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NEWS RELEASE

K92 MINING ANNOUNCES STRONG 2023 Q2 FINANCIAL RESULTS – SIGNIFICANT CASH BALANCE INCREASE AND LOW CASH & ALL-IN SUSTAINING COSTS

Vancouver, British Columbia, August 10, 2023 - K92 Mining Inc. (“K92” or the “Company”) (TSX: KNT; OTCQX: KNTNF) is pleased to announce financial results for the three months ended June 30, 2023.

Production

- Strong quarterly production of 30,794 ounces gold equivalent (“AuEq”) ⁽¹⁾⁽²⁾ or 27,405 oz gold, 1,526,547 lbs copper and 34,001 oz silver, representing an 18% increase from Q2 2022 and 43% increase from Q1 2023.
- Cash costs of US\$597/oz gold ⁽²⁾ and all-in sustaining costs (“AISC”) of US\$975/oz gold ⁽²⁾, notably better than the annual guidance of US\$620-680/oz gold cash costs ⁽²⁾ and US\$1,180 to US\$1,300/oz gold AISC ⁽²⁾.
- Strong metallurgical recoveries of 92.4% for gold and 92.8% for copper, representing the highest quarterly recoveries since Q4 2021 for both gold and copper, following the successful completion of the final upgrade for the Stage 2A Plant Expansion in May, the rougher flotation expansion.
- Quarterly ore processed of 112,471 tonnes or 1,236 tonnes per day (“tpd”) at a grade of 9.23 g/t AuEq or 8.20 g/t gold, 0.66% copper and 11.56 g/t silver and ore tonnes mined of 109,155 tonnes or 1,200 tpd. Total ore tonnes processed and total mined material (ore and waste) increased 3% and 17% from Q2 2022, respectively.

Financials

- Cash position of US\$95.6 million as of June 30, 2023, increasing US\$6.9 million quarter-over-quarter, while remaining debt-free. During the quarter, \$22.0 million was spent on property, plant and equipment and a Company record, US\$6.3 million in exploration and evaluation expenditures.
- Revenue of US\$51.8 million, increasing 39% from Q2 2022.
- Net earnings of US\$8.8 million or \$0.04 per share, increasing 71% from Q2 2022.
- Sales of 28,141 oz gold, 1,657,115 lbs copper and 36,253 oz silver. Gold concentrate and doré inventory of 2,398 oz as of June 30, 2023, a decrease of 895 oz over the prior quarter.
- Operating cash flow (before working capital adjustments) for the three months ended June 30, 2023, of US\$16.2 million or US\$0.07 per share, and earnings before interest, taxes, depreciation and amortization (“EBITDA”) ⁽²⁾ of US\$21.6 million or US\$0.09 per share.

Growth

- A major milestone achieved in May with the completion of the Stage 2A Plant Expansion to 500,000 tonnes per annum (“**tpa**”) following the commissioning of the final upgrade, the rougher flotation expansion. Post-commissioning, the process plant continues to perform well, delivering a significant increase to metallurgical recoveries. Recoveries for June were 93.0% for gold and 92.9% for copper. As mentioned above, Q2 recoveries averaged 92.4% for gold and 92.8% for copper, representing the highest quarterly recoveries since Q4 2021 for both gold and copper, and significantly higher than the 2022 average of 90.4% for gold and 90.5% for copper. The performance of the process plant to date continues to demonstrate the potential to ultimately exceed the Stage 2A Expansion name-plate of 500,000 tpa.
- Strong results from 62 diamond drill holes were reported from underground and surface at Kora, Kora South, Judd, Judd South and Kora Northern Deeps. The results demonstrated multiple high-grade results, including the discovery of high-grade mineralization at the J2 Vein to the South. The J2 Vein is not part of the current resource. Highlights from the J2 Vein include:
 - KUDD0040 recording 2.40 m at 345.36 g/t AuEq from the J2 Vein at Judd South,
 - KUDD0045 recording 11.20 m at 12.69 g/t AuEq from the J2 Vein at Judd South, and
 - KUDD0043 recording 3.80 m at 10.19 g/t AuEq from the J2 Vein at Judd South.
 Other highlights include:
 - KODD0036 recording 5.00 m at 161.57 g/t AuEq from the J1 Vein
 - KUDD0043 recording 6.20 m at 26.52 g/t AuEq from the J1 Vein at Judd South,
 - JDD0178 recording 6.36 m at 23.07 g/t AuEq from the J1 Vein, and
 - KUDD0041 recording 3.20 m at 11.27 g/t AuEq from the K2 Vein and 1.80 m at 16.45 g/t AuEq from the J1 Vein.
 Drilling also intersected a dilatant zone:
 - KUDD0040 recording 22.00 m at 5.14 g/t AuEq within a substantial 57.80 m at 2.73 g/t AuEq from the J1 Vein (see May 24, 2023 press release).
- Significant advance of the twin incline in Q2 with incline #2 (6m x 6.5m) advanced to 2,447 metres and #3 (5m x 5.5m) advanced to 2,506 metres as of June 30, 2023. Overall mine development during the quarter of 2,173 metres. The twin incline advance is ahead of schedule and as a result we expect first ore to be mined at Kora at depth in Q4, establishing a major new mining front at depth that will provide a significant boost to operational flexibility as 2024 progresses. We note that this area was not included in the 2023 budget and it is being mined earlier as a result of strong development advance rates.

