

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities in those jurisdictions.

**Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of K92 Mining Inc. at Suite 488, 1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7, telephone (604) 416-4445 and are also available electronically at [www.sedar.com](http://www.sedar.com).

The securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States and the securities may not be offered or sold in the United States of America, its territories or possessions, any state of the United States or the District of Columbia (collectively, the “**United States**”) except in a transaction exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in the United States. See “**Plan of Distribution**”.

## SHORT FORM PROSPECTUS

New Issue



June 27, 2022

**CAN\$50,000,875**

**5,405,500 Common Shares**

This short form prospectus (this “**Prospectus**”) is being filed in the provinces of British Columbia, Alberta and Ontario (the “**Qualifying Jurisdictions**”) to qualify the distribution of 5,405,500 common shares (the “**Offered Shares**”) of K92 Mining Inc. (the “**Company**”) at a price of CAN\$9.25 per Offered Share (the “**Offering Price**”) for gross proceeds of CAN\$50,000,875 (the “**Offering**”). The Offered Shares are being issued and sold pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated as of June 17, 2022 between the Company and Clarus Securities Inc. (“**Clarus**”) and Cormark Securities Inc. (“**Cormark**” and together with Clarus, the “**Co-Lead Underwriters**”), as co-lead underwriters and co-bookrunners, and a syndicate of underwriters comprised of National Bank Financial Inc., Stifel Nicolaus Canada Inc., BMO Capital Markets, Scotia Capital Inc., Desjardins Securities Inc., Eight Capital, PI Financial Corp., Raymond James Ltd., Haywood Securities Inc. and TD Securities Inc. (together with the Co-Lead Underwriters, the “**Underwriters**”). The Offering Price has been determined by arm’s length negotiation between the Company and the Co-Lead Underwriters, on behalf of the Underwriters, with reference to the prevailing market price of the common shares of the Company (the “**Common Shares**”). See “**Plan of Distribution**”.

The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the “**TSX**”) under the symbol “**KNT**” and are quoted on the OTCQX Market (the “**OTCQX**”) operated by the OTC Market Group under the symbol “**KNTNF**”. On June 24, 2022, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSX was CAN\$8.95 per Common Share and on the OTCQX was USD\$6.92 per Common Share. The Company has applied to list the Offered Shares on the TSX. Listing will be subject to the Company fulfilling all of the requirements of the TSX. See “**Plan of Distribution**”.

Price: CAN\$9.25 per Offered Share

	Price to the Public	Underwriters' Fee <sup>(1)</sup>	Net Proceeds to the Company <sup>(2)</sup>
Per Offered Share .....	CAN\$9.25	CAN\$0.4625	CAN\$8.7875
Total.....	CAN\$50,000,875	CAN\$2,500,043.75	CAN\$47,500,831.25

Notes:

- (1) Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters a fee representing 5.00% of the aggregate gross proceeds of the Offering (the “**Underwriters’ Fee**”). See “*Plan of Distribution*”.
- (2) After deducting the Underwriters’ Fee, but before deducting expenses of the Offering estimated to be CAN\$250,000, which will be paid from the proceeds of the Offering.

The Company has granted to the Underwriters an option (the “**Over-Allotment Option**”), exercisable in whole or in part in the sole discretion of the Underwriters at any time until the date which is 30 days following the Closing Date (as defined below), to purchase up to an additional 810,825 Common Shares at a price of CAN\$9.25 per Common Share (the “**Over-Allotment Shares**”) to cover over-allotments, if any. The aggregate number of Over-Allotment Shares to be issued under the Over-Allotment Option will not exceed 810,825 Over-Allotment Shares. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, the “Underwriters’ Fee” and the “Net Proceeds to the Company” (before deducting expenses of the Offering) will be CAN\$57,501,006.25, CAN\$2,875,050.31 and CAN\$54,625,955.94, respectively. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares upon exercise of the Over-Allotment Option. Any purchaser who acquires Common Shares forming part of the over-allocation position of the Underwriters pursuant to the Over-Allotment Option acquires such securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.

Unless the context otherwise requires, when used herein, all references to “**Offered Shares**” include any Over-Allotment Shares (as defined below).

The following table sets forth the number of Over-Allotment Shares issuable under the Over-Allotment Option:

Underwriters’ Position	Maximum Size or Number of Available Securities	Exercise Period	Exercise Price
Over-Allotment Option .....	810,825 Over-Allotment Shares <sup>(1)</sup>	At any time up to 30 days from the Closing Date	CAN\$9.25 per Over-Allotment Share

**Note:**

- (1) Assuming the Over-Allotment Option is exercised in full.

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*” and subject to approval of certain legal matters on behalf of the Company by Gowling WLG (Canada) LLP, certain legal matters on behalf of the Underwriters by Borden Ladner Gervais LLP.

The Offered Shares will be offered in the Qualifying Jurisdictions, through the Underwriters or their affiliates who are registered to offer the securities for sale in such provinces and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Offered Shares in the United States and such other jurisdictions outside of Canada and the United States as may be agreed between the Company and the Underwriters. In connection with the Offering, the Underwriters may, subject to applicable laws, over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market in accordance with applicable stabilization rules. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

**The Underwriters propose to offer the Offered Shares to the public initially at the Offering Price. If all of the Offered Shares are not sold at the Offering Price, the Underwriters may decrease the Offering Price and change the other selling terms. The compensation realized by the Underwriters will decrease by the amount that the aggregate price**

**paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Company. The decrease in the Offering Price will not decrease the amount of net proceeds of the Offering to the Company. See “Plan of Distribution”.**

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Closing is expected to take place on or about July 6, 2022 or such other date as may be agreed between the Company and the Underwriters (the “**Closing Date**”). The Offered Shares are to be taken up by the Underwriters, if at all, on or before a date not later than 42 days following the date of a final receipt for this Prospectus. See “*Plan of Distribution*”.

Subject to certain limited exceptions, it is expected that the Company will arrange for the instant deposit of the Offered Shares distributed under this Prospectus under the book-based system of registration, to be registered to CDS Clearing and Depository Services Inc. (“**CDS**”) and deposited with CDS on the Closing Date. Subject to certain limited exceptions, no certificates evidencing the Offered Shares will be issued to purchasers of the Offered Shares. Subject to certain limited exceptions, purchasers of Offered Shares will receive only a customer confirmation from the Underwriters or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares is purchased. See “*Plan of Distribution*”.

**An investment in the Offered Shares is highly speculative and involves a high degree of risk, and should only be made by persons who can afford the total loss of their investment. Investors should carefully consider the risk factors described or incorporated by reference in this Prospectus before purchasing the Offered Shares. Prospective investors are advised to consult their legal counsel and other professional advisors in order to assess income tax, legal and other aspects of the investment. See “*Cautionary Note Regarding Forward Looking Statements*” and “*Risk Factors*”.**

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, territorial, local, foreign and other tax consequences of acquiring, holding or disposing of Offered Shares. See “*Certain Federal Income Tax Considerations*”.

Prospective investors should rely only on the information contained in this Prospectus and the documents incorporated by reference herein. The Company has not authorized anyone to provide prospective investors with information different from that contained in this Prospectus. The information contained in the Prospectus is accurate only as of the date of this Prospectus, regardless of the time of delivery of this Prospectus or any sale of the Offered Shares.

The head office of the Company is located at Suite 488, 1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7, and its registered office is located at Suite 488, 1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7.

John D. Lewins, John (Ian) Stalker, Graham Wheelock and Anne Giardini, each of whom is a director of the Company, and Andrew Guy Kohler, Simon James Tear, Anthony James Woodward and Christopher Muller, each of whom is a named expert, resides outside of Canada and has appointed K92 Mining Inc., Suite 488, 1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7 as agent for service of process.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

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## IMPORTANT NOTICE ABOUT INFORMATION CONTAINED IN THIS PROSPECTUS

The Company's Annual Financial Statements (defined below) that are incorporated by reference into this Prospectus have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS"). The Interim Financial Statements (defined below) that are incorporated by reference into this Prospectus have been prepared in accordance with International Financial Reporting Standards applicable to the preparation of interim financial statements including IAS 34, Internal Financial Reporting.

Unless otherwise indicated, all information in this Prospectus assumes no exercise of the Over-Allotment Option.

Unless the context otherwise requires, references in this Prospectus to the "**Company**" include K92 Mining Inc. and each of its subsidiaries.

**Investors should rely only on the information contained in or incorporated by reference into this Prospectus. The Company has not authorized anyone to provide investors with different information. Information contained on the Company's website shall not be deemed to be a part of this Prospectus or incorporated by reference herein and should not be relied upon by prospective investors for the purpose of determining whether to invest in the Offered Shares. Neither the Company nor the Underwriters are making an offer of these securities in any jurisdiction where the offer or sale is not permitted. Investors should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the face page of this Prospectus. The Company's business, operating results, financial condition and prospects may have changed since that date; however, if, after a final receipt for this Prospectus is issued but before the completion of the distribution under this Prospectus, a material change (as such term is defined under applicable Canadian securities laws) occurs in the business, operations or capital of the Company, the Company must file an amendment to this Prospectus as soon as practicable but in any event within ten days after the day the material change occurs.**

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated by reference herein contain "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "**Forward Looking Statements**"), concerning the Company's projects, capital, anticipated financial performance, business prospects and strategies and other general matters. All statements in this Prospectus and the documents incorporated by reference herein 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 the Company as of the date such statements are made.

