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## **NEWS RELEASE**

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Vancouver, British Columbia

### **K92 MINING ACHIEVES STRONG GOLD EQUIVALENT PRODUCTION OF 22,261 OZ IN Q3, COMMISSIONING OF STAGE 2 EXPANSION PLANT & MULTIPLE THROUGHPUT RECORDS EXCEEDING DESIGN**

- **Q3 production achieved 21,298 oz of gold, 488,020 lbs copper and 7,127 oz silver for a total of 22,261 gold equivalent (“AuEq”) oz, a 16% increase from Q3 2019.**
- **Successfully completed commissioning of Stage 2 process plant, doubling throughput capacity from 200,000 tpa (~550 tpd) to 400,000 tpa (~1,100 tpd).**
- **During commissioning, the mill has demonstrated capacity above the design of 1,100 tpd, including 5 consecutive days averaging almost 1,200 tpd. Mining also achieved multiple consecutive material movement records exceeding 1,100 tpd of plant feed and is on track to consistently deliver 1,100 tpd of plant feed from underground by year-end.**
- **Record tonnage of 64,702 tonnes treated in Q3 2020, a 102% increase from Q3 2019 and quarter-end mill stockpile of ~18,000 tonnes.**
- **Positive gold grade reconciliation versus resource model continued in Q3, with gold head grade of 11.29 g/t and copper at 0.38%. Plant feed grades were deliberately lowered during Q3 to minimize potential gold losses during the commissioning period.**
- **Financial position remains strong and balance sheet has continued to strengthen during Q3 and throughout the COVID-19 pandemic.**

**Vancouver, British Columbia, October 13, 2020 - K92 Mining Inc. (“K92” or the “Company”) (TSX-V: KNT; OTCQX: KNTNF) is pleased to announce production in the third quarter (“Q3”), of 22,261 oz AuEq at its Kainantu Gold Mine in Papua New Guinea.**

During Q3, K92 produced 21,298 ounces of gold, 488,020 pounds of copper and 7,127 ounces of silver, or 22,261 AuEq oz (based on a gold price of US\$1,500/oz; silver price of US\$17.75/oz; copper price of US\$2.70/lb). The quarter also achieved record mill throughput of 64,702 tonnes following successful commissioning of the Stage 2 process plant expansion to double throughput

from 200,000 tpa (~550tpd) to 400,000 tpa (~1,100 tpd), including 5 consecutive days significantly above design, averaging almost 1,200 tpd.

Mining operations in Q3 focused on Kora's K1 and K2 veins and comprised development tonnes on the K1 vein on five levels, K1 vein long hole stoping (modified AVOCA method) on the 1205 and 1225 mRL level, K2 vein development tonnes from the 1170 mRL level and K2 vein long hole stoping (modified AVOCA method) on the 1185 mRL level. Importantly, Q3 marked the second full quarter of long hole stoping, which commenced in March 2020 on the K1 vein. To date, long hole stoping has performed to design on both the K1 and K2 veins and has provided a notable positive impact on operational flexibility, including multiple consecutive days exceeding 1,100 tpd of plant feed from underground in Q3. Long hole stoping is planned to increase through 2020 and K92 remains on track to consistently achieve throughput of 1,100 tpd of plant feed from underground by year end.

The blend of K1 and K2 material provided an average head grade to the process plant for Q3 of 11.29 g/t Au and 0.38% Cu. Plant feed grades were deliberately lowered during the commissioning period to minimize the potential for gold losses. Gold head grades continued to deliver a positive grade reconciliation. Grades are expected to increase in Q4 as higher-grade mining areas are reprioritized.

In Q3, underground infrastructure development encountered significant mineralization in the Judd #1 Vein ("J1 vein"), one of four known veins in the Judd vein system. As a result, the infrastructure drive was modified to develop along the J1 vein, providing a bulk sample to be treated during Q4. In addition, a drilling program has commenced on Judd (see September 3, 2020 press release – *K92 Mining Announces Bulk Sample Preliminary Results at Judd Vein System and Commencement of Phase 1 Judd Drill Program*). There are currently two drill rigs targeting Judd from underground, and the underground development drive continues to be advanced to the South. Judd is located on the mining lease and runs parallel to and approximately 200 metres to the North East of Kora. A portion of the Judd material mined has already been processed and blended with Kora material.

The twin incline project made considerable progress in Q3, including completing surface ground support, two portals and portal ground support steel sets. Development has also now advanced through weathered ground into competent fresh rock. See Fig 1 for a photo of the Twin Inclines.

