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KARORA

RESOURCES

FOURTH QUARTER 2022 | CONFERENCE CALL AND WEBCAST

THIRD QUARTER 2022 CONFERENCE CALL

Chairman & CEO:

Paul Andre Huet

**Chief Operating Officer,
Australia:**

Bevan Jones

**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.

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 at the end of this news release and Karora's MD&A for the three and twelve months ended December 31, 2022.

HIGHLIGHTS

- Record annual production of 133,887 gold ounces
- Announced Karora achieved carbon neutrality in 2022 for the second straight year
- Closed transformative acquisition of 1.0 Mtpa Lakewood Mill
- Positive PEA for increased nickel production from Beta Hunt based on Karora's inaugural Nickel Resource
- 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%
- In February 2023 announced a new gold M&I Mineral Resource of 1.4M oz and Inf. Mineral Resource of 1.1M oz. New nickel M&I Mineral Resource of 21,100 t and Inf. Mineral Resource of 13,400 t



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 – 1,200 | 1,050 – 1,200 |
| 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 |
| Payable Nickel | Tonnes | 450 - 550 | 600 - 800 |

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

2022 FINANCIAL REVIEW

2022 Operating Highlights:

- Record gold production of 133,887 oz
- Record gold sales of 132,098 oz
- Cash operating costs of US\$1,099/oz
- AISC¹ of US\$1,171/oz sold (within 2022 guidance range)

2022 Financial Highlights:

- Revenue: \$317,042
- Net earnings: \$9.9 million (\$0.06/sh)
- Adjusted earnings¹: \$21.1 million (\$0.13/sh)
- Adjusted EBITDA¹: \$91.5 million (\$0.56/sh)
- Cash flow from operating activities \$88.2 million

Financial Position (millions of dollars)

| For the periods ended | December 31, 2022 | December 31, 2021 |
|--|-------------------|-------------------|
| Cash and cash equivalents | \$68.8 | \$91.0 |
| Working capital surplus (deficit) ² | 38.0 | 64.4 |
| PP&E & MPI | 427.0 | 300.7 |
| Total assets | 557.1 | 436.3 |
| Total liabilities | 208.5 | 185.0 |
| Shareholder's equity | \$348.6 | \$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 news release dated March 23, 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

○ Q4 2022 consolidated production:

- Gold produced 37,309 oz
- 522 kt milled @ 2.37 g/t
- Recoveries: 94%
- Cash operating costs: US\$1,031/oz sold

○ 2022 consolidated production:

- Gold produced 133,887 oz
- 1,925 kt milled @ 2.30 g/t
- Recoveries: 94%
- Cash operating costs: US\$1,099/oz sold



Lakewood Mill

OPERATIONAL HIGHLIGHTS – BETA HUNT

- **2022 Beta Hunt production:**
 - Gold produced 79,125 oz
 - 1,084 kt milled @ 2.40 g/t, including a small amount of lower grade stockpile material
 - Cash operating costs: US\$1,044/oz sold
- **2022 mine production was a record 1,081,500 tonnes at an average grade of 2.45 g/t**
- **Second decline construction completed ahead of schedule and on budget in Q1 2023**
- **Positive gold Mineral Resource and Mineral Reserve updates and nickel Mineral Resource update**



Beta Hunt Vent Raise and Second Decline

OPERATIONAL HIGHLIGHTS – HGO & SPARGOS

- **2022 HGO mines and Spargos production:**
 - Gold produced 54,763 oz
 - 841 kt milled @ 2.18 g/t
 - Cash operating costs: US\$1,179 /oz sold
- **Active HGO mines in 2022 included Spargos open pit, Aquarius underground and Hidden Secret open pit**

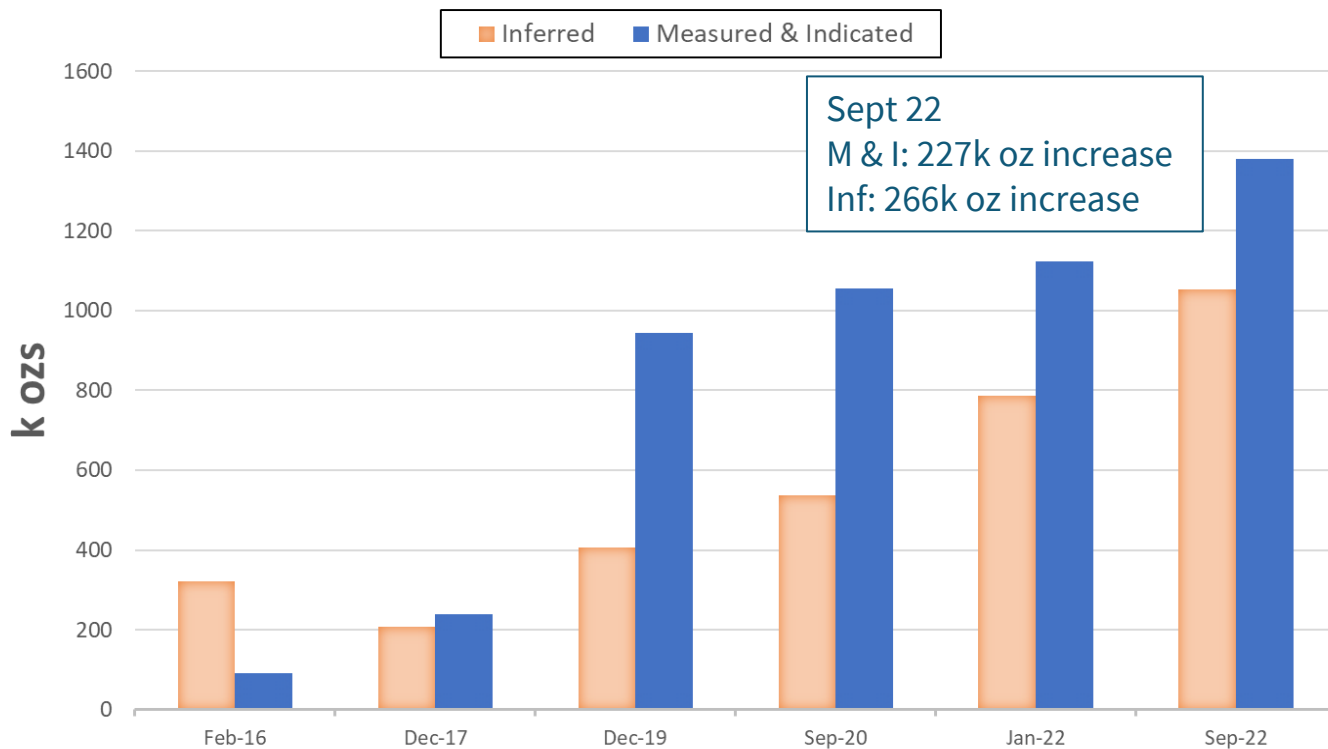


HGO Processing Plant

BETA HUNT RESOURCE UPDATE

Investments into resource definition drilling paying off at Beta Hunt

BETA HUNT GOLD MINERAL RESOURCE TIMELINE



September 2022:

- **M&I Mineral Resource increased by 20% to 1.35M oz, net of depletions**
- **Inferred Mineral Resource increased by 34% to 1.05M oz, net of depletions**



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