Forward-Looking Statements included or incorporated by reference in this Prospectus and the documents incorporated by reference herein and therein include, without limitation, statements with respect to:

- the impact of global supply chain and financial market disruptions as a result of the ongoing crisis due the novel coronavirus pandemic (the "**COVID-19**");
- risks associated with foreign operations, including but not limited to sanctions and restrictive measures against Russia by Canada, the United States and other governments in response to Russia's war against Ukraine and counter-actions taken by Russia in response thereto (the "**Russia-Ukraine Conflict**");
- projections of future financial and operational performance and 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 the Company's 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 Phase 3 Expansion of the Kora deposit; and
- estimates of mineral resources, 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, should mining occur.

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;
- the fact that a feasibility study of mineral reserves demonstrating economic and technical viability has not been prepared for the Kainantu Mine (defined below, See "*Business of the Company*");
- 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 future 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 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 Russia-Ukraine Conflict;
- 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 jurisdictions it operates;
- other assumptions and factors generally associated with the mining industry; and
- the risks, uncertainties and other factors referred to in this Prospectus under the heading “*Risk Factors*” and elsewhere in this Prospectus and documents incorporated herein.

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. All of the forward-looking statements contained in this Prospectus and the documents incorporated herein by reference are qualified by these cautionary statements. Although the Company has 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 information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. You should not place undue reliance on forward-looking statements. Our forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date such statements are made, and we expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise, except as may be required by applicable securities laws.

### **RESERVE AND RESOURCE DISCLOSURE**

All Mineral Resource estimates included in this Prospectus and the documents incorporated by reference herein and therein have been prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) and the Canadian Institute of Mining, Metallurgy and Petroleum (the “**CIM**”) – CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the “**CIM Standards**”). NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The terms “Mineral Reserve”, “Proven Mineral Reserve” and “Probable Mineral Reserve” are Canadian mining terms as defined in accordance with NI 43-101 and the CIM Standards. In addition, the terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” are defined in accordance with NI 43-101 and the CIM Standards. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into reserves. “Inferred Mineral Resources” have a great amount of uncertainty, and great uncertainty as to their economic and legal feasibility. An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to any other category of Mineral Resource. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, except in very limited circumstances. Investors are cautioned not to assume that all or any part of an Inferred Mineral Resource is economically mineable. The Mineral Resource figures referred to in this Prospectus and the documents incorporated herein and therein by reference are estimates and no assurances can be given that the indicated levels of minerals will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, Mineral Resource and Mineral Reserve estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Any inaccuracy or future reduction in such estimates could have a material adverse impact on the Company.

### **DOCUMENTS INCORPORATED BY REFERENCE**

**Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions in the provinces of British Columbia, Alberta and Ontario (collectively, the “Commissions”).** *Copies of the documents incorporated herein by reference may be obtained on request without charge from Nancy La Couvée at Suite 488, 1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7, telephone (604) 416-4445 and are also available electronically at [www.sedar.com](http://www.sedar.com) and [www.sec.gov](http://www.sec.gov).*

The following documents of the Company, filed by the Company with the Commissions, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the annual information form of the Company dated March 30, 2022 for the financial year ended December 31, 2021 (the “**AIF**”);
- (b) the notice of meeting and management information circular of the Company dated May 20, 2022, prepared for the purposes of the annual general meeting of the Company to be held on June 30, 2022 at which the Company’s directors will be elected and the shareholders will vote on all other matters submitted to a shareholder vote;
- (c) the audited consolidated financial statements of the Company as at and for the financial years ended December 31, 2021 and 2020, together with the notes thereto and the auditor’s report thereon (the “**Annual Financial Statements**”);
- (d) the management’s discussion and analysis of the Company for the financial year ended December 31, 2021;
- (e) the Company’s unaudited interim condensed consolidated financial statements for the three months ended March 31, 2022 and 2021, and related notes thereto (the “**Interim Financial Statements**”);
- (d) the management’s discussion and analysis of the Company for the three months ended March 31, 2022;
- (f) the material change report of the Company filed April 11, 2022 announcing the appointment of Nan H. Lee to the Company’s Board of Directors;
- (g) the material change report of the Company filed June 15, 2022 announcing the engagement of the Underwriters and the terms of the Offering; and
- (h) the term sheet for the Offering dated as of June 13, 2022 summarizing the terms of the Offering (the “**Marketing Materials**”).

In addition to any document required to be incorporated by reference in this Prospectus under applicable securities laws, any document of the type referred to above (excluding confidential material change reports) or referenced to in Item 11.1 of Form 44-101F1 — *Short Form Prospectus* of the Canadian Securities Administrators, filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to the termination of the Offering shall be deemed to be incorporated by reference into this Prospectus.

**Any statement contained in a document incorporated or deemed to be incorporated by reference herein is not incorporated by reference to the extent that any such statement is modified or superseded by a statement herein or in any subsequently filed document that is also or is deemed to be incorporated by reference herein. Any such modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be considered in its unmodified or superseded form to constitute a part of this Prospectus; rather only such statement as so modified or superseded shall be considered to constitute part of this Prospectus.**

## **MARKETING MATERIALS**

The Marketing Materials do not form part of this Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this Prospectus. Any “template version” of “marketing materials” (as defined in National Instrument 41-101 – *General Prospectus Requirements*) filed under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated by reference into this Prospectus.

## ELIGIBILITY FOR INVESTMENT

Based on the current provisions of the Tax Act (as defined herein) and the Regulations (as defined herein), the Offered Shares, if issued on the date hereof and listed on a “designated stock exchange” as defined in the Tax Act (which includes the TSX), would at that time be a “qualified investment” under the Tax Act and the Regulations for a trust governed by a “registered retirement savings plan” (“RRSP”), “registered retirement income fund” (“RRIF”), “tax-free savings account” (“TFSA”), “registered education savings plan” (“RESP”), “deferred profit sharing plan” or “registered disability savings plan” (“RDSP”) (as those terms are defined in the Tax Act).

Notwithstanding that the Offered Shares may be a qualified investment for a TFSA, RRSP, RRIF, RESP or RDSP (a “Registered Plan”), if such the Offered Shares are a “prohibited investment” within the meaning of the Tax Act for a Registered Plan, the holder, annuitant, or subscriber of the Registered Plan, as the case may be, will be subject to penalty taxes as set out in the Tax Act. The Offered Shares will generally be a “prohibited investment” for a Registered Plan if the holder, annuitant, or subscriber as the case may be, does not deal at arm’s length with the Company for the purposes of the Tax Act or has a “significant interest” (as defined in the Tax Act) in the Company, unless the Offered Shares are “excluded property” within the meaning of the Tax Act, for the Registered Plan.

Holders, annuitants and subscribers of Registered Plans should consult their own tax advisors with respect to whether any of the Offered Shares would be prohibited investments having regard to their particular circumstances.

## CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

Unless stated otherwise or the context otherwise requires, all references to dollar amounts in this Prospectus are references to Canadian dollars. All references to “CAN\$” are to Canadian dollars and references to “US\$” are to United States dollars.

The Annual Financial Statements and the Interim Financial Statements are presented in United States dollars. Accordingly, the Annual Financial Statements and the Interim Financial Statements incorporated by reference in this Prospectus, are presented in United States dollars.

The following table sets forth the rate of exchange for the United States dollar expressed in Canadian dollars in effect at the end of each of the periods indicated, the average of the exchange rates in effect on the last day of each month during each of the periods indicated, and the high and low exchange rates during each of the periods indicated in each case based on daily rate of exchange as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars.

Canadian Dollars to U.S. Dollars	Twelve Months Ended December 31,	
	2021 (US\$)	2020 (US\$)
Rate at end of period	\$0.7888	\$0.7854
Average rate for period	\$0.7978	\$0.7438
High for period	\$0.8306	\$0.7863
Low for period	\$0.7727	\$0.6898

Canadian Dollars to U.S. Dollars	Three Months Ended March 31,	
	2022 (US\$)	2021 (US\$)
Rate at end of period	\$0.7903	\$0.7962
Average rate for period	\$0.7892	\$0.7895
High for period	\$0.8046	\$0.8088
Low for period	\$0.7750	\$0.7763

The daily rate of exchange on June 24, 2022 as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars was US\$1.00 equals CAN\$1.2933.

### NOTICE REGARDING NON-IFRS MEASURES

This Prospectus and the documents incorporated by reference herein include certain non-IFRS performance measures that do not have a standardized meaning prescribed by IFRS. These measures may differ from those used by other issuers, and may not be comparable to such measures as reported by other issuers. The Company believes that these measures are commonly used by certain investors, in conjunction with conventional IFRS measures, to enhance their understanding of the Company's performance. These measures have been derived from the Company's financial statements and applied on a consistent basis and include measures such as cash costs per ounce, all-in sustaining cost per ounce and total costs per payable ounce, realized price per ounce, and earnings before interest, taxes, depreciation and amortization (EBITDA). The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-IFRS measures should be read in conjunction with the Annual Financial Statements and Interim Financial Statements.

### THE COMPANY

The Company was incorporated under the *Business Corporations Act* (British Columbia) (the "BCBCA") on March 22, 2010 under the name "Otterburn Resources Corp".

Pursuant to a share exchange agreement dated August 21, 2014, the Company acquired all of the issued and outstanding shares of K92 Holdings International Limited ("**K92 Holdings**"). The reverse takeover transaction ("**RTO**") with K92 Holdings was effective May 20, 2016, as a result of which K92 Holdings became a wholly-owned subsidiary of the Company. In connection with the RTO, on May 20, 2016 the Company: (i) changed its name to its current name, "K92 Mining Inc."; (ii) consolidated its issued and outstanding Common Shares on the basis of one new share for every three previously issued shares; and (iii) amended its Notice of Articles and Articles by adding a new class of preferred shares (the "**Preferred Shares**").

