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## NEWS RELEASE

### **K92 MINING ANNOUNCES US\$100 MILLION SENIOR SECURED LOAN AND AMENDED OFFTAKE AGREEMENT WITH TRAFIGURA, BOLSTERING BALANCE SHEET AND FUTURE METALS PAYABILITIES**

**Vancouver, British Columbia, September 26, 2023 - K92 Mining Inc.** (“K92” or the “Company”) (TSX: **KNT**; OTCQX: **KNTNF**) is pleased to announce that it has entered into a loan agreement with Trafigura Pte Ltd, a market leader in the global commodities industry, pursuant to which Trafigura will provide a US\$100 million senior secured loan (the “**Loan**”) to K92.

In addition, the Papua New Guinea subsidiary of the Company, K92 Mining Limited, and Trafigura have amended and restated the offtake agreement dated July 1, 2019 for the purchase by Trafigura of 100% of K92’s copper/gold concentrates produced at the Kainantu Gold Mine in Papua New Guinea (“**the Amended Offtake Agreement**”). The Loan and the Amended Offtake Agreement will only come into effect upon satisfaction of express conditions precedent, including but not limited to (i) the execution and registration of the Security and (ii) regulatory approvals. These conditions precedent have not as yet been satisfied. K92 expects first drawdown to occur in early to mid-Q4 2023.

The Loan is at the corporate level and may be used for general corporate purposes, working capital purposes, and capital expenditures. No hedging is required for the Loan. The Loan further strengthens K92’s strong financial position, with US\$95.6 million and no debt as at June 30, 2023.

#### **Key Terms**

##### US\$100 Million Senior Secured Loan

- 4-year term from the date which the first advance of funds are made.
- Competitive interest rates.
- One-year interest only repayment grace period.
- No hedging conditions.
- The Loan will be secured by, among other things, a charge over the assets of K92 Mining Limited and a pledge of the shares of both K92 Mining Limited and K92 Holdings International Limited (the “**Security**”).
- Drawdown of the first US\$25 million under the Loan (the “**Initial Advance**”) is subject to conditions precedent, including but not limited to (i) the execution and registration of the Security and (ii) regulatory approvals, which have not as yet been satisfied.

- Drawdown of the balance of the Loan is subject to subsequent conditions in relation to the registration of certain items which form part of the Security (the “**Conditions Subsequent**”).
- Prior to satisfaction of the Conditions Subsequent, should an event of default occur under the Loan, Trafigura has, among other rights, the right to accelerate repayment of the Loan, and convert all or any portion of the Initial Advance into common shares of K92 (the “**Conversion Right**”).
- Once the Conditions Subsequent are satisfied, the Conversion Right will expire and be of no further force or effect.

#### Amended Offtake Agreement

- The term of the Offtake Agreement will extend and continue for an additional 7 consecutive calendar years, beginning January 1, 2026, or until a minimum quantity of 600,000 dry metric tons of concentrate have been delivered to Trafigura.
- Competitive industry terms in relation to all metrics at London Metals Exchange spot prices.
- Attractive payment arrangements which provide for upfront payment on delivery of concentrates to port of dispatch and provision of certain shipping documents.
- Amended and improved metals payabilities for deliveries of concentrates, which includes amending penalties, treatment and refining charges, and transport charges, all of which are better than the assumptions outlined in the Kainantu Integrated Development Plan (“IDP”) Definitive Feasibility and Preliminary Economic Assessment cases (see September 12, 2022 press release – K92 Mining Inc Announces Robust Kainantu Gold Mine Integrated Development Plan).

John Lewins, K92 Chief Executive Officer and Director, stated, “*We are extremely pleased to be expanding our partnership with Trafigura, with a US\$100 million Loan and amended off-take agreement. Trafigura has been our offtake partner since the start of operations at the Kainantu Gold Mine, and these agreements reinforce our strong relationship with Trafigura.*”

*In combination with K92’s already strong cash position of \$96m at the end of Q2 2023, the US\$100 million Loan effectively fully finances the growth capital outlined in the IDP for both the Stage 3 DFS and Stage 4 PEA cases, which transform Kainantu into a Tier 1 producer with run-rate production of 300 koz AuEq and 470 koz AuEq per annum, respectively. Importantly, the Loan enables K92 to more confidently invest and potentially increase exploration activities while completing the major production expansions. The offtake agreement also secures long-term competitive terms and provides security and confidence in our income from the sale of our concentrate product.”*

#### **About K92**

K92 Mining Inc. is engaged in the production of gold, copper and silver at the Kainantu Gold Mine in the Eastern Highlands province of Papua New Guinea, as well as exploration and development of mineral deposits in the immediate vicinity of the mine. The Company declared commercial production from Kainantu in February 2018, is in a strong financial position. A maiden resource estimate on the Blue Lake porphyry project was completed in August 2022. K92 is operated by a team of mining company professionals with extensive international mine-building and operational experience.

On Behalf of the Company,

John Lewins, Chief Executive Officer and Director

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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:** *This news release includes certain “forward-looking information” within the meaning of applicable Canadian securities legislation (“forward-looking statements”), including, but not limited to, the impact of global supply chain and financial market disruptions; projections of future financial and operational performance; statements with respect to future events or future performance; production estimates; anticipated operating and production costs and revenue; estimates of capital expenditures; future demand for and prices of commodities and currencies; estimated mine life of our mine; estimated closure and reclamation costs and statements regarding anticipated exploration, development, construction, production, permitting and other activities on the Company’s properties, including: expected gold, silver and copper production and the Stage 3 Expansion and Stage 4 Expansion. Estimates of mineral reserves and 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. All statements in this Annual Information Form 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 availability and costs of achieving the Stage 3 Expansion or the Stage 4 Expansion; the ability of the Company to achieve the 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 Papua New Guinea and other 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.*