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NEWS RELEASE

March 3, 2017

Vancouver, British Columbia

K92 clarifies its disclosure in its news release dated March 1, 2017.

K92 Mining Inc. (“K92” or the “Company”) announces as a result of a review by the British Columbia Securities Commission, we are issuing the following news release to clarify our disclosure.

In the Company’s news release dated March 1, 2017 (the “News Release”), the Company provided certain production updates without including additional disclosure regarding the risks associated with the production decision, which is required by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

In addition, the News Release contained numerous references to the word “ore”. The use of the word “ore” in the context of mineral resource estimates to be potentially misleading because “ore” implies technical feasibility and economic viability that should only be attributed to mineral reserves.

The News Release also contained references to a “Mine Plan” and a “budget”. The Company advises that its decision regarding production at the Kainantu Gold Mine was based on the conceptual mine plan described in the Company’s technical report titled “Independent Technical Report, Preliminary Economic Assessment of Irumafimpa and Kora Gold Deposits, Kainantu Project, Papua New Guinea” dated November 25, 2016. On March 2, 2017, the Company filed an amended technical report titled “Independent Technical Report, Preliminary Economic Assessment of Irumafimpa and Kora Gold Deposits, Kainantu Project, Papua New Guinea” dated March 2, 2017 (the “Technical Report”) and details of the conceptual mine plan can be found in the Technical Report. The Company’s decision regarding production at the Kainantu Gold Mine was not based on a feasibility study demonstrating economic and technical viability and, as a result, there is increased uncertainty and multiple technical and economic risks that are associated with this decision. These risks include areas that are analyzed in detail in a feasibility study, such as applying economic analysis to resources and reserves, more detailed metallurgy, and a number of specialized studies in areas such as mining and recovery methods and environmental and community impacts. In addition, there are certain specific risks associated with the Kainantu Gold Mine (as described in the Technical Report) including, but not limited to, inadequate water access and access to power. Project failure may adversely impact K92 and future profitability. As such, K92 cautions the reader that where projects are put into production without first establishing

mineral reserves, as opposed to mineral resources, supported by a technical report and completing a feasibility study such projects have historically had a higher risk of economic or technical failure. With respect to the references to “budget”, as the Company does not have a formal budget that is based on a feasibility study or similar study, readers should not rely on such references.

The preliminary economic assessment (the “PEA”) contained in the Technical Report is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. The Technical Report contains a full description of all underlying assumptions relating to the PEA. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The Company is retracting the disclosure made in the News Release and replacing it with the disclosure set out below. Readers should not rely on information in the News Release.

K92 Provides Operational Update With Production Rates

- **As at February 24th, 2017, almost 8,000 tonnes of material mined for the month, and the Company expects to achieve over 10,000 tonnes for the month**
- **As at 24th February, 2017, almost 5,000 tonnes processed and the Company expect to achieve 7,000 tonnes for the month**
- **Over 200 tonnes of concentrate produced to date, with the first containers currently being filled for shipment to the port of Lae. First shipment of concentrates from the port of Lae to smelter scheduled for early to mid-March**

K92 Mining Inc. (“K92” or the “Company”) is pleased to report mining production has shown a steady ramp up over the last 3 months. The Company mined over 8,000 tonnes of material by February 24th, 2017, and the Company expects to achieve 10,000 tonnes by month end. The increased material production is in part due to significant lower grade material being identified outside of the planned material envelope, which was identified by our ongoing grade control program, highlighting the importance and success of this program. All current February production has come from material development headings and the Company currently anticipates the first stope mining to commence on schedule by the end of March.

The commissioning of the drum scrubber at the process plant has now been completed and production is ramping up to meet the mine production, with 5,000 tonnes processed as at February 24, 2017. The product from the drum scrubber has met the required specifications and has allowed the crushing plant to operate satisfactorily, with all of the fines portion, accounting for approximately 30% of the feed, bypassing the crusher and reporting directly to the milling classification circuit.

The process plant has produced in excess of 200 tonnes of concentrate, with current grades averaging approximately 150 g/t Au. This material is currently being loaded into containers for

transport to the port of Lae, with the first shipment scheduled to depart the port of Lae early to mid-March, 2017.

As at February 24, 2017, there were approximately 12,000 tonnes of material stockpiled on surface at an average grade of just over 5 g/t, which included some lower grade development material mined from outside the targeted material envelope. The Company anticipates that this stockpile will allow the plant to achieve over 80% of the design throughput in March, 2017. Based on performance to date, the Company anticipates that both mine production and process plant throughput will meet the Company's expectations.

The above production has been achieved despite unusually high rainfall during January and early February, with January recording 700 mm of rain on site against a long-term average of 240 mm. This rainfall has also caused some disruption to the power supply from PNG Power which has had some adverse effect on operations, primarily the process plant.

The Company does have standby power installed for the mine, camp and offices and is in the process of upgrading the installed standby power to also provide sufficient power to run the entire processing plant. The diesel generators for this upgrade are currently on site and their installation is due to be completed shortly.

Ian Stalker, K92 Chief Executive Officer and Director, states, *"It is encouraging to report to all stake-holders the current operational status of the Kainantu Mine. Progress has been made in all aspects of our business, in excess of our own expectations. Our first concentrate is being loaded into containers ready for onward shipping to the Smelter facility, and the grade being recorded at +150 gpt Au., is coming from treatment of our lower grade development material. This is hugely encouraging for the operation forecast when we start processing our mined stope material later in March.*

The performance of the underground mine has been excellent, with material production being ahead of schedule. This is all the more remarkable against the background of re-starting an old mine in weather conditions that are the wettest recorded for many years. I think this is testament to the skills and dedication of the entire team that is K92, and I wish to record my thanks to them."

On behalf of the Company,

Ian Stalker
Chief Executive Officer and Director

K92 Advisor, Brian Lueck, P.Geo, a qualified person under the meaning of Canadian National Instrument 43-101, has reviewed and is responsible for the technical content of this news release.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements are necessarily based upon a number of estimates and

assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. All statements that address future plans, activities, events or developments that the Company believes, expects or anticipates will or may occur are forward-looking information, including statements regarding potential ongoing production which may or may not occur and the generation of further production assessment work at deposits, which may or may not occur. The Preliminary Economic Assessment (“PEA”) issued by K92 is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Forward-looking statements and information contained herein are based on certain factors and assumptions regarding, among other things, the market price of the Company’s securities, metal prices, taxation, the estimation, timing and amount of future exploration and development, capital and operating costs, the availability of financing, the receipt of regulatory approvals, environmental risks, title disputes, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes, claims and limitations on insurance coverage and other risks of the mining industry, changes in national and local government regulation of mining operations, and regulations and other matters. 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.