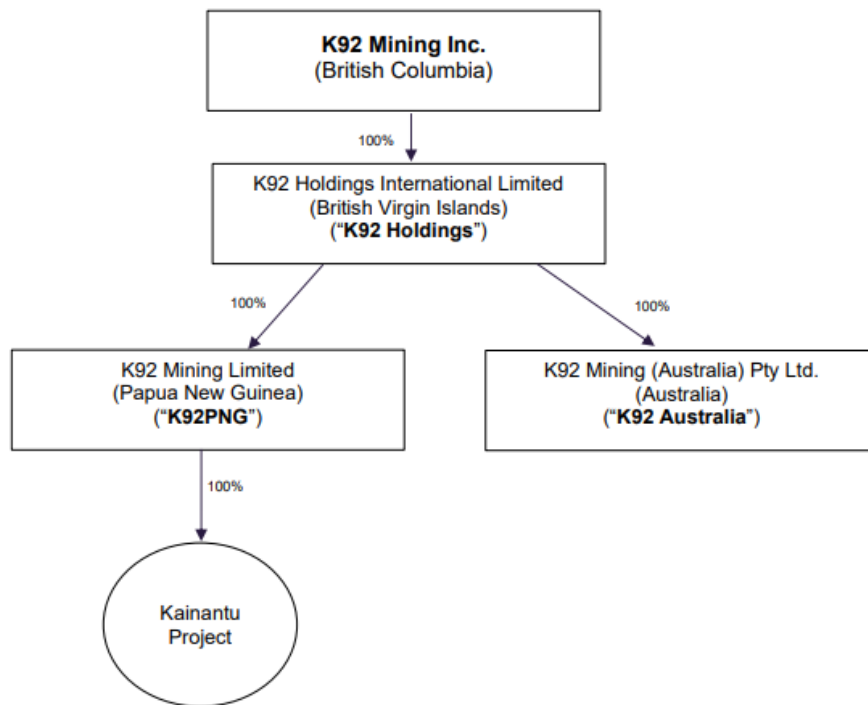
On November 22, 2021, the Company amended its Notice of Articles and Articles by removing the Preferred Shares class of shares.

The Company's head and registered office is located at Suite 488, 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, Canada.

The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. The Common Shares are listed and posted for trading on the TSX under the symbol "KNT" and are quoted on the OTCQX under the symbol "KNTNF".

## INTERCORPORATE RELATIONSHIPS

A chart showing the names of the Company's subsidiaries and their respective jurisdiction of incorporation is set out below:



## BUSINESS OF THE COMPANY

The Company is a gold, silver and copper producer. The Company's material mineral property consists of its wholly-owned underground mine and mining infrastructure, specifically the Kainantu gold mine (the "**Kainantu Mine**"), located in Papua New Guinea, which includes the Kora, Judd and Irumafimpa deposits. Further information regarding the business of the Company or its operations and its mineral properties can be found in the Company's AIF and the other materials incorporated by reference into the Prospectus. See "*Documents Incorporated by Reference*".

The Company's corporate objective is to continue growing as a profitable, safe, and environmentally and socially responsible gold producer through ongoing exploration and development of the Company's existing Kainantu Gold project the ("**Kainantu Project**") and the future acquisition of projects.

The Company conducts gold mining operations and exploration and drilling campaigns to define and develop mineral resources and reserves on the Company's properties with an intention of developing, constructing and operating mines on such properties.

**Further details concerning the Company, including information with respect to the Company's assets, operations and history, are provided in the AIF and other documents incorporated by reference into this Prospectus. See "*Documents Incorporated by Reference*". Readers are encouraged to thoroughly review these documents as they contain important information about the Company.**

## RISK FACTORS

*An investment in the Offered Shares involves a high degree of risk and must be considered a highly speculative investment due to the nature of the Company's business and the present stage of exploration and development of its mineral properties. Resource exploration, development and production is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits, which, though present, are insufficient in quantity or quality to return a profit from production.*

*Prospective purchasers of the Offered Shares should carefully consider the risk factors set out below, as well as the information included or incorporated by reference in this Prospectus, before making an investment decision to purchase the Offered Shares. Specific reference is made to the section entitled "Risk Factors" in the AIF. See "Documents Incorporated by Reference". Without limiting the foregoing, the following risk factors should be given special consideration when evaluating an investment in the Offered Shares. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also have a material adverse effect on the Company.*

### **Commodity, Currency and Market Risks**

***Changes in the price of gold, silver, copper and other metals in the world markets, which can fluctuate widely, significantly affect the profitability of the Company's operations, the Company's financial condition and the Company's ability to develop new mines.***

The profitability of the Company's operations is significantly affected by changes in the market price of gold, silver, copper and other mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control, including: interest rates; the rate and anticipated rate of inflation; world supply of mineral commodities; consumption patterns; purchases and sales of gold by central banks; forward sales by producers; production costs; demand from the jewelry industry; speculative activities; stability of exchange rates; the relative strength of the U.S. dollar and other currencies; changes in international investment patterns; monetary systems; and political and economic events.

Current and future gold price declines could cause commercial production or the development of new mines to be impracticable or unpredictable. If the gold price declines significantly, or declines for an extended period of time, the Company might not be able to continue its operations, develop its properties, or fulfill its obligations under the Company's permits and licences, or under the agreements to which the Company is party. This could result in the Company losing its interest in some or all of its properties, or being forced to cease operations or development activities or to abandon or sell properties, which could have a negative effect on the Company's profitability and cash flow.

***Fluctuations in the price and availability of infrastructure and energy and other commodities could impact the Company's profitability and development of projects.***

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The Company's inability to secure adequate water and power resources as well as other events outside of the Company's control, such as unusual or infrequent weather phenomena, sabotage, terrorism, community, or government or other interference in the maintenance or provision of such infrastructure, or failure to maintain or extend such infrastructure, could adversely affect the Company's operations, financial condition and results of operations.

Profitability is affected by the market prices and availability of commodities that the Company uses or consumes for the Company's operations and development projects. Prices for commodities like diesel fuel, electricity, steel, concrete, and chemicals can be volatile, and changes can be material, occur over short periods of time and be affected by factors beyond the Company's control. The Company's operations use a significant amount of energy and depend on suppliers to meet those needs. Higher costs for such required commodities and construction materials, or tighter supplies, can affect the timing and cost of the Company's development projects, and the Company may decide that it is not economically feasible to continue some or all of the Company's commercial production and development activities, which could have an adverse effect on the Company's revenue.

Higher worldwide demand for critical resources like input commodities, drilling equipment, tires and skilled labour could affect the Company's ability to acquire them and lead to delays in delivery and unanticipated cost increases, which could have an effect on the Company's operating costs, capital expenditures and production schedules.

***Effect of global economy on commodity prices.***

Reduction in credit, combined with reduced economic activity and the fluctuations in the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to

raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's business, operating results and financial condition.

***Fluctuations in foreign currency exchange rates could materially affect the Company's business, financial condition, results of operations and liquidity.***

The Company's assets and operations are located in Canada and Papua New Guinea. As a result, the Company has foreign currency exposure with respect to items not denominated in U.S. dollars. The three main types of foreign exchange risk the Company faces can be categorized as follows:

- Transaction exposure: the Company's operations sell commodities and incur costs in different currencies. This creates exposure at the operational level, which may affect the Company's profitability as exchange rates fluctuate;
- Exposure to currency risk: the Company is exposed to currency risk through a portion of the following assets and liabilities denominated in currencies other than the U.S. dollar: cash and cash equivalents, trade and other receivables, trade and other payables, reclamation and closure costs obligations. The Company's functional and reporting currency is U.S. dollars. The Company's operations may have assets and liabilities denominated in currencies other than the U.S. dollar, with foreign exchange gains and losses from these balances included in the determination of profit or loss. Therefore, as the exchange rates between the Canadian dollar, Australian dollar and Papua New Guinea kina fluctuate against the United States dollar, the Company will experience foreign exchange gains and losses, which can have a significant impact on the Company's consolidated operating results.

As a result, fluctuations in currency exchange rates could significantly affect the Company's business, financial condition, results of operations and liquidity.

***Volatility of market price of the Common Shares.***

The Common Shares are publicly traded and are subject to various factors that have historically made the common share price volatile. The market price of the Common Shares has experienced, and may continue to experience, significant volatility, which may result in losses to investors. The market price of the Common Shares may increase or decrease in response to a number of events and factors, including as a result of the risk factors described in this Prospectus and documents incorporated by reference.

In addition, the global stock markets and prices for mining company shares have experienced volatility that often has been unrelated to the operating performance of such companies. These market and industry fluctuations may adversely affect the market price of the Common Shares, regardless of the Company's operating performance.

**Risks Relating to Production, the Mining Industry, and Operations**

***Public health crises, including the COVID-19 pandemic, may significantly impact the Company.***

The Company's business, operations and financial condition could be materially adversely affected by public health crises, including epidemics, pandemics and/or other health crises, such as the outbreak of the COVID-19. Since the outbreak of the COVID-19 global health pandemic, the virus significantly impacted the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, volatility in commodity prices (including precious metals) and has raised the prospect of a global recession. The international response to COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in consumer activity, globally. Public health crises, such as the COVID-19 outbreak, can result in operating, supply chain and project development delays that can materially adversely affect the Company.

Since March 2020, several measures were implemented in Canada, Australia, Papua New Guinea and the rest of the world in response to COVID-19. The long-term impacts of COVID-19 are unknown and there are potentially additional significant economic and social impacts that will be caused by this infectious disease, including the inability of the Company's exploration, development and production activities to continue as intended. COVID-19 may continue to have a material impact on the market and could also impact the ability of the Company to obtain financial resources in the future. The impacts of COVID-19 on the Company's business operations, including the impact on our future production, cannot be reasonably estimated at this time.

While the Company's business operations continue to operate, if the COVID-19 situation were to deteriorate again, it could have an adverse impact on our business, results of operations, financial position and cash flows.

