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## **NEWS RELEASE**

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**Vancouver, British Columbia**

### **K92 MINING INC.**

#### **K92 Set To Commence Exploration Drilling To Follow Up on Kora Extension Discovery Hole**

K92 Mining Inc. (“K92”) is pleased to announce it has completed the first 150 metres development of the Kora exploration drive and footwall drive designed to allow more efficient and effective diamond drilling of the projected Kora Vein system. The first drill caddy (underground set up) is almost completed and drilling is scheduled to commence in the next few days.

Based on this 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 downdip from the closest point of the currently defined Kora deposit inferred resource and is typical of the Kora/Eutompi mineralization.

The current Kora/Eutompi inferred resource, as defined by previous drilling to date, is 4.36 million tonnes at a grade of 7.3 g/t-Au, 35 g/t-Ag and 2.23 per cent Cu, or 11.2 g/t AuEq (see attached Table 1.0).

The interpreted strike length of the Kora/Eutompi vein system is approximately 1,100 metres at surface, but, potentially, based on limited drill testing to date, this reduces at depths greater than 200 metres to 500 metres of strike length, although it is open for expansion both at depth and along strike in both directions. The deepest intersection in hole BKDD0023 (drilled by Barrick Gold Corp. and previously disclosed) is 900 metres below the surface outcrop of the vein system and almost 500 metres below the deepest inferred resource. The KMDD0009 intersection is approximately 700 metres below the surface and 500 metres along strike from BKDD0023, which intersected 30.6 metres (7.9 metres true width) at

2.0 g/t Au, 4.8 g/t-Ag and 1.3 per cent Cu, including 6.4 metres (1.7 metres true width) at 5.52 g/t-Au and 8 metres (2.1 metres true width) at 3.7 per cent Cu, from 920.8 metres.

K92 has filed and made available for download on the company's SEDAR profile a technical report titled "Independent Technical Report, Mineral Resource Update and Preliminary Economic Assessment ("PEA") of Irumafimpa and Kora Gold Deposits, Kainantu Project, Papua New Guinea" with an effective date of March 2, 2017 that provides additional information on the geology of the deposits, drilling and sampling procedures, lab analysis, and QAQC for the project, and additional details on the resource estimates.

The PEA estimates for Kora, based on the current resource estimates (4.36 million tonnes of 7.3 g/t-Au, 35 g/t Ag and 2.23 per cent Cu):

- Over a nine-year operating life, the plant would treat 3.2 million tonnes averaging 7.1 g/t-Au, 25 g/t-Ag and 1.7 per cent Cu (9.3 g/t AuEq (1));
- This would generate an estimated positive cash flow of \$537-million (U.S.) using current metal prices if 15-metre levels are used in mining; if 25-metre levels are used, then net cash flows are estimated as \$558-million (U.S.); this cash flow includes conceptual allowances for capital;
- Production of an estimated average of 108,000 AuEq (1) ounces per annum over an eight-year period from year 2 through to year 9;
- An estimated pretax net present value (NPV) of \$415-million (U.S.) for 25-metre levels, or \$397-million (U.S.) for 15-metre levels, using current metal prices, exchange rates and a 5-per-cent discount;
- An estimated after-tax NPV of \$329-million (U.S.) for 25-metre levels, or \$316-million (U.S.) for 15-metre levels, using current metal prices, exchange rates and a 5-per-cent discount;
- Initial capital cost is estimated to be \$13.8-million (U.S.), including the \$3.3-million (U.S.) for the plant upgrade identified in the Mincore scoping study, but excluding the proposed Kora exploration inclines and diamond drilling; sustaining capital cost is estimated to a further \$64-million (U.S.) spent over the life of the Kora mining for 25-metre levels, or \$83-million (U.S.) for 15-metre levels;
- Operating cost per tonne is estimated to be \$125 (U.S.) per tonne for 25-metre levels, or \$126 (U.S.) per tonne for 15-metre mining levels;
- Excluding initial capital expenditure of \$14-million (U.S.), cash cost is estimated to be \$547 (U.S.) per ounce AuEq (inclusive of a 2.5-per-cent net smelter return (NSR) royalty) and all-in sustaining cost (AISC) of \$619 (U.S.) per ounce AuEq for 25-metre mining levels, or \$549 (U.S.) per ounce (inclusive of a 2.5-per-cent NSR royalty) and AISC of \$644 (U.S.) per ounce AuEq for 15-metre mining levels.

Metal prices used were \$1,300 per ounce for gold, \$18 (U.S.) per ounce for silver and \$4,800 per tonne for copper.

(1) Gold equivalent calculated on above metal prices.

Kora remains open for expansion in every direction and strongly mineralized at the extent of all drilling.

The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. The

technical report contains a full description of all underlying assumptions relating to the PEA. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Table 1.0 IRUMAFIMPA AND KORA/EUTOMPI RESOURCES

Deposit	Resource category	Resource by deposit and category								
		Tonnes (Mt)	Gold (g/t)	Gold (Moz)	Silver (g/t)	Silver (Moz)	Copper (%)	Copper (mlb)	AuEq (g/t)	AuEq (Moz)
Irumafimpa	Indicated	0.56	12.8	0.23	9	0.16	0.28	37	13.4	0.24
	Inferred	0.53	10.9	0.19	9	0.16	0.27	74	11.5	0.20
Kora/Eutompi	Inferred	4.36	7.3	1.02	35	4.9	2.23	215	11.2	1.57
Total indicated		0.56	12.8	0.23	9	0.16	0.3	4	13.4	0.24
Total inferred		4.89	7.7	1.21	32	5.06	2.02	18	11.2	1.76

(1) M denotes millions. Reported tonnage and grade figures are rounded to reflect the order of accuracy of the estimate. Minor variations may occur during the addition of rounded numbers. Gold equivalents are calculated as AuEq equal to Au grams per tonne plus Cu percent times 1.52 plus Ag grams per tonne times 0.0141.

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

*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.*