$1,160/oz sold

Q2 Financial Highlights:

- Revenue: \$110.6 million
- Net earnings: \$6.6 million (\$0.04/sh)
- Adjusted earnings¹: \$13.9 million (\$0.08/sh)
- Adjusted EBITDA¹: \$38.8 million (\$0.22/sh)
- Cash flow from operating activities \$34.4 million

Financial Position (millions of dollars)

For the periods ended	June 30, 2023	December 31, 2022
Cash and cash equivalents	\$70.8	\$68.8
Working capital surplus (deficit) ²	59.6	38.0
PP&E & MPI	422.8	427.0
Total assets	550.2	557.1
Total liabilities	198.6	208.5
Shareholder's equity	\$351.6	\$348.6

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 news release dated August 14, 2023.
2. Working capital surplus (deficit) is a measure of current assets (including cash and cash equivalents) less current liabilities.
3. Financial liabilities include long-term debt and lease obligations.

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CONSOLIDATED OPERATIONAL HIGHLIGHTS

○ Q2 2023 consolidated production:

- Gold produced 40,823 oz
- 536 kt milled @ 2.50 g/t
- Recoveries: 95%
- Cash operating costs: US\$1,068/oz sold

○ H1 2023 consolidated production:

- Gold produced 80,650 oz
- 1,038 kt milled @ 2.56 g/t
- Recoveries: 94%
- Cash operating costs: US\$1,094/oz sold



Beta Hunt Mine

OPERATIONAL HIGHLIGHTS – BETA HUNT

○ Q2 2023 Beta Hunt:

- Gold produced – 25,709 oz
- 319 kt milled @ 2.62 g/t
- Cash operating costs:
US\$1,017/oz sold

○ H1 2023 Beta Hunt:

- Gold produced – 52,286 oz
- 618 kt milled @ 2.77 g/t
- Cash operating costs:
US\$994/oz sold



OPERATIONAL HIGHLIGHTS – HGO

○ Q2 2023 HGO mines production:

- Gold produced 15,114 oz
- 217 kt milled @ 2.31 g/t
- Cash operating costs: US\$1,151 /oz sold

○ H1 2023 HGO mines production:

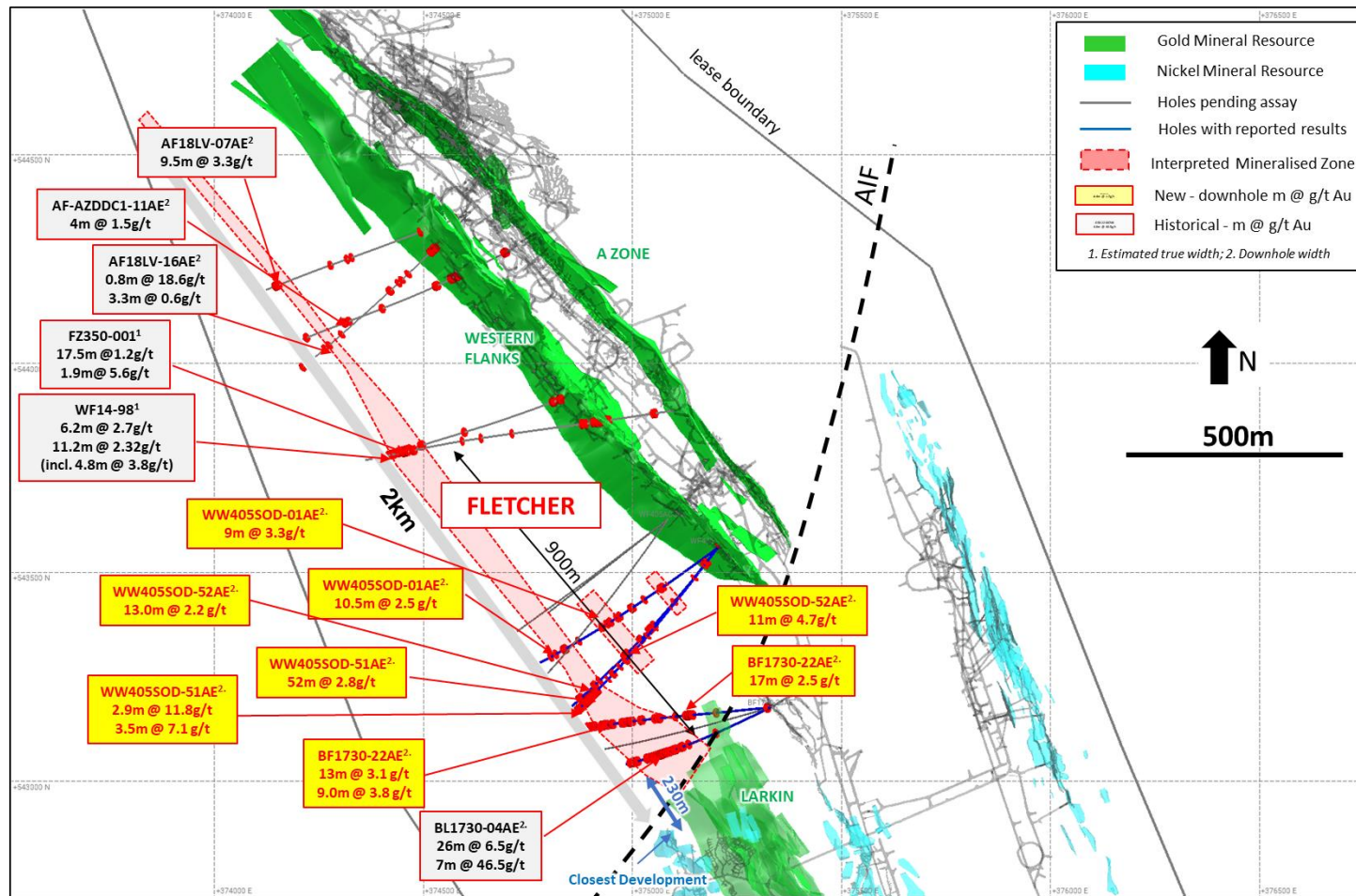
- Gold produced 28,364 oz
- 420 kt milled @ 2.25 g/t
- Cash operating costs: US\$1,265 /oz sold



HGO Processing Plant

BETA HUNT EXPLORATION UPDATE

Fletcher Zone mineralized strike length potential of 2 km



- Structural analogue to Western Flanks, Beta Hunt's largest and most prolific gold zone
- Recent exploration results:
 - BL1730-04AE: 6.5 g/t over 26.0 m
 - BL1730-04AE: 46.5 g/t over 7.0 m
 - WF405SOD-51AE: 2.8 g/t over 52 m and 11.8 g/t over 2.9 m
 - WF405SOD-52AE: 4.7 g/t over 11.0 m

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