***Mining is inherently dangerous and subject to conditions or events beyond the Company's control, including problems related to weather and climate in remote areas in which the Company's operations are located, which could have a material adverse effect on the Company's business, and mineral exploration is speculative and uncertain.***

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the production of gold, silver and copper, including: unusual and unexpected geologic formations; seismic activity; rock bursts; cave-ins or slides; flooding; pit wall failure; periodic interruption due to inclement or hazardous weather conditions; and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, personal injury or death, damage to property, environmental damage and possible legal liability. Milling operations are subject to hazards such as fire, equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's operations are located in remote areas and are affected by adverse climate issues, resulting in technical challenges for conducting both geological exploration and mining operations. Although the Company benefits from modern mining technology, the Company may sometimes be unable to overcome problems related to weather and climate either expeditiously or at a commercially reasonable cost, which could have a material adverse effect on the Company's business, results of operations and financial condition.

***The Company's strategic plan may be affected by unforeseen events and there is no guarantee that the Company will be effective in developing a plan that can address changing conditions.***

The Company conducts a strategic planning process that is intended to define long term objectives and execution strategies designed to achieve those objectives. These plans are regularly reviewed and updated as current or prospective external and internal conditions change. The strategic plans are based upon certain assumptions around key variables that can directly impact the validity of the strategy and the achievement of anticipated results. As unforeseen changes in business, operating and market conditions can occur at any time, resulting in the assumptions underlying the Company's decision making process becoming invalid, there can be no assurance that the Company's strategic planning process will be completely effective in developing a strategic plan that addresses changing conditions and could result in a material adverse effect on the Company's business, financial condition and results of operations. Additionally, due to internal and external factors, the Company may not have sufficient capital resources, organizational skills and knowledge, or systems and processes in place to be able to execute its strategic plans in a timely or efficient manner.

***The Company's failure to achieve production, cost and other estimates could have a material adverse effect on the Company's future cash flows, profitability, results of operations and financial condition.***

This Prospectus and the Company's other public disclosure contains guidance and estimates of future production, operating costs, capital costs and other economic and financial measures with respect to the Company's existing exploration and development projects. The estimates can change or the Company may be unable to achieve them. Actual production, costs, returns and other economic and financial performance may vary from the estimates depending on a variety of factors, many of which are not within the Company's control.

***Mineral exploration and development involves significant risks and uncertainties, which could have a material adverse effect on the Company's business, results of operations and financial condition.***

The development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines and no assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs of the Company will result in a profitable commercial mining operation.

Properties not yet in production, starting production or slated for expansion, are subject to higher risks as new mining operations often experience unexpected problems during the start-up phase, and production delays and cost adjustments can often happen. Further, technical studies contain project specific estimates of future production, which are based on a variety of factors and assumptions. There is no assurance that such estimates will be achieved and the failure to

achieve production or cost estimates or material increases in costs could have a material adverse effect on the Company's future cash flows, profitability, results of operations and financial condition and the Company's share price.

In addition, developments are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines or expand existing ones including building mining and processing facilities are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build or expand the mine. The project development schedules are also dependent on obtaining the governmental approvals and permits necessary for the operation of a mine which is often beyond the Company's control. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated. There is no assurance that there will be sufficient availability of funds to finance construction and development activities, particularly if unexpected problems arise.

Other risks associated with mineral exploration and development include but are not limited to: the availability and costs of skilled labour and the ability of key contractors to perform services in the manner contracted for; unanticipated changes in grade and tonnage of ore to be mined and processed; unanticipated adverse geotechnical and geological conditions; incorrect data on which engineering assumptions are made; potential increases in construction and operating costs due to shortages of and/or changes in the cost of fuel, power, materials, security and supplies; inadequate access to the site and unanticipated transportation costs or disruptions; potential opposition or obstruction from non-governmental organizations, environmental groups or local groups which may delay or prevent development activities; equipment failures; natural phenomena; exchange rate and commodity price fluctuations; high rates of inflation; civil disobedience, protests and acts of civil unrest or terrorism; the risk of carbon taxes and other applicable taxes and restrictions or regulations imposed by governmental or regulatory authorities or other changes in the regulatory environments; and other risks associated with mining described in this Prospectus.

The combination of these factors may result in the Company's inability to develop its non-producing properties, to achieve or maintain historical or estimated production, revenue or cost levels, or to receive an adequate return on invested capital, which could have a material adverse effect on the Company's business results of operations and financial condition.

***Dependence on the Kainantu Mine for all of the Company's operating revenue and cash flows.***

While the Company may invest in additional mining and exploration projects in the future, the Kainantu Mine is currently the Company's sole producing asset, providing all of the Company's operating revenue and cash flows. Consequently, a delay or difficulty encountered in the operations of the Kainantu Mine would materially and adversely affect the Company's financial condition and financial sustainability including the Company's ability to fund future development.

Any adverse changes or developments affecting the Kainantu Mine, such as, but not limited to, the Company's inability to successfully mine, complete any of the development projects, work programs or expansions, obtain financing on commercially suitable terms, or hire suitable personnel and mining contractors, may have a material adverse effect on the Company's financial performance, results of operations and liquidity.

In addition, the results of operations of the Company could be materially and adversely affected by any events which cause the Kainantu Mine to operate at less than optimal capacity, including, among other things, equipment failure or shortages of spares, consumables and reagents, adverse weather, serious environmental and safety issues, any permitting or licensing issues and any failure to produce expected amounts of gold.

***Undue reliance should not be placed on estimates of mineral resources, since these estimates are subject to numerous uncertainties. Mineral resources may never be converted into mineral reserves, which could adversely affect the Company's operating results and financial condition.***

The NI 43-101 compliant technical report for the Kainantu Project titled "Independent Technical Report, Mineral Resource Estimate Update, Kora and Judd Gold Deposits, Kainantu Project, Papua New Guinea", with an effective date of January 20, 2022 (the "**Kainantu Report**") provides current estimates of mineral resources for certain parts of the Kainantu Project based on drill results. There can be no assurance that such resource mineralization estimates are accurate.

The following factors could potentially materially impact on the current mineral resource estimates:

- The inferred category is intended to cover situations where a mineral concentration or occurrence has been identified and limited measurements and sampling completed, but where the data are sufficient to allow the geological and grade continuity to be reasonably assumed. Due to the uncertainty that may be attached to

inferred mineral resources, it cannot be assumed that all or any part of the inferred mineral resource is economically mineable.

- Potential underestimation or overestimation of gold grade due to poor core recovery in mineralized zones.
- Results of additional drilling, metallurgical testing, receipt of new information, and production and the evaluation of mine plans subsequent to the date of any mineral resource estimate may require revision of such an estimate.

Furthermore, the Kainantu Report does not constitute a pre-feasibility study or a feasibility study. The decision to refurbish and restart the Kainantu 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 failure to consider those matters 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, market analyses and environmental and community impacts. Project failure will adversely impact the Company's future profitability.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to uncertainty that may attach to inferred mineral resources, inferred mineral resources may not be upgraded to measured and indicated mineral resources or proven and probable reserves as a result of continued exploration. The Company's projections regarding continuing operations and production at Kainantu Mine are based on the assumption that the Company will be able to mine certain mineral resources, including inferred mineral resources, that have not been classified as mineral reserves. Inferred mineral resources 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 such projections will be realized.

***The Company may be unable to identify appropriate acquisition targets or complete desirable acquisitions, and the Company may be unsuccessful in integrating businesses and assets that it has acquired or may acquire in the future.***

As part of its business strategy, the Company has sought and will continue to seek new operating and development opportunities in the mining industry. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into the Company. There can be no assurance that the Company can complete any acquisition or business arrangement that it pursues, or is pursuing, on favorable terms, if at all, or that any acquisitions or business arrangements completed will ultimately benefit the Company's business.

Acquisitions are accompanied by risks, such as a significant decline in the relevant metal price after the Company commits to complete an acquisition on certain terms; the quality of the mineral deposit acquired proving to be lower than expected; the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to realize anticipated synergies and maximize the Company's financial and strategic position; the failure to maintain uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential for unknown or unanticipated liabilities associated with acquired assets and businesses, including tax, environmental or other liabilities. There can be no assurance that acquired businesses or assets will be profitable, that the Company will be able to integrate the acquired businesses or assets successfully or that the Company will identify all potential liabilities during the course of due diligence. Any of these factors could have a material adverse effect on the Company's business, expansion, results of operations and financial condition.

***The Company may be unable to compete successfully with other mining companies.***

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities with respect to the discovery and acquisition of interests in mineral properties, and the recruitment and retention of qualified employees and other persons to carry out its mineral production and exploration activities. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration and development in the future, which could have a material adverse effect on the Company's revenues, operations and financial condition.

***The Company's board of directors may experience conflicts of interest.***

Certain of the Company's directors are also directors, officers or shareholders of other companies that are engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. If a conflict of interest arises, any director in a conflict is required to disclose his or her interest and abstain from voting on such matter.

***The Company may be subject to litigation risks which could have a material adverse effect on the Company's business, results of operations and financial position.***

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. In addition, companies in the mining industry have experienced volatility in their share price and have been subjected to class action securities litigation by shareholders. Defense and settlement costs can be substantial, even for claims that are without merit. Due to the inherent uncertainty of the litigation process, the litigation process could take away from management time and effort and the resolution of any particular legal proceeding to which the Company may become subject could have a material adverse effect on the Company's business, results of operations and financial position.

Furthermore, in the event of a dispute arising from the Company's activities, the Company may be subject to the exclusive jurisdiction of courts or arbitral proceedings outside of North America or may not be successful in subjecting persons to the jurisdiction of courts in North America, either of which could unexpectedly and adversely affect the outcome of a dispute.

