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NEWS RELEASE

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K92 MINING INC.

K92 Mining Inc. Community Relations Update

K92 Mining Inc. (“K92”) provides the following update on recent activity with regards to community interactions.

Recently, the newly formed Bilimoia Interim Landholders Association (BILA), which represents one of the Landholder groups in the region, has alleged that it has not had an adequate share of employment and contractor opportunities. This has been refuted by K92 and the Company has sought to engage with BILA through the auspices of the Mineral Resources Authority (“MRA”), the government body responsible for all aspects of the Mining Industry, including community relations.

As a matter of background, the Bilimoia Interim Landowners Association (“BILA”) was established in 2017 with the assistance of the MRA to bring together different Bilimoian groups into one association and the Chairman was elected in April 2017. The association is termed interim as finalization of who constitutes Bilimoian Landowners awaits the outcome of an appeal of the Land Titles Commission determination of 2009.

K92 Mining understands that the first meeting of this interim association with the landowners occurred on Sunday 13th August and understands that the meeting was to deal with internal issues for BILA and its stakeholders. K92 Mining understands that the BILA is still to determine whether they will use the existing Bilimoia Development Corporation (“Bildevco”) or a new business entity to participate in business opportunities created by the company and its suppliers. However, this is a matter for BILA to decide internally and is not a matter for K92 to decide upon.

Additional to the direct employment opportunities at the mining, maintenance and processing operations, there are currently many other business ventures which Bildevco and Bilimoian Landowners are participating in, including the mine catering contract, provision of security services and refuse collection as well as numerous small business opportunities including maintenance, supply of mobile plant and installation of infrastructure. Additionally, K92 will continue to train and develop the workforce, especially local Landowners, bringing mining

knowledge and mining skills to the local communities for the benefit of not only these communities, but also the mine.

The expansion of the business opportunities of which K92 has identified a number, has been awaiting the formation of a single Bilimoian body to represent the Landowners, which was only recently solved with the formation of BILA, and still awaits the decision of BILA in relation to the business entity.

A meeting was arranged by the MRA between PNG National, Provincial and Local Government agencies, BILA and the Company. On the morning of Thursday 24th August, prior to the meeting commencing on site, a group of landowners represented by BILA entered the mine via the 800 mine portal. The company removed its personnel from the area in an attempt to diffuse the situation without incident. However, during their presence, the group caused major damage to two trucks and one small loader/IT as well as three light vehicles and some underground fixed plant.

No other areas of the mine nor any areas around the processing facilities were impacted by the group and no other damage reported. The Company is currently assessing the full impact of the damage, however it anticipates that there will be a disruption to operations as the damaged equipment is evaluated and then fixed or replaced.

K92 Mining remains committed to all existing agreements with all Landowner groups and to expanding the business opportunities for the Landowner groups. In addition, K92 has contributed to numerous community projects and intends to expand this involvement as the K92 operation grows.

K92 has received strong support from the various landowner groups associated with this region since acquiring the project and during the restart. Following the above incident, the Company has been in communications or held meetings with the MRA and the various Government agencies all of whom have confirmed their support for the Company and to continuing to assist to resolve the issues with the Landholder group.

K92 completed the acquisition of the Kainantu Gold Mine from Barrick Gold in March 2015. The mine had been on care and maintenance since January 2009 and K92 Mining commenced the refurbishment and rehabilitation of the mine, process plant and related infrastructure in February 2016. The Company received approval from the Mineral Resources Authority (“MRA”) to recommence mining operations in October 2016, which has successfully occurred and, in early 2017, as previously reported the mine shipped the first concentrates containing gold and copper to the Port of Lae for shipment overseas for smelting and refining.

Since recommencing operations K92 has built up a workforce of 500 employees and contractors. In excess of 90% of these 500 employees and contractors are from Papua New Guinea, of which over 300 are from local landowner groups.

K92 will provide a further report on community relations in the near future and looks forward to continuing advancing the project for the mutual benefit of all K92 stakeholders including the local Landholders.

On behalf of the company,

John Lewins, Chief Executive Officer and Director

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