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NEWS RELEASE

K92 MINING INC RELEASES STRONG 2020 Q3 FINANCIAL RESULTS, INCLUDING RECORD NET CASH & THROUGHPUT FOLLOWING COMMISSIONING OF STAGE 2 PLANT EXPANSION

Vancouver, British Columbia, November 16, 2020 - K92 Mining Inc. (“K92” or the “Company”) (TSX-V: KNT; OTCQX: KNTNF) is pleased to announce results from its interim financial statements for the three and nine months ended September 30, 2020.

Third Quarter 2020 Highlights:

Safety

- Strong safety record continues, with no lost time injuries and one of the best safety records in the Australasia region since start of operations.
- Proactive and focused management of COVID-19. K92 continues to operate and has strong preventative and response plans.

Production

- Record tonnage of 64,702 tonnes treated, a 102% increase from Q3 2019.
- Quarterly production of 22,261 oz gold equivalent (“AuEq”) oz, comprising 21,298 oz of gold, 488,020 lbs copper and 7,127 oz silver.
- Cash costs of US\$695/oz gold and all-in sustaining costs (“AISC”) of US\$834/oz gold⁽²⁾.
- Long hole stoping at the K1 and K2 Veins has continued to perform to design and has provided a notable positive impact on operational flexibility.

Financials

- Sold 19,265 oz of gold, 487,087 lbs of copper and 7,166 oz of silver. Gold concentrate inventories of 5,859 oz as of September 30, 2020, a quarterly increase of 2,420 oz.
- Quarterly revenue of US\$35.6 million, a 70% increase from Q3 2019.
- Operating cash flow (before working capital adjustments) of US\$14.8 million or US\$0.07 per share and earnings before interest, taxes, depreciation and amortization (“EBITDA”) of US\$17.4 million or US\$0.08 per share.
- Net income of US\$9.4 million or US\$0.04 per share.
- Balance sheet significantly strengthened during Q3, with cash increasing by US\$6.5 million to US\$41.2 million and debt decreasing by US\$2.1 million to US\$7.0 million as at September 30, 2020.

Growth

- Successful commissioning of the Stage 2 Plant Expansion to double throughput capacity to 400,000 tonnes per year and continued development of the twin incline following the lifting of the State of Emergency in June.
- Stage 3 Expansion Preliminary Economic Assessment announced on July 27, 2020, outlining a potential Tier 1 asset, with ~318,000 ounces per annum AuEq run-rate production at a life of mine average AISC cost of \$362 per gold ounce net of by-product credits. At \$1,500/oz gold, \$18/oz silver and \$3.00/lb copper prices, the estimate after-tax NPV5% is US\$1.5 billion and is fully funded from mine cash flow. At US\$1,900/oz gold prices the estimated after-tax NPV5% is US\$2.0 billion.
- Preliminary results reported from underground development on the Judd Vein #1 (“J1”), marking the first significant exploration undertaken by K92 on the near-mine infrastructure, underexplored, +2.5km strike vein system. A Phase 1 underground drill program commenced during the quarter after reporting the preliminary results.
- Drill rigs increased to 9 at the end of the quarter and is expected to increase to 10 by year end, with plans to drill Kora, Kora South, Karempa and Judd epithermal vein systems plus the Blue Lake porphyry concurrently by year end.

For complete details of the interim consolidated financial statements and associated management’s discussion and analysis, please refer to the Company’s website or profile on SEDAR (www.sedar.com). All amounts are in U.S. dollars unless otherwise indicated.