***The Company may be affected by failures of information systems or information security threats or attacks.***

The Company has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("IT") services in connection with the Company's operations. The Company's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses, which may adversely impact the Company's reputation and results of operations.

Furthermore, the Company and its third-party service providers collect and store sensitive data in the ordinary course of the Company's business, including personal information of the Company's employees, as well as proprietary and confidential business information relating to the Company and in some cases, the Company's customers, suppliers, investors and other stakeholders. This may also include confidential information of prospective merger and acquisition targets or candidates with which the Company may have entered into confidentiality agreements. With the increasing dependence and interdependence on electronic data communication and storage, including the use of cloud-based services and personal devices, the Company is exposed to evolving technological risks relating to this information and data. These risks include targeted attacks on the Company's systems or on systems of third parties that the Company relies on, failure or non-availability of a key information technology systems, or a breach of security measures designed to protect the Company's systems.

Although to date the Company has not experienced any known material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. The Company cannot be certain that it will be successful in securing this information and data and there may be instances where the Company is exposed to malware, cyber-attacks or other unauthorized access or use of the Company's information and data. Any data breach or other improper or unauthorized access or use of the Company's information could have a material adverse effect on the Company's business and could damage the Company's reputation, compromise the Company's network or systems and result in a loss or escape of sensitive information, a misappropriation of assets or incidents of fraud, disrupt the Company's normal operations, and cause the Company to incur additional time and expense to remediate and improve the Company's information systems. In addition, the Company could be subject to legal and regulatory liability in connection with any such cyberattack or breach, including potential breaches of laws relating to the protection of personal information. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

***The Company may fail to maintain adequacy of internal control over financial reporting and disclosure controls and procedures.***

The Company is required to maintain adequate internal controls over financial reporting as per the requirements of National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. The Company may fail to maintain the adequacy of our internal control over financial reporting as such standards are modified, supplemented or amended from time to time, and we may not be able to conclude, on an ongoing basis, that we have effective internal controls over financial reporting. The Company's failure to satisfy the requirements could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm our business and negatively impact the share price of our securities.

The Company may fail to maintain adequately designed disclosure controls and procedures. Disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Company in reports filed with securities regulatory agencies is recorded, processed, summarized and is accumulated and communicated to the Company's management, as appropriate, to allow timely decisions regarding required disclosure.

***The Company may be affected by climate change.***

The Company is subject to evolving climate change legislation that may increase both compliance costs and the risk of non-compliance. New and/or future climate change legislation may affect the Company's ability to continue to operate as currently operated or planned to be operated. Additionally, there are climate change impact risks such as drought which could significantly increase costs of operations and/or have material adverse effect on the Company's business.

Global climate change continues to attract considerable public, scientific and regulatory attention. Governments and regulatory bodies at the international, national, regional and local levels have introduced or may introduce legislative changes to respond to the potential impacts of climate change. Additional government action to regulate climate change, including regulations on carbon emissions and energy use, could increase direct and indirect costs to the Company's operations and may have a material adverse impact on the Company. The Company's primary operations are located in Papua New Guinea who is a signatory to the Paris Agreement under the United Nations Framework Convention on Climate Change (the "**Paris Agreement**"). Additional requirements from the Paris Agreement or other climate change regulations could lead to increased costs for the Company.

In addition, the Company's operations are subject to the physical risks of climate change, which may include increased extreme weather events and significantly restricted water availability. In the long term, the Company may be required to respond to the physical effects of climate change which could have a material adverse impact on the Company and cause increases in expenditures and costs or require abandonment or delays in developing new mining properties. Climate changes or prolonged periods of wet weather in Papua New Guinea may also severely limit the length of time per year in which exploration, development and production can be carried out, which could have a material adverse impact upon the Company. In addition, water shortages can have a significant adverse impact upon the operations of the Company and may result in delays and significant additional costs associated with mining and other operations.

Based on risk assessments conducted by the Company, climate change is not an immediate material risk faced by the Company. However, as time goes on, it may have an impact on how the Company conducts its business.

**Risks in Foreign Operations**

***The Company's operations in Papua New Guinea subject the Company to political, economic and other risks that could negatively impact the Company's operations and financial condition.***

The Company's exploration, development and production activities are conducted in Papua New Guinea and, as such, its operations are exposed to relatively high levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, the existence or possibility of political or economic instability; conflict; terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; war or civil unrest; expropriation and nationalization; uncertainty as to the outcome of any litigation in a foreign jurisdiction; uncertainty as to enforcement of local laws; uncertainty in relation to the impact of the COVID-19 pandemic on mining operations and travel limitations on fly-in fly-out employees; the impact of any declared State of Emergency laws in Papua New Guinea on fly-in fly-out employees and on labour force generally; environmental controls and permitting; restrictions on the use of land and natural resources; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation laws or policies; restrictions on foreign exchange and repatriation;

corruption; unstable legal systems; changing political conditions; changes in mining and social policies; social unrest on account of poverty or unequal income distribution; local ownership legislation; currency controls and governmental regulations that favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, the foreign jurisdiction or require equity participation by local citizens; and other risks arising out of foreign sovereignty issues.

Legislation in Papua New Guinea provides that the holder of a tenement must not enter onto or occupy any land which is the subject of the tenement for the purpose of mining, until it has made an agreement with the landholders as to the amount, times and mode of compensation and the agreement has been registered in accordance with such legislation. The Company has entered into agreements with the national, provincial and local levels of the Papua New Guinea Government and various landowner groups whereby the landowners will collectively receive a portion of the royalty paid by the Company to the National Government pursuant to the *Mining Act* 1992 (the “**PNG Mining Act**”), however there are residual land disputes concerning whether the Company has entered into agreements with all of the correct landowners to be dealt with. If it is determined that there are landowners that the Company is required to have agreements with that it currently does not, additional agreements will have to be negotiated. Inter-clan disputes seem to be a material cause of the failure to be able to expeditiously resolve the local landowner matters. Failure to come to sufficient resolutions on such matters may adversely impact on the Company’s ability to carry on exploration and mining operations on its properties.

The Papua New Guinea government has the right but not the obligation to participate in mining operations by acquiring up to a 30% interest in a mining licence. It is the Company’s position that the government has waived its rights to participate, and ML150 does not contain any specific provision enabling such a right. Although there is no condition to the renewal of ML150 that the government’s right to acquire a participating interest be reactivated, the risk remains that the government could seek to impose and exercise such right, which could result in, among other things, material and costly negotiations as to the fair market value of such right and the terms of payment.

The Company’s interests in exploration and development properties are located in Papua New Guinea, a developing country, and therefore its mineral exploration and mining activities may be affected by political instability and governmental legislation and regulations relating to foreign investment and the mining industry. Papua New Guinea can often experience periods of civil unrest and instability. Changes, if any, in mining or investment laws or policies, political attitude or the level of stability in Papua New Guinea may adversely affect the Company’s operations or profitability.

Due to the potential for criminal activity and civil unrest in Papua New Guinea, the Company has to maintain a minimum level of security to protect its assets and personnel; however, there is no guarantee that such measures will provide an adequate level of protection for the Company or its assets and personnel.

***Outbreak, or threatened outbreak, of any severe communicable disease in Papua New Guinea.***

The outbreak, or threatened outbreak, of any severe communicable diseases in Papua New Guinea could materially and adversely affect the Company’s operations, particularly if such outbreak is inadequately controlled. This in turn could materially and adversely affect domestic labour supply. As all of the Company’s revenue is currently derived from the Kainantu Mine, any labour shortages in Papua New Guinea could materially and adversely affect the Company’s business and results of operations. In addition, if any of the Company’s employees are affected by any severe communicable disease, it could adversely affect or disrupt the Company’s production, development and exploration and materially and adversely affect the results of operations as the Company may be required to shut down its facilities to prevent the spread of the disease. The spread of any severe communicable disease in Papua New Guinea may also affect the operations of the Company’s suppliers, which could materially and adversely affect the Company’s business and results of operations.

In particular, malaria, COVID-19 and other diseases such as HIV/AIDS represent a serious threat to maintaining a skilled workforce in the mining industry throughout Papua New Guinea and are a major healthcare challenge faced by the operations of the Company. There can be no assurance that the Company will not lose members of its workforce or see its workforce man-hours reduced or incur increased medical costs as a result of these health risks, which could materially and adversely affect the business and results of operations of the Company.

***The Company encounters illegal mining on its properties.***

There has been and continues to be illegal or artisanal mining activities on the Company’s mineral properties. For the most part, such mining activity is restricted to the oxidized upper portions of mineralized prospects where gold is easily obtainable in its native form. There are no agreements in place between the Company and any of the illegal miners. While illegal miners do not extract material amounts of minerals from the Company’s properties, risks to the Company include

altercations with illegal miners, restrictions to access over certain parts of the Company's properties, injury or death to illegal miners while on the Company's properties, and damages to the environment which the Company may have to incur resources to remediate.

***Impact of potential supply chain interruptions.***

Due to limited suppliers of equipment, materials, supplies and services available in Papua New Guinea, any disruption at supplier facilities could result in curtailment or suspension of activities. Any disruption in the transportation of or restriction in the flow of these goods or the imposition of customs clearance requirements may result in production delays.

The Company is also exposed to price volatility in respect of key inputs, such as fuel. Increases in global fuel prices can materially increase operating costs, erode operating margins and project investment returns. Conversely, a significant and sustained decline in world fuel prices may offset other costs and improve returns.

The Company may also be exposed to worldwide political, economic or other risks and uncertainties, including a risk of war or civil unrest. In particular, the Company's business could be materially adversely affected by the conflict between Russia and Ukraine, which could in turn have potential impacts on commodity prices and negative implications on the financial markets. The effect of these factors cannot be predicted with any accuracy by the Company or its management.