The Company’s interim consolidated financial statements and associated management’s discussion and analysis for the three and six months ended June 30, 2023 are available for download on the Company’s website and under the Company’s profile on SEDAR+ (www.sedarplus.ca). All amounts are in U.S. dollars unless otherwise indicated.

See Figure 1: Quarterly Production and AISC Chart

See Figure 2: Quarterly Total Ore Processed, Development Metres Advanced and Total Mined Material Chart

John Lewins, K92 Chief Executive Officer and Director, stated, “During the second quarter, the Company achieved a significant number of positives with production growing 43% from Q1 2023 and

18% from Q2 2022; strong cash costs of \$597/oz and AISC of \$975/oz, well below the annual guidance range of \$620-\$680/oz for cash costs and \$1,180-\$1,300/oz for AISC; completion of the Stage 2A Plant Expansion in May, which delivered an immediate and notable boost to metallurgical recoveries; the discovery of a new high-grade zone at the J2 Vein at Judd South; exploration expanding multiple high-grade areas at Kora-Kora South and Judd-Judd South; and the considerable strengthening of our financial position.

Financially, the cash balance grew by \$6.9m, even after a near-record \$22.0m was spent on property, plant and equipment plus a record \$6.3 million on exploration and evaluation expenditures during the quarter. The balance sheet is strong, standing at \$95.6m cash and no debt at quarter end. Subsequent to quarter end, our financial outlook also strengthened significantly upon the order of long-lead items and the award of the Lump Sum Fixed Price engineering, procurement, construction and commissioning (“EPC”) contract for the 1.2 mtpa Stage 3 Process Plant. Combined with the long-lead items, K92 has awarded approximately 94% of the process plant capital cost, our largest growth capital item for the expansion, forecasted to represent over half of the growth capital, on a fixed price basis, significantly mitigating potential capital cost increases for the expansion. Other packages for the Stage 3 Expansion are also substantially progressing (see July 24, 2023 press release).

On the process plant, I would like to acknowledge and congratulate the team on site for the completion of the Stage 2A Plant Expansion. Since the end of 2019, the plant’s quarterly throughput has more than tripled, with two expansions, Stage 2 and Stage 2A, completed largely during the pandemic environment. The plant, as noted above, has performed well – our gold and copper recoveries in Q2 were the highest since Q4 2021. In June, the first full month post-commissioning, gold recoveries already achieved the Integrated Development Plan’s recovery parameter of 93%. Optimization work on the plant is underway, and we look forward to discovering its ultimate throughput and recovery potential.

On exploration, we are progressing on multiple fronts, with a total of 11 drills operating at the Kora-Kora South, Judd-Judd South vein systems and the AI porphyry. We expect to provide another extensive exploration update shortly.”

Mine Operating Activities

	Three months ended June 30, 2023	Three months ended June 30, 2022
<u>Operating data</u>		
Head grade (Au g/t)	8.2	7.2
Gold recovery (%)	92.4%	91.0%
Gold ounces produced	27,405	22,934
Gold ounces equivalent produced ^{(1) (2)}	30,794	26,085
Tonnes of copper produced	692	558
Silver ounces produced	34,001	25,224

Financial data (in thousands of dollars)

Gold ounces sold	28,141	23,674
Revenues from concentrate and doré sales	US\$51,759	US\$37,356
Mine operating expenses	US\$9,782	US\$9,310
Other mine expenses	US\$12,268	US\$9,363
Depreciation and depletion	US\$7,148	US\$4,496

Statistics (in dollars)

Average selling price per ounce, net	US\$1,883	US\$1,782
Cash cost per ounce ⁽²⁾	US\$597	US\$617
All-in sustaining cost per ounce ⁽²⁾	US\$975	US\$893

Notes:

- (1) Gold equivalent in Q2 2023 is calculated based on: gold \$1,976 per ounce; silver \$24.13 per ounce; and copper \$3.85 per pound. Gold equivalent in Q2 2022 is calculated based on: gold \$1,870 per ounce; silver \$23 per ounce; and copper \$4.32 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 on pages 12 and 13 of the Company's management's discussion and analysis dated August 9, 2023, available on SEDAR+ or the Company's website, for reconciliation of these measures.

Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Conference Call and Webcast to Present Results

K92 will host a conference call and webcast to present the 2023 second quarter financial results at 8:30 am (EDT) on Thursday, August 10, 2023.

- 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: <https://services.choruscall.ca/links/k92mining2023q2.html>

Qualified Person

K92 Mine Geology Manager and Mine Exploration Manager, Mr. 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.

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 and is in a strong financial position. A maiden resource estimate on the Blue Lake copper-gold 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

For further information, please contact David Medilek, P.Eng., CFA, President at +1-604-416-4445

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: *This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. Such forward-looking statements include, without limitation: (i) the results of the Kainantu Project Definitive Feasibility Study, and the Kainantu 2022 Preliminary Economic Assessment, 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 news release 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.

Figure 1: Quarterly Production and AISC Chart

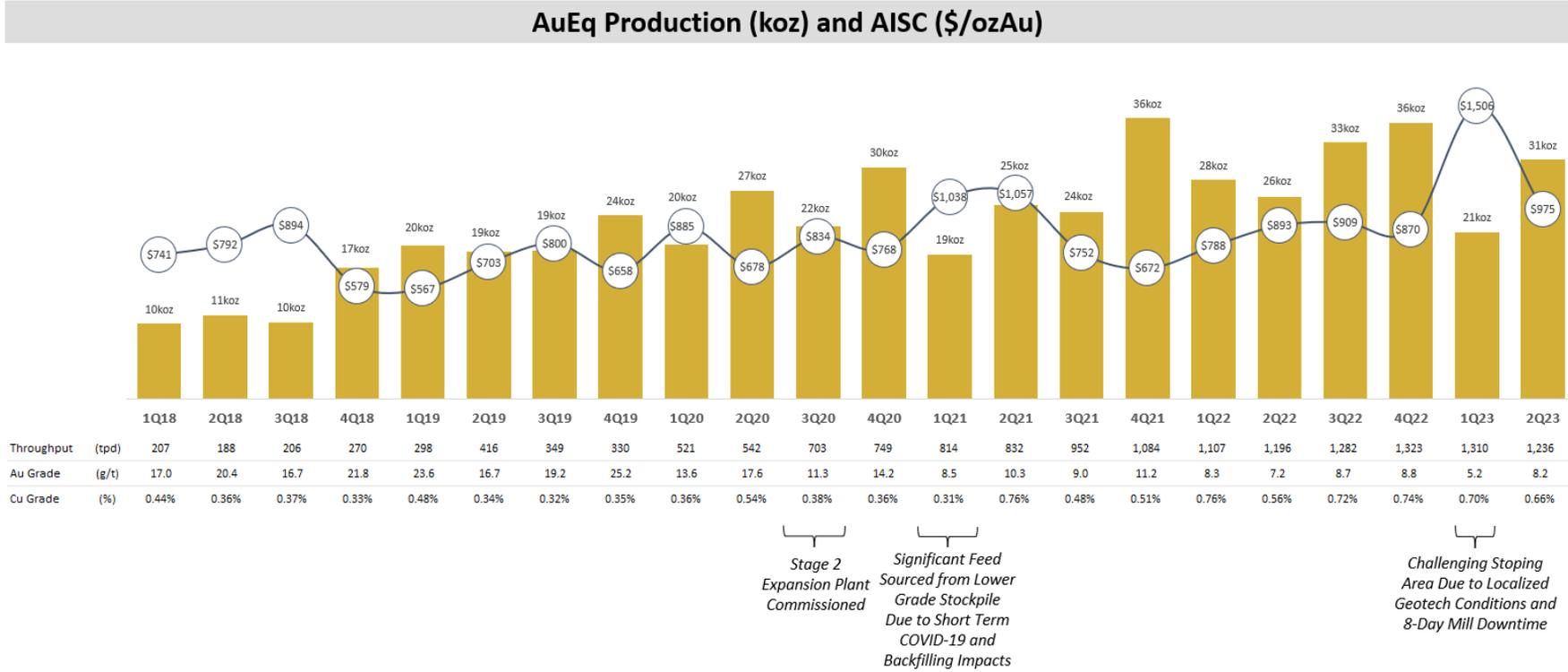


Figure 2: Quarterly Total Ore Processed, Development Metres Advanced and Total Mined Material Chart

