



Kainantu Resources Filing of Q2 2022 Results

Vancouver, B.C. – August 29, 2022 - Kainantu Resources Ltd. (TSX-V: KRL, FSE: 6J0) (“KRL” or the “Company”), the Asia-Pacific focused gold mining company, is pleased to report the filing of its second interim results for the 6 months ending June 30, 2022, a copy of which is available for review in the “Investors” section of the Company’s [website](#).

Key aspects to report over the period include the following (with financial analysis stated in USD unless otherwise noted):

Financial

- Ongoing prudent management of capital resources in H1 2022:
 - capitalised expenditure on exploration and evaluation activities totalled \$1.34 million, being \$0.58 million higher than H1 2021, primarily due to expanded exploration activities, including a significant airborne geophysical survey over our properties adjacent to K92 Mining;
 - cash and receivables totalled \$0.73 million (or C\$ 0.93 million) with cash outflows for exploration of \$1.24 million and net inflows from financing of \$1.90 million; and
 - a net loss for the period was \$0.52 million. This is significantly lower than H1 2021 net loss of \$0.94 million which included a non-recurring listing fee and reduced share-based expenses.

Business Update

- The Company executed a definitive agreement to acquire the advanced development PNG project, Kili Teke from Harmony Gold:
 - inclusive of an inferred resource 237 Mt @ 0.34% Copper (=0.8Mt Cu), 0.24g/t Gold (=1.8Moz Au) and 168ppm Molybdenum (=0.04Mt Mo).
- A comprehensive airborne geophysical programme over the KRL North and KRL South properties, covering a total area of 186 km² (1,000-line kilometres), KRL North is adjacent to the highly successful K92 mine. Geophysics has been modelled with analysis indicating the following results:
 - KRL North:
 - two large magnetic anomalies were identified in highly permeable structural environments both to the southwest and southeast of the project, and both have been interpreted as possible porphyry system; and,
 - the southwest body appears bound by a prominent highly conductive NE trending fault; and continue to support the potential for extension of KRL North from the Bilimoia mineral field within K92.



- KRL South:
 - an additional prospect at Mt. Yungateia was identified to the north of the Tirokave area, reflecting a coincident conductivity/magnetic high towards the SE; and
 - further regional targets deemed highly prospective identified around the Ontenu area.
- Ongoing field work completed:
 - KRL North: grid soil samples taken over the central area, showed metal content and continues to support our search for a porphyry with peripheral epithermal veins;
 - KRL South: trenching was advanced at East Avanihofi and Yaoro Ridge prospects (with final sampling results and analysis pending) as part of ongoing work around the Tirokave area of interest; and
 - May River: a focused programme completed at the Mountain Gate prospect (with initial results and observations indicating the potential presence of a copper rich porphyry system).
- Some field activities were moderated and/or suspended during the period, given potential for disruption due to national elections in PNG.

Matthew Salthouse, CEO of KRL, commented:

“KRL is pleased to provide this update for H1 2022. Key highlights for KRL over the period included executing a definitive agreement to purchase the advanced stage Kili Teke copper-gold project, which is a transformational opportunity for the Company.

In addition, the geophysics and field campaigns across KRL North and KRL South increased the Company's understanding and confidence in the highly prospective nature of our projects.

In the second half of 2022, KRL will continue our targeted and disciplined approach to capital management and exploration and take further steps to consolidate our portfolio of projects; and a particular focus on our KRL North project, adjacent to K92, where exploration results remain extremely encouraging.”

Qualified Person

The scientific and technical information disclosed in this release has been reviewed and approved by Graeme Fleming, B. App. Sc., MAIG, an independent “qualified person” as defined under National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

About Kainantu Resources Limited (KRL)

Kainantu Resources ‘KRL’ is an Asia-Pacific focused gold mining company with three highly prospective gold-copper projects, KRL South, KRL North and the May River Project. All projects are located in premier mining regions in PNG. Both KRL North and KRL South show potential to host high-grade epithermal and porphyry mineralisation, as seen elsewhere in the high-grade Kainantu Gold District. The May River project is in close proximity to the world-renowned Frieda River Copper-Gold Project, with historical drilling indicating the potential for significant copper-gold projects. KRL has a highly experienced board and management team with a proven track record of working together in the region; and an established in-country partner. KRL recently executed an agreement to acquire the Kili Teke project in the western highlands of PNG.



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References in this release to \$ are stated in USD.

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