

KAINANTU RESOURCES LTD.

(TSX-V: KRL)

KAINANTU RESOURCES LTD. (FORMERLY PLB CAPITAL CORP.) COMPLETES QUALIFYING TRANSACTION

Vancouver, B.C. - December 3, 2020 - Kainantu Resources Ltd. (TSX-V: KRL) (“KRL” or the “Company”) (formerly PLB Capital Corp.) is pleased to announce that the Company has completed its acquisition of all of the issued and outstanding shares of Kainantu Resources Limited (“Kainantu”) in exchange for the issuance of an aggregate of 20,000,000 common shares of the Company (the “Transaction”). The Transaction constitutes the Company’s Qualifying Transaction as such term is defined in Policy 2.4 - Capital Pool Companies of the TSX Venture Exchange (the “TSX-V”).

Trading in the Company’s common shares (“Company Shares”) is expected to re-commence on the TSX-V on or about December 8, 2020 under the symbol “KRL”. A total of 12,117,629 Company Shares held by certain shareholders are subject to escrow restrictions in accordance with the policies of the TSX-V.

Transaction Summary

Pursuant to the Transaction, the Company issued an aggregate of 20,000,000 Company Shares to the founding holders of common shares of Kainantu (“Kainantu Shares”) on the basis of one Company Share for each Kainantu Share at a deemed price of \$0.20 per Kainantu Share. In addition, the Company will issue an aggregate of 5,000,000 deferred Company Shares to the founding holders of Kainantu Shares, pro rata in accordance with their holdings of Kainantu Shares, as additional consideration at such time as the Company has established and completed a technical report in compliance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“NI 43-101”) supporting an inferred resource (as such term is defined in NI 43-101).

As a result of the Transaction, the Company has an aggregate of 45,072,400 Company Shares issued and outstanding on a non-diluted basis, including the Company Shares issued to the founding holders of Kainantu and Company Shares issued in exchange for Kainantu Shares issued in connection with the Financing described below.

A more detailed description of the Transaction is contained in the Company’s filing statement dated October 29, 2020 that can be found under the Company’s SEDAR profile at www.sedar.com.

Concurrent Financing

In connection with the Transaction, an aggregate of 20,500,000 units (each a “Kainantu Unit”) of Kainantu were issued pursuant to a non-brokered private placement (the “Financing”) at a price of \$0.20 per Kainantu Unit for total gross proceeds of \$4,100,000. On conversion, each Kainantu Unit consisted of one Kainantu Share and one half of a share purchase warrant (each whole warrant, a “Kainantu Warrant”). Each Kainantu Warrant was to be exercisable at a price of \$0.40 per Kainantu Share until December 3, 2023, subject to accelerated expiry. In connection with the Transaction, each Kainantu Unit was exchanged for units of the Company (“Unit”) on a one for one basis and on the same terms and conditions.

Finder’s commissions of \$38,220 were paid in cash and a further \$114,480 was paid through the issuance of 572,400 Units at a price of \$0.20 per Unit. In addition, the Company issued an aggregate of 763,700 broker warrants to 4Front Capital Partners Inc., Canaccord Genuity Corp., and EDE Asset Management Inc., with each warrant exercisable at a price of \$0.20 per share for a period of 36 months. The Company also issued 437,000 finder’s warrants to Oceanside Financial Partners Ltd., with each warrant exercisable at a price of \$0.20 per share for a period of 36 months. As part of a corporate finance

KAINANTU RESOURCES LTD.

(TSX-V: KRL)

fee, the Company also issued 490,000 warrants to PI Financial Corp., with each warrant exercisable at a price of \$0.40 per share for a period of 36 months.

The proceeds of the Financing will be utilized for payments due pursuant to exploration costs on KRL's gold tenements, general working capital, and the Transaction.

Board and Management Changes

Concurrent with closing of the Transaction, Michael Butler and Giuseppe (Pino) Perone have resigned as directors of the Company, and Marcus Engelbrecht (Chairman), Matthew Salthouse, and Geoff Lawrence have been appointed as directors of the Company, to serve with David Loretto. Matthew Salthouse has been appointed Chief Executive Officer, Bart Lendrum has been appointed Chief Financial Officer, and Giuseppe (Pino) Perone will remain as Corporate Secretary of the Company.

About Kainantu Resources Ltd.

Kainantu Resources Ltd. (<https://kainanturesources.com/>) is an international gold exploration company with a focus on gold tenements in the under-explored, and highly prospective, Kainantu region of Papua New Guinea. The Company currently has 45,072,400 shares outstanding.

For further information, please contact:

Matthew Salthouse
CEO and Director
Phone: + 65 6920 2020
E-Mail: msalthouse@axismining.sg

Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer and Forward-Looking Information

Statements contained in this release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of KRL. In making the forward-looking statements, KRL has applied certain assumptions that are based on information available, including KRL's strategic plan for the near and mid-term. There can be no assurance that such information 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 information. KRL does not undertake to update any forward-looking information, except in accordance with applicable securities laws.