John Lewins, K92 Chief Executive Officer and Director, stated, *“The third quarter achieved multiple important milestones in terms of both production and exploration. On production, the completion of the Stage 2 Plant Expansion commissioning represents a major step-change for Kainantu’s production capabilities, doubling mill throughput from 200,000 tpa (~550 tpd) to 400,000 tpa (~1,100 tpd). Since completing commissioning, the operation has performed well, and we expect a strong finish to 2020.*

On exploration, the number of drill rigs has increased to nine and our tenth drill rig is expected to arrive by year end. The increase in drill rigs has not only provided a considerable boost to our drilling rates, but more importantly, our capacity to drill multiple targets concurrently. In late October, we announced our maiden drilling results on the Karempa Vein system, intersecting five sub-parallel veins and multiple high grade intersections including KRDD0005 recording 2.45 m at 39.82 g/t Au, 6 g/t Ag and 0.19% Cu (40.18 g/t AuEq, 2.30 m true width) on the KA1 Vein (see October 22, 2020 Press Release). Last week, we announced our first set of drilling results from our Phase 1 drill program at Judd, intersecting three sub-parallel veins systems including JDD0006 recording 7.25 m at 256.09 g/t Au, 113 g/t Ag and 0.42 % Cu (258.01 g/t AuEq, 5.30m true width) on the J1 vein (see November 9, 2020 Press Release). Both Karempa and Judd recorded mineralization similar to Kora. We have also recently commenced porphyry exploration, with the Phase 2 drill program at the Blue Lake porphyry now underway. Plans to add additional drill rigs are in progress for 2021, with an eleventh drill rig already scheduled to arrive in Q1.

Lastly, we would like to thank the extraordinary commitment of our workforce during the COVID-19 pandemic. The amount of progress achieved year to date has been outstanding. The support of all levels of government has also been a major factor.”

Mine Operating Activities

	Three months ended September 30, 2020	Three months ended September 30, 2019
<u>Operating data</u>		
Head grade (Au g/t)	11.3	19.2
Gold recovery (%)	90.7%	94.1%
Gold ounces produced	21,298	18,636
Gold ounces equivalent produced ⁽¹⁾	22,261	19,170
Tonnes of copper produced	221	95
Silver ounces produced	7,127	5,284
<u>Financial data (in thousands of dollars)</u>		
Gold ounces sold	19,265	15,652
Revenues from concentrate sales	US\$35,605	US\$20,989
Mine operating expenses	US\$8,068	US\$4,283
Other mine expenses	US\$5,113	US\$5,387
Depreciation and depletion	US\$2,702	US\$2,569
<u>Statistics (in dollars)</u>		
Average realized selling price per ounce, net	US\$1,815	US\$1,409
Cash cost per ounce	US\$695	US\$649
All-in sustaining cost per ounce	US\$834	US\$800

Notes:

- (1) Gold equivalent for 2020 based on the following prices: gold \$1,500 per ounce; silver \$17.75 per ounce; and copper \$2.70 per pound. Gold equivalent for 2019 based on the following metal prices: gold \$1,300 per ounce; silver \$16.50 per ounce; and copper \$2.90 per pound.
- (2) The Company provides some non-international financial reporting standard measures as supplementary information that management believes may be useful to investors to explain the Company's financial results. Please refer to non-IFRS financial performance measures in the Company's management's discussion and analysis dated November 12, 2020, available on SEDAR or the Company's website, for reconciliation of these measures.

K92 has not based its production decisions on mineral reserve estimates or feasibility studies, and historically such projects have increased uncertainty and risk of failure. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Conference Call Information

K92 will host a conference call and webcast to present the 2020 Q3 Financial Results at 8:30 am (EST) on Monday, November 16, 2020.

- Listeners may access the conference call by dialing toll-free to 1-800-319-4610 within North America or +1-604-638-5340 from international locations.
 - The conference call will also be broadcast live (webcast) and may be accessed via the following link: <http://services.choruscall.ca/links/k92mining20201116.html>

Qualified Person

K92 Mine Geology Manager and Mine Exploration Manager, Mr. Andrew Kohler, PGeo, a Qualified Person under the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* has reviewed and approved the technical content of this news release.

On Behalf of the Company,

John Lewins, Chief Executive Officer and Director

For further information, please contact David Medilek, P.Eng., CFA at +1-604-687-7130.

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