***The Company's community relations are critical for future success.***

The Company's relationships with stakeholders are critical to ensure the future success of its existing operations and the construction and development of its projects. Mineral resource companies face increasing public scrutiny of their activities and are under pressure to demonstrate that their operations have potential to generate satisfactory returns not only to their shareholders, but also to benefit local governments and the communities surrounding the properties where it operates. Certain nongovernmental organizations, public interest groups and reporting organizations ("NGOs") and civil society groups, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances and the handling, transportation and storage of various waste, including hazardous waste. The potential consequences of these pressures include reputational damages, lawsuits, increasing social investment obligations and pressure to increase taxes and future royalties payable to local governments and surrounding communities. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to the Company's overall ability to advance its projects, obtain permits and licenses and/or continue its operations. As a result of these considerations, the Company may incur increased costs and delays in permitting and other operational matters with respect to its property interests in Papua New Guinea.

**Compliance and Regulatory Risks**

***The Company's operations are subject to stringent laws and regulations, which could significantly limit the Company's ability to conduct its business.***

The Company's activities are subject to stringent laws and regulations governing, among other things, prospecting, development and production; imports and exports; taxes; labour standards, occupational health and mine safety; mineral tenure, land title and land use; land, water and air quality regulations; protection of endangered and protected species; social legislation; carbon mitigation, anti-bribery and corruption and other matters.

Compliance with these laws may require significant expenditures. If the Company is unable to comply fully, it may be subject to enforcement actions or other liabilities (including orders issued by regulatory or judicial authorities causing operations to cease, be suspended or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions) or the Company's image may be harmed, all of which could materially affect the Company's operating costs, delay or curtail its operations or cause the Company to be unable to obtain or maintain required permits. There can be no assurance that the Company has been or will be at all times in compliance with all applicable laws regulations, that compliance will not be challenged or that the costs of complying with current and future laws and regulations will not materially or adversely affect the Company's business, operations or results.

New laws and regulations, amendments to existing laws and regulations or administrative interpretation, or more stringent enforcement of existing laws and regulations, whether in response to changes in the political or social environment the Company operates in or otherwise, could have a material and adverse effect on the Company's future cash flow, results of operations and financial condition.

***Mineral rights or surface rights to the Company's properties could be challenged, and, if successful, such challenges could have a material adverse effect on the Company's production and results of operations.***

The Company's ability to carry out successful mineral exploration and development activities and mining operations will depend on a number of factors including compliance with the Company's obligations with respect to acquiring and maintaining title to the Company's interest in its properties. The acquisition of title to mineral properties is a very detailed and time-consuming process. No guarantee can be given that the Company will be in a position to comply with all such conditions and obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licences may be renewed, extended or transferred into other forms of licences appropriate for ongoing operations, no guarantee can be given that a renewal, extension or a transfer will be granted to the Company or, if they are granted, that the Company will be in a position to comply with all conditions that are imposed. A number of the Company's interests are the subject of pending applications to register assignments, extend the term, and increase the area or to convert licences to concession contracts and there is no assurance that such applications will be approved as submitted.

The interests in the Company's properties may not be free from defects or the material contracts between the Company and the entities owned or controlled by a foreign government may be unilaterally altered or revoked. There can be no assurances that the Company's rights and title interests will not be revoked or significantly altered to the Company's detriment. There can be no assurances that the Company's rights and title interests will not be challenged or impugned by third parties. The Company's interests in properties may be subject to prior unregistered liens, agreements, claims or transfers and title may be affected by, among other things, undetected defects or governmental actions.

***The Company is subject to taxation in several jurisdictions, and adverse changes to the taxation laws of such jurisdictions or unanticipated tax consequences of corporate reorganizations, could have a material adverse effect on the Company's profitability.***

The Company is subject to the taxation laws of a number of different jurisdictions. These taxation laws are complicated and subject to changes and are subject to review and assessment in the ordinary course. Any such changes in taxation law or reviews and assessments could result in higher taxes being payable by the Company, which could adversely affect the Company's ability to generate a profit. Taxes may also adversely affect the Company's ability to repatriate earnings and otherwise deploy its assets.

In addition, the Company has recently completed and may complete in the future, corporate reorganizations and reorganizations of the entities holding the Company's projects. If such reorganizations result in the imposition of an unanticipated tax or penalty, it may have a material adverse effect on the Company's business. The Company may also be subject to ongoing tax audits from time to time. Adverse results of such tax audits may have a negative effect on the business of the Company.

***The Company requires licences, permits and approvals from various governmental authorities to conduct its operations, the failure to obtain or loss of which could have a material adverse effect on the Company's business.***

The Company's mining and exploration and development operations in Papua New Guinea are subject to receiving and maintaining licences, permits and approvals from appropriate governmental authorities. Although the Company's mining operations currently have all required licences, permits and approvals that the Company believes are necessary for operations as currently conducted, no assurance can be provided that the Company will be able to maintain and renew such permits or obtain any other permits that may be required.

There is no assurance that delays will not occur in connection with obtaining necessary renewals of authorizations for existing operations, additional licences, permits and approvals for future operations, or additional licences, permits and approvals associated with new legislation. An inability to obtain or conduct mining operations pursuant to applicable authorizations would materially reduce the Company's production and cash flow and could undermine the Company's ability to generate sufficient revenue to continue operations.

There are several permits required for the Company to carry on mining operations in Papua New Guinea, including:

- Licence to keep, store or possess explosives;
- Permit for persons using explosives;
- Conveyance of explosives and dangerous goods;
- Licence to keep, or register premises to store inflammable liquids and pressure vessels;
- Draw fresh water from rivers and lakes and to discharge waste water into the environment;
- In addition to water permitting, environmental activity permits;
- Approval to recruit non-citizen employees and for those non-citizens to enter Papua New Guinea to work;
- Gold export licence;
- Establishing foreign bank accounts to meet exchange control requirements;
- Tax clearance certificates for transfer of funds out of Papua New Guinea; and
- Authority to carry on business under foreign ownership.

While the Company currently has the valid permits it requires to carry on its current operations, there is no guarantee the Company will be able to retain the necessary permits. A loss of a permit could materially delay the Company's operations, and failure to obtain or renew any necessary permit could materially restrict the Company's ability to meet the ML150 renewal obligations or future operations.

Pursuant to Section 22(2) of the PNG Mining Act, the holder of an exploration licence must relinquish not less than 50% of the area at the time of application for extension of that licence so that after each relinquishment the area of land that remains subject to the exploration licence consists of not more than three discrete areas each of which comprises one sub-block or more than one sub-blocks, each of which shall have a common side with at least one other such sub-block. Where, as a result of this requirement, the area of an exploration licence has been reduced to not more than:

- 1) 30 sub-blocks — the holder is not required to make any further relinquishments under Section 22(2); or
- 2) 75 sub-blocks — the holder may apply to the Managing Director of the Mineral Resources Authority of Papua New Guinea to waive or vary Section 22(2) and where the Managing Director is satisfied, after receiving advice from the Mining Advisory Council, that special circumstances exist which in his opinion justify retention of more than 30 sub-blocks, he may waive or vary those requirements, but the total area permitted to be held after such a waiver or variation must not exceed 75 sub-blocks.

A relinquishment under Section 22 takes effect on the date on which the exploration licence would have expired but for the lodgement of an application for an extension of term.

At the time of making subsequent applications for renewal of the Company's exploration licences, the Company will make an application under Section 22(3)(a) of the PNG Mining Act, for an exemption from the requirement to relinquish any part thereof. No assurance can be made that such applications will be successful, and if an application is denied and the Company is required to relinquish any part of an exploration licence, it could materially affect the nature and scope of the Company's future mineral exploration.

In addition, the grant of and the registration of mining tenements in Papua New Guinea do not guarantee title under applicable legislation. As such there is the risk of third party claims which could be made against title to any or all of the tenement interests held by or to be held by the Company, to which none the Company or any of its subsidiaries are aware; and such claims could be material and adverse to the Company's right or ability to carry out exploration, development or mining activities thereon.

***The Company is subject to risks relating to environmental regulations and the Company's properties may be subject to environmental hazards, which may have a material adverse effect on the Company's business, operations and financial condition.***

The Company's operations are subject to local laws and regulations regarding environmental matters, including, without limitation, the renewal of environmental clearance certificates, the use or abstraction of water, land use and reclamation, air quality and the discharge of mining wastes and materials. Any changes in these laws could affect the Company's operations and economics. Environmental laws and regulations change frequently, and the implementation of new, or the modification of existing, laws or regulations could harm the Company. The Company cannot predict how agencies or courts in foreign countries will interpret existing laws and regulations or the effect that these adoptions and interpretations may have on the Company's business or financial condition.

The Company may be required to make significant expenditures to comply with governmental laws and regulations. Any significant mining operations will have some environmental impact, including land and habitat impact, arising from the use of land for mining and related activities, and certain impact on water resources near the project sites, resulting from water use, rock disposal and drainage run-off. The Company may also acquire properties with known or undiscovered environmental risks. Any claim against or indemnification from the entity from whom the Company has acquired such properties may not be adequate to pay all the fines, penalties and costs (such as clean-up and restoration costs) incurred related to such properties.

Some of the Company's properties have been used for mining and related operations for many years before the Company acquired them and were acquired as is or with assumed environmental liabilities from previous owners or operators. The Company has been required to address contamination at its properties in the past and may need to continue to do so in the future, either for existing environmental conditions or for leaks or discharges that may arise from the Company's ongoing operations or other contingencies. Contamination from hazardous substances, either at the Company's own properties or other locations for which the Company may be responsible, may subject the Company to liability for the investigation or remediation of contamination, as well as for claims seeking to recover for related property damage, personal injury or damage to natural resources. The occurrence of any of these adverse events could have a material adverse effect on the Company's future growth, results of operations and financial position.

