



Suite 488 – 1090 West Georgia Street
Vancouver, British Columbia
Canada V6E 3V7

Telephone: (604) 687-7130
Facsimile: (604) 608-9110

NEWS RELEASE

September 26, 2017

Vancouver, British Columbia

K92 MINING INC.

Underground Mining Operations, including Kora Drilling from Underground Set Up, have Recommenced at Kainantu Gold Mine and K92 Reaches Agreement with Landowner Group

- **Mining operations have recommenced and should be back to pre-incident level by the end of October**
- **Drilling from underground set up has recommenced to follow up on the Kora Deposit extension discovery**
- **Majority of mobile fleet including all drill rigs, LHD's (loaders) and four of six trucks fully operational**
- **Repairs to damaged underground equipment and infrastructure largely completed with only minor issues outstanding**

K92 Mining Inc. ("K92") is pleased to report that underground operations have recommenced at its Kainantu Gold Mine following the signing of a resolution between the Local Landowner Group, the Mineral Resources Authority, and the Company.

As previously advised, extensive evaluation of the underground mine revealed that only minor damage to infrastructure and mobile plant occurred and repairs have been largely completed. As a result, mining operations will recommence almost immediately, with first ore trucking expected next week and pre-incident levels expected to be achieved by the end of October.

One of two diamond drill rigs have been set up in the new Kora drill set up (cuddy) located approximately 50 metres from the previously intersected Kora lode and drilling has commenced. The Company has completed the first 150 metres of development of the Kora exploration cross cut and footwall drive designed to allow more efficient and effective diamond drilling of the projected Kora Vein system. A second cuddy should be completed by the end of October, allowing a second rig to commence drilling the Kora lode approximately 100 metres along strike.

Based on the recent high-grade discovery of the Kora extension (see K92 News Release "K92 Mining Discovers High Grade Extension of Kora Deposit in First Completed Exploration Hole" May 24, 2017 for details including true thicknesses), the design of the Kora exploration drive was

enhanced to incorporate the development of a footwall drive approximately 50 metres from the projected strike of the Kora vein system. This modification allows the development of drill cuddies approximately 100 metres closer to the interpreted position of the Kora vein system than previously planned, based on the results from diamond drill hole KMDD0009, which recorded an intersection of 5.4 metres at 11.68 g/t gold, 25.5 g/t silver and 1.33 per cent copper from 154 metres downhole, interpreted to be the discovery of an extension of the Kora deposit.

The KMDD0009 intersection is approximately 500 metres along strike and 150 metres down dip from the closest point of the currently defined Kora deposit inferred resource and is typical of the Kora/Eutompi mineralization.

The Company has a third MT2010 low profile truck in transit and due to arrive on site within the next two weeks, while on site the Company has a Volvo 30 tonne ADT (Articulated Dump Truck) which is designed to go underground to pick up ore and two Komatsu 35 tonne ADT's that can tram on surface, so does not anticipate that trucking will be a significant hindrance to operations.

As noted previously all other equipment including the company's LHD loaders and the drill rigs are fully operational.

K92 acknowledges the considerable work and goodwill which has been brought to the process of achieving a satisfactory resolution by the Mining Minister Johnson Tuke, the Mineral Resource Authority under Managing Director Philip Samar, the executives of the Bilimoia Interim Landowners Association and representatives of the Eastern Highlands Provincial and Kainantu Local Governments and thanks them for their efforts.

K92 Chief Executive Officer, John Lewins, states, *"The signing of the resolution with the Bilimoia Interim Landowner Association (BILA) addresses the underlying issues with the Landowners and allows the company to focus on building up production from underground operations to target commercial production in the near term. Exploration drilling to follow up on the recently announced Kora Deposit extension discovery is ready to start and mine production from onsite will recommence shortly. We thank the various parties who worked with K92 throughout this process including Mining Minister Tuke and Mr. Samar of the Mineral Resources Authority. We look forward to a strengthening relationship with BILA, its members and our other Landowner Groups and working with them to realize the opportunities that this project will provide for all involved."*

K92 exploration manager Chris Muller, PGeo, a qualified person under the meaning of Canadian National Instrument 43-101, has reviewed and is responsible for the technical content of this news release. Data verification by Mr. Muller includes significant time onsite reviewing drill core, surface exposures, underground workings and discussing work programs and results with exploration personnel.

On behalf of the company

John Lewins
Chief Executive Officer and Director

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. All statements that address future plans, activities, events or developments that the Company believes, expects or anticipates will or may occur are forward-looking information, including statements regarding the realization of the preliminary economic analysis for the Project, expectations of future cash flows, the proposed plant expansion, potential expansion of resources and the generation of further drilling results which may or may not occur. Forward-looking statements and information contained herein are based on certain factors and assumptions regarding, among other things, the market price of the Company’s securities, metal prices, exchange rates, taxation, the estimation, timing and amount of future exploration and development, capital and operating costs, the availability of financing, the receipt of regulatory approvals, environmental risks, title disputes, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes, claims and limitations on insurance coverage and other risks of the mining industry, changes in national and local government regulation of mining operations, and regulations and other matters.. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.