FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 **Name and Address of Company**

K92 Mining Inc. ("**K92**" or the "**Company**")
Suite 488 – 1090 West Georgia Street
Vancouver, B.C. V6E 3V7

Item 2 **Date of Material Change**

December 6, 2022

Item 3 **News Release**

The news release, dated December 6, 2022, was issued in Vancouver, British Columbia and disseminated through GlobeNewswire and filed on SEDAR with applicable securities commissions.

Item 4 **Summary of Material Change**

The Company announced that the Government of Papua New Guinea granted an extension of Mining Lease 150 for the Kainantu Gold Mine in Papua New Guinea for a period of 10 years to June 13, 2034, highlighting the significant support of various levels of Government and stakeholders for the Mine.

Concurrent with this announcement, the Company's Board of Directors approved the Stage 3 and Stage 4 Expansions (collectively the "Expansions"), increasing the annual Kainantu processing throughput to 1.2 million tonnes per annum ("mtpa") and 1.7 mtpa, respectively. This represents a 140% increase and 240% increase, respectively, from the Stage 2A processing capacity of 500,000 tonnes per annum.

The Expansions are expected to be transformational for Kainantu, as demonstrated in the Integrated Development Plan ("IDP") Stage 4 Preliminary Economic Assessment Case announced on September 12, 2022, outlining a peak annual production of 500,192 oz AuEq in 2027, a life of mine average all-in sustaining cost of US$687/oz (co-product) or US$444/oz net of by-product credits. The growth capital cost of US$187 million, sustaining capital cost until operating both process plants of approximately US$60 million per annum, and life of mine sustaining capital cost of US$429 million are expected to be self-funded from mine cash flow at US$1,600/oz Au.

Item 5 **Full Description of Material Change**

5.1 ***Full Description of Material Change***

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processing throughput to 1.2 million tonnes per annum ("mtpa") and 1.7 mtpa, respectively. This represents a 140% increase and 240% increase, respectively, from the Stage 2A processing capacity of 500,000 tonnes per annum.

The Expansions are expected to be transformational for Kainantu, as demonstrated in the Integrated Development Plan ("IDP") Stage 4 Preliminary Economic Assessment Case announced on September 12, 2022, outlining a peak annual production of 500,192 oz AuEq in 2027, a life of mine average all-in sustaining cost of US$687/oz (co-product) or US$444/oz net of by-product credits. The growth capital cost of US$187 million, sustaining capital cost until operating both process plants of approximately US$60 million per annum, and life of mine sustaining capital cost of US$429 million are expected to be self-funded from mine cash flow at US$1,600/oz Au. Tendering for long-lead time items for the expansion has commenced.

Non-GAAP Financial Measures

In this material change report, we use the terms "cash costs" and "all-in sustaining costs ". These should be considered as non-GAAP financial measures as defined in applicable Canadian securities laws and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Cash costs per ounce is a non-GAAP term typically used by gold mining companies to assess the level of gross margin available to the Company by subtracting these costs from the unit price realized during the period. This non-GAAP term is also used to assess the ability of a mining company to generate cash flow from operations. Cash costs per ounce includes mining and processing costs plus applicable royalties, and net of by-product revenue and net realizable value adjustments. Total cash costs per ounce is exclusive of exploration costs.

Cash costs per ounce is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other mining companies. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of cash flow from operations under IFRS or operating costs presented under IFRS.

The Company adopted an "all-in sustaining costs per ounce" non-GAAP performance measure in accordance with the World Gold Council published in June 2013. The Company believes the measure more fully defines the total costs associated with producing gold; however, this performance measure has no standardized meaning. Accordingly, there may be some variation in the method of computation of "all-in sustaining costs " as determined by the Company compared with other mining companies. In this context, "all-in sustaining costs" for the consolidated Company reflects total mining and processing costs, corporate and administrative costs, exploration costs, sustaining capital, and other operating costs.

All-in sustaining costs per gold ounce is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other mining companies. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

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 material change report.

5.2 ***Disclosure for Restructuring Transactions***

Not applicable.

Item 6 **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

Item 7 **Omitted Information**

Not applicable.

Item 8 **Executive Officer**

John D. Lewins, President
Tel: +1-604-416-4445

Item 9 **Date of Report**

This report is dated the 16th day of December, 2022.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This Material Change Report includes certain "forward-looking statements" under applicable Canadian securities legislation. Such forward-looking statements include, without limitation: (i) the results of the Kainantu Project DFS, and the Kainantu 2022 PEA, including the Stage 3 Expansion, a new standalone 1.2 mtpa process plant and supporting infrastructure; (ii) statements regarding the expansion of the mine and development of any of the deposits; and (iii) the Kainantu Stage 4 Expansion, operating two standalone process plants, larger surface infrastructure and mining throughputs.

All statements in this Material Change Report that address events or developments that we expect to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, without limitation, Public Health Crises, including the COVID-19 Pandemic; changes in the price of gold, silver, copper and other metals in the world markets; fluctuations in the price and availability of infrastructure and energy and other commodities; fluctuations in foreign currency exchange rates; volatility in price of our common shares; inherent risks associated with the mining industry, including problems related to weather and climate in remote areas in which certain of the Company's operations are located; failure to achieve production, cost and other estimates; risks and uncertainties associated with exploration and development; uncertainties relating to estimates of mineral resources including uncertainty that mineral resources may never be converted into mineral reserves; the Company's ability to carry on current and future operations,

including development and exploration activities; the timing, extent, duration and economic viability of such operations, including any mineral resources or reserves identified thereby; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the Company's ability to meet or achieve estimates, projections and forecasts; the availability and cost of inputs; the price and market for outputs, including gold, silver and copper; inability of the Company to identify appropriate acquisition targets or complete desirable acquisitions; failures of information systems or information security threats; political, economic and other risks associated with the Company's foreign operations; geopolitical events and other uncertainties, such as the conflict in Ukraine; compliance with various laws and regulatory requirements to which the Company is subject to, including taxation; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions, including relationship with the communities in jurisdictions it operates; other assumptions and factors generally associated with the mining industry; and the risks, uncertainties and other factors referred to in the Company's Annual Information Form under the heading "Risk Factors".

Estimates of mineral resources are also forward-looking statements because they constitute projections, based on certain estimates and assumptions, regarding the amount of minerals that may be encountered in the future and/or the anticipated economics of production. The estimation of mineral resources and mineral reserves is inherently uncertain and involves subjective judgments about many relevant factors. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, Forward-looking statements are not a guarantee of future performance, and actual results and future events could materially differ from those anticipated in such statements. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause actual results to differ materially from those that are anticipated, estimated, or intended. 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.