While the Company believes it does not currently have any material unrecognized risks under environmental obligations, exploration, development and mining activities may give rise in the future to significant liabilities on the Company's part to the government and third parties and may require the Company to incur substantial costs of remediation. Additionally, the Company does not maintain insurance against environmental risks. As a result, any claims against the Company may result in liabilities that the Company will not be able to afford, resulting in the failure of the Company's business.

In some jurisdictions, forms of financial assurance are required as security for reclamation activities. The cost of the Company's reclamation activities may materially exceed the Company's provisions for them, or regulatory developments or changes in the assessment of conditions at closed operations may cause these costs to vary substantially, from prior estimates of reclamation liabilities.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration operations may be required to compensate those suffering loss or damage by reason of the exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenditures and costs or require abandonment or delays in developing new mining properties.

The Company's operations are associated with the emission of 'greenhouse gases'. Ongoing international negotiations which aim to limit greenhouse gas emissions may result in the introduction of new regulations, and may have an adverse impact on the Company's operations.

***The Company is subject to various anti-corruption laws and regulations and the Company's failure to comply with such laws and regulations may have a material adverse impact on the Company's business, financial condition and results of operations.***

The Company is subject to Canadian and foreign anti-corruption laws and regulations such as the Canadian Corruption of Foreign Public Officials Act and Extractive Sector Transparency Measures Act (Canada) (the "**Anti-Corruption Legislation**"), which require companies to report annually on payments made to all levels of governments both in Canada and abroad. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. The Anti-Corruption Legislation also requires Canadian public companies to make and keep books and records that accurately and fairly reflect their transactions and to devise and maintain an adequate system of internal accounting controls.

According to Transparency International, Papua New Guinea is perceived as having fairly high levels of corruption relative to Canada. The Company relies, to a great extent, on the Company's local advisors in respect of legal, environmental compliance, banking, financing and tax matters in order to ensure compliance with material legal, regulatory and

governmental developments as they pertain to and affect the Company's operations in Papua New Guinea. The Company cannot predict the nature, scope or effect of future regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted. The Company's operations in Papua New Guinea may create the risk of unauthorized payments or offers of payments by the Company's employees, consultants or agents. Failure by the Company or its predecessors to comply with the applicable legislation and other similar foreign laws could expose the Company and its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable Anti-Corruption Legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations.

***The Company's environmental, social and governance ("ESG") practices and reporting may be scrutinized and failure to meet evolving standards may adversely impact the Company's reputation and ability to access capital.***

There are many analysts, reviewing agencies and consultants ("ESG Reviewers") that evaluate the Company's performance on specific ESG matters and issue reports and ratings relating to the Company. There is a wide variety of ESG reporting frameworks and limited standardization on reporting metrics within the global ESG reporting space. There is also a wide variety of methodologies employed by ESG Reviewers, most of which are not transparent about the metrics they rely on or the weightings they give them in generating a particular report or ranking. The Company has systems in place to manage ESG matters at the Company's operations and to ensure proper and complete reporting thereof. However, given the wide variety in ESG reporting frameworks and ESG Reviewer methodologies, there are no assurances that the Company's efforts will be successful or meet the standards set by any given ESG Reviewer. ESG reporting frameworks and ESG factors, including climate change, are increasingly becoming a relevant metric for institutional investors to review and assess the performance of the Company and a significant factor in their investment decisions. There is no assurance that the Company's systems will be able to reliably manage potential impacts of ESG reports and rankings on the Company's ability to attract capital at a reasonable cost.

## **Financial Risks**

***The Company may not be able to obtain additional financing on acceptable terms, or at all.***

Future exploration, development, mining, and processing of minerals from the Company's properties, or repayment of current or future indebtedness, could require substantial additional financing. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities or repayment of indebtedness, should such funding not be fully generated from operations. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may involve certain restrictions on operating activities or other financings. There is no assurance that such equity or debt financing will be available to the Company or that they would be obtained on terms favourable to the Company, if at all, which may adversely affect the Company's business and financial position. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development, or production on any or all of the Company's properties, or even a loss of property interests.

***The Company is exposed to global financial conditions.***

Global financial conditions have been characterized by ongoing volatility. Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Global capital markets have continued to display increased volatility in response to global events. In particular, the conflict between Russia and Ukraine and any restrictive actions that are or may be taken by Canada, the U.S., and other countries in response thereto, such as sanctions or export controls, could have potential negative implications to the global capital markets.

Future crises may be precipitated by any number of causes, including natural disasters, pandemics (including the COVID-19 pandemic), geopolitical instability, changes to energy prices or sovereign defaults. Market events and conditions, including the COVID-19 pandemic, significant fluctuations in fuel and energy costs and prices, political instability in the Middle East and Russia and international trade tension have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global financial markets, causing consumer spending to decrease, employment rates to reach historic lows and consumer debt levels to increase. Notwithstanding various actions by governments, concerns about the general condition of the capital markets have caused these markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control

may have on commodity prices, demand for metals, including gold, silver and copper, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by the COVID-19 pandemic, and the associated decreases in consumer spending and employment levels, as well as concerns over global growth rates and conditions. Any sudden or rapid destabilization of global economic conditions could negatively impact the Company's ability to obtain equity or debt financing or make other suitable arrangements to finance their projects. Additionally, increased levels of volatility and market turmoil can adversely impact the operations of the Company and the value and the price of the Common Shares could be adversely affected.

***The Company's insurance does not cover all potential losses, liabilities and damage related to its business and certain risks are uninsured or uninsurable.***

Although the Company maintains insurance to protect against certain risks in such amounts as the Company considers to be reasonable, the Company's insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon the Company's financial performance and results of operations.

***Potential dilution of the Common Shares.***

The Company may sell additional equity securities in subsequent offerings and may issue additional equity securities to finance its operations, exploration, development, acquisitions or other projects. The Company cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Company's shares.

***The Company has not declared dividends on its Common Shares.***

The Company has not declared or paid any dividends on the Common Shares. The Company intends to retain future earnings, if any, to finance the growth and development of its business and does not intend to pay cash dividends on the Common Shares in the foreseeable future.

### **Risks Relating to Relationships with Key Stakeholders**

***The Company is subject to risks related to community relations and community action, including Aboriginal and local community title claims and rights to consultation and accommodation, which may affect the Company's existing operations and development projects.***

As a mining business, the Company comes under pressure in the jurisdictions in which it operates to demonstrate that other stakeholders (including employees, communities surrounding operations and the countries in which it operates) benefit and will continue to benefit from the Company's commercial activities, and/or that the Company operates in a manner that will minimize any potential damage or disruption to the interests of those stakeholders. The Company may face opposition with respect to its current and future development and exploration projects which could materially adversely affect the Company's business, results of operations and financial condition.

Governments in many jurisdictions, including the jurisdictions in which the Company operates, must consult with Aboriginal peoples and local communities with respect to grants of mineral rights and the issuance or amendment of project authorizations. Consultation and other rights of Aboriginal people and local communities frequently require accommodations, including undertakings regarding employment, royalty payments and other matters. This may affect the Company's ability to acquire within a reasonable time frame effective mineral titles, permits or licences in the jurisdictions in which it operates and may affect the timetable and costs of development of the Company's mineral properties.

Further, certain NGOs, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or the Company's operations specifically, could have an adverse effect on the Company's reputation and financial condition and may impact its relationship with the communities in which the Company operates. They may also attempt to disrupt the Company's operations.

***The Company depends on key personnel and if it is unable to attract and retain such persons in the future it could have an adverse effect on the Company's operations.***

The Company's success will be largely dependent upon the performance of its key officers, employees, outside contractors and consultants. Locating and developing mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration, development and production personnel involved. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its officers, employees or other qualified personnel required to operate its business. Failure to retain key personnel or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success. The Company has not purchased any "keyman" insurance with respect to any of the Company's directors, officers or key employees and have no current plans to do so.

***The Company's operations would be adversely affected if it failed to maintain satisfactory labour relations or attract and retain skilled personnel.***

Production at the Company's mining operations is dependent upon the efforts of its employees and the Company's relations with its employees. The Company may not be able to satisfactorily renegotiate its labour agreements when they expire. Existing labour agreements may not prevent a strike or work stoppage at the Company's facilities in the future. In addition, relations between the Company and its employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in those jurisdictions in which the Company carries on business. Changes in such legislation or in the relationship between the Company and its employees may have a material adverse effect on the Company's business, financial condition and results of operations.

In Papua New Guinea, due to high levels of unemployment, it may be difficult for the Company to obtain skilled personnel that may be required in exploration or mining operations. In addition, Papua New Guinea suffers from high levels of poverty. A significant proportion of the Papua New Guinea workforce can be classified as unskilled or semi-skilled labourers, as a result of which it may be difficult for the Company to find skilled personnel for specialized tasks. Shortages of suitably qualified personnel in Papua New Guinea could have a material adverse effect on the Company's business, financial condition and results of operations.

## **Risks Relating to the Offering and the Common Shares**

### ***Additional Funding May be Required***

The funds raised by the Offering may not be sufficient to meet all of the Company's ongoing financial requirements relating to the exploration, development, production and operation of the Company's projects. The Company will require additional financing from external sources, such as joint ventures, debt financing or equity financing, in order to meet such requirements and carry out the future development of the Kainantu Project and other projects. The success and the pricing of any such capital raising and/or debt financing will be dependent upon the prevailing market conditions at that time. There can be no assurance that such financing will be available to the Company or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of the Company, this may have a depressive effect on the price of the Company's securities and the interests of shareholders in the net assets of the Company may be diluted. Any failure by the Company to obtain required financing on acceptable terms could cause the Company to delay exploration, development or production on its material projects and could have a material adverse effect on the Company's financial condition, results of operations and liquidity.