The Kainantu mine continues to operate during the COVID-19 pandemic, with a significant focus on health and safety and risk-mitigation. On March 20, 2020 the Government of Papua New Guinea declared a COVID-19 State of Emergency ("SOE") (see March 23, 2020 press release - *K92 Announces COVID-19 Operational Update and Response Plan*) and on June 16, 2020 the Government of Papua New Guinea lifted the SOE (see June 16, 2020 press release - *K92 Mining Inc. Provides Operations and Stage 2 Expansion Update After Lifting of PNG COVID-19 State of Emergency*), resulting in a further easing of restrictions. After the lifting of the SOE, Kainantu has experienced a significant improvement in the movement of personnel, with exploration and development projects resuming.

**Table 1 – Q3 & H1 2020 and 2019 Annual Production Data**

		<b>2019 Total</b>	<b>Q1 2020</b>	<b>Q2 2020</b>	<b>Q3 2020</b>	<b>YTD 2020</b>
Tonnes Processed	T	<b>127,190</b>	47,421	49,311	<b>64,702</b>	<b>161,434</b>
Feed Grade Au	g/t	<b>20.8</b>	13.6	17.6	<b>11.3</b>	<b>13.9</b>
Feed Grade Cu	%	<b>0.37%</b>	0.32%	0.54%	<b>0.38%</b>	<b>0.41%</b>
Recovery (%) Au	%	<b>93.7%</b>	93.0%	92.1%	<b>90.7%</b>	<b>91.9%</b>
Recovery (%) Cu	%	<b>92.8%</b>	90.7%	91.1%	<b>90.2%</b>	<b>90.7%</b>
Metal in Conc Prod Au	Oz	<b>79,838</b>	19,240	25,762	<b>21,298</b>	<b>66,300</b>
Metal in Conc Prod Cu	T	<b>432</b>	136	241	<b>221</b>	<b>599</b>
Metal in Conc Prod Ag	Oz	<b>22,984</b>	6,937	10,867	<b>7,127</b>	<b>24,931</b>
Gold Equivalent Production	Oz	<b>82,256</b>	19,863	26,847	<b>22,261</b>	<b>68,972</b>

*Note - Gold equivalent for 2019 is based on the following metal prices: gold \$1,300 per ounce; silver \$16.50 per ounce; and copper \$2.90 per pound. Gold equivalent for 2020 is based on the following prices: gold \$1,500 per ounce; silver \$17.75 per ounce; and copper \$2.70 per pound.*

John Lewins, K92 Chief Executive Officer and Director, stated, “*We are extremely pleased to have successfully completed the commissioning of our Stage 2 Plant Expansion, which represents an important milestone for the Company and a positive step-change in our throughput capabilities, doubling from 200,000 tpa (~550 tpd) to 400,000 tpa (~1,100 tpd). The performance of the expanded plant to date has exceeded expectations on throughput, with the plant achieving 5 consecutive days significantly above design, averaging almost 1,200 tpd. Recoveries have also been solid post-commissioning and have been steadily increasing through late Q3 and into Q4 as our team fine-tunes the circuit.*”

*Mining operations have also been tracking well, benefiting from an expanded fleet and a significant boost to operational flexibility, with long hole stoping now firmly established on the K1 and K2 veins. During Q3, multiple consecutive daily records were achieved, with underground plant feed material movements exceeding 1,100 tpd and a solid quarter-end stockpile of ~18,000 tonnes. Kainantu remains on track to meet its goal of consistently achieving 1,100 tpd of plant feed from underground by year-end.*

*We are especially excited about the remainder of this year for Kainantu. The fourth quarter is expected to deliver our strongest quarterly production to date, benefitting from the completion of the Stage 2 Plant Expansion in Q3. Exploration activities are also ramping up considerably, with nine drill rigs now on site, and one more rig expected to arrive by end of year. Drill rigs are currently targeting the Judd, Karempa and Kora vein systems, with exploration on Kora South planned to commence this quarter. The second drill program is also scheduled to commence at Blue Lake this quarter. We expect to provide exploration updates on our vein field exploration programs near-term.*

*I would like to, once again, highlight the exceptional commitment of our workforce and the quality of the Kora Deposit. Despite the challenges of the COVID-19 pandemic, we continue to take significant steps forward towards increasing production and exploration activities, while also*

*strengthening our financial position. The support of all levels of Government in Papua New Guinea, especially during the COVID-19 pandemic, has also been a major positive factor in all of our achievements to date.”*

#### Qualified Person

K92 mine geology manager and mine exploration manager, Andrew Kohler, PGeo, a qualified person under the meaning of Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, has reviewed and is responsible for the technical content of this news release. Data verification by Mr. Kohler includes significant time onsite reviewing drill core, face sampling, underground workings, and discussing work programs and results with geology and mining personnel.

On Behalf of the Company,

John Lewins, Chief Executive Officer and Director

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**Figure 1 – Kainantu Twin Inclines**