### ***Market Price of Common Shares***

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many mining companies have experienced wide fluctuations in price, which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The price of the Common Shares is also significantly affected by short term changes in mineral prices or in the Company's financial condition or results of operations as reflected in its quarterly financial reports. Other factors unrelated to the Company's performance that may have an effect on the price of its Common Shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company's securities; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of the Common Shares; and the market price of the Common Shares and size of the Company's public float may limit the ability of some institutions to invest in the Company's securities. If an active market for the Common Shares does not continue, the liquidity of an investor's investment

may be limited and the price of the Common Shares may decline. If an active market does not continue, investors may lose their entire investment in the Common Shares. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the long-term value of the Company.

***The exercise of outstanding stock options or warrants or vesting of restricted share units or performance share units will result in dilution to the holders of Common Shares.***

The issuance of Common Shares upon the exercise of the Company's outstanding stock options or vesting of restricted share units or performance share units will result in dilution to the interests of shareholders, and may reduce the trading price of the Common Shares. Additional stock options, restricted share units, performance share units and warrants to purchase or receive Common Shares may be issued in the future. Exercises or vesting of these securities, or even the potential of their exercise or vesting, may have an adverse effect on the trading price of the Common Shares. The holders of stock options or warrants are likely to exercise them at times when the market price of the Common Shares exceeds the exercise price of the securities. Accordingly, the issuance of Common Shares upon exercise of the stock options and warrants will likely result in dilution of the equity represented by the then outstanding Common Shares held by other shareholders. The holders of stock options or warrants can be expected to exercise or convert them at a time when the Company would, in all likelihood, be able to obtain any needed capital on terms which are more favorable to the Company than the exercise terms provided by these stock options and warrants.

***Future sales or issuances of equity securities could decrease the value of the Common Shares, dilute investors' voting power and reduce the Company's earnings per share.***

The Company may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into equity securities) and may issue additional equity securities to finance operations, exploration, development, acquisitions or other projects. The Company cannot predict the size of future issuances of equity securities or the size and terms of future issuances of debt instruments or other securities convertible into equity securities or the effect, if any, that future issuances and sales of the Company's securities will have on the market price of the Common Shares. Any transaction involving the issuance of previously authorized but unissued Common Shares, or securities convertible into Common Shares, would result in dilution, possibly substantial, to security holders. Exercises of presently outstanding stock options may also result in dilution to security holders.

The board of directors of the Company has the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, shareholders. Based on the need for additional capital to fund expected expenditures and growth, it is likely that the Company will issue additional securities to provide such capital. Such additional issuances may involve the issuance of a significant number of Common Shares at prices less than the current market price.

Sales of substantial amounts of the Company's securities, or the availability of such securities for sale, could adversely affect the prevailing market prices for the Company's securities and dilute investors' earnings per share. A decline in the market prices of Company's securities could impair the Company's ability to raise additional capital through the sale of securities should the Company desire to do so.

***There may be adverse Canadian tax consequences for a foreign controlled Canadian company that acquires Offered Shares of the Company.***

Certain adverse tax considerations may be applicable to a shareholder that is a corporation resident in Canada and is, or becomes, controlled by a non-resident corporation for the purposes of the "foreign affiliate dumping" rules in the *Income Tax Act* (Canada) (the "Tax Act"). Such shareholders should consult their tax advisors with respect to the consequences of acquiring Offered Shares.

#### ***Future Sales of Common Shares by Existing Shareholders***

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares.

***The Company has discretion in the use of the net proceeds from the Offering.***

The Company currently intends to allocate the net proceeds it will receive from the Offering as described under “Use of Proceeds”, however, the Company will have discretion in the actual application of the net proceeds. The Company may elect to allocate the net proceeds differently from that described in “Use of Proceeds” if the Company believes it would be in the Company’s best interests to do so. The Company’s shareholders may not agree with the manner in which the Company chooses to allocate and spend the net proceeds from the Offering. The failure by the Company to apply these funds effectively could have a material adverse effect on the business of the Company.

**CONSOLIDATED CAPITALIZATION**

The following table sets forth the consolidated capitalization of the Company as at March 31, 2022 on (a) an actual basis and (b) an adjusted basis to give effect to the completion of the Offering. This table should be read in conjunction with the Interim Financial Statements and management’s discussion and analysis of results of operations and financial conditions for such period, each incorporated by reference in this Prospectus. See “Documents Incorporated by Reference”. Since March 31, 2022, there has been no material change in the share and loan capital of the Company, on a consolidated basis, other than as described in this Prospectus, and the documents incorporated by reference herein and therein.

<u>Security</u>	<u>Amount Authorized</u>	<u>Outstanding as at March 31, 2022</u>	<u>As at March 31, 2022 after giving effect to the Offering<sup>(1)(2)</sup></u>
Common Shares	Unlimited	\$95,833,000 (224,993,777 Common Shares)	\$158,434,000 (231,230,102 Common Shares <sup>(3)</sup> )

Notes:

- (1) Assumes the Over-Allotment Option is fully exercised. After deducting the Underwriters’ Fee of CAN\$2,875,050.31 and expenses of the Offering estimated to be CAN\$250,000.
- (2) Reflects the issuance of 6,216,325 Offered Shares and assumes the issue of 810,825 Over-Allotment Shares pursuant to the Over-Allotment Option. (See “Plan of Distribution”).
- (3) Reflects the issuance of 1,867,160 Common Shares issued subsequent to March 31, 2022 pursuant to the exercises of stock options.

**USE OF PROCEEDS**

The gross proceeds from the Offering will be \$50,000,875 (\$57,501,006.25 if the Over-Allotment Option is exercised in full). The estimated net proceeds received by the Company from the Offering (assuming no exercise of the Over-Allotment Option) will be CAN\$47,250,831.25 (determined after deducting the Underwriters’ Fee of CAN\$2,500,043.75 and estimated expenses of the Offering of CAN\$250,000). If the Over-Allotment Option is exercised in full, the estimated net proceeds received by the Company from the Offering will be CAN\$54,375,955.94 (determined after deducting the Underwriters’ Fee of CAN\$2,875,050.31 and estimated expenses of the Offering of CAN\$250,000).

The Company intends to use the net proceeds of the Offering for continued exploration near the Kainantu Mine and regionally, continued expansion of the Kainantu Mine, for public company operating and administrative expenses and working capital purposes.

The following table sets forth the proposed use of the net proceeds of the Offering:

<u>Use of Funds</u>	<u>Estimated Amount (CAN\$M)</u>
Exploration at the Kainantu Project, including expanded Diamond Drilling Program at Kora and Judd deposits, a new Porphyry Diamond Drill Program and enhanced regional exploration program	25.0
Long lead time orders for capital acquisitions at the Kainantu Mine, including a Semi-Autogenous Grinding Mill, a Ball Mill, Crusher and Flotation Cells	10.0
Public company operating expenses, Vancouver and Australia office administrative expenses, administrative and operating expenses at Kainantu Mine, and working capital purposes	12.2
<b>Total</b>	<b>47.2</b>

The business objectives that the Company expects to accomplish using the net proceeds from this Offering is to advance the Company's exploration activities at the Kora and Judd deposits with focus on its drill program over the next 12 to 18 months, continue with the expansion and development of stage 3 of the Kainantu Mine over the next 24 to 30 months by purchasing necessary capital equipment for the expansion that have long lead times, including a Semi-Autogenous Grinding Mill, a Ball Mill, Crusher and Flotation Cells, consequently avoiding impeding capital allocated for exploration, and general administrative purposes. To achieve all these objectives, the Company intends to procure capital equipment and supplies for the Kainantu Mine expansion without interruption to, or depletion of cash reserves allocated to, the Company's exploration and activities as described in the table above.

Although the Company intends to use the net proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary from those allocations set out above including as a result of future developments in the Company's mineral properties or unforeseen events, including those listed under the "Risk Factors" section of the Prospectus and the AIF. Potential investors are cautioned that, notwithstanding the Company's current intentions regarding the use of the net proceeds of the Offering, there may be circumstances where a reallocation of the net proceeds may be advisable for reasons that management believes, in its discretion, are in the Company's best interests.

Based on the Company's current projections, the net proceeds of the Offering, together with the Company's cash on hand and anticipated production revenue, are anticipated to be sufficient to satisfy the proposed use of funds stated above as well as other required working capital and corporate and administrative expenses indefinitely. Potential investors are cautioned that higher than expected costs may require the Company to raise significant additional capital. See "Risk Factors" in the Prospectus, and the AIF.

#### PRIOR SALES

During the 12 months preceding the date of this Prospectus, the Company has issued the following Common Shares and securities convertible or exchangeable into Common Shares:

<b>Date of Issuance</b>	<b>Type of Security <sup>(1)</sup></b>	<b>Number of Securities</b>	<b>Issuance Prices (CAN\$)</b>
June 24, 2021	Common Shares	13,200	\$6.73
June 28, 2021	Common Shares	20,000	\$4.00
July 2, 2021	Common Shares	100,000	\$4.00
July 5, 2021	Common Shares	15,000	\$2.13
July 9, 2021	Common Shares	60,000	\$1.85
	Common Shares	24,000	\$3.85
	Common Shares	30,000	\$1.92
	Common Shares	10,000	\$3.85
	Common Shares	9,900	\$6.73
July 20, 2021	Common Shares	30,000	\$1.92
	Common Shares	3,960	\$3.85
August 5, 2021	Common Shares	80,000	\$3.85
August 16, 2021	Common Shares	19,800	\$6.73
August 19, 2021	Common Shares	6,000	\$3.85
August 27, 2021	Common Shares	80,000	\$1.10
October 21, 2021	Common Shares	50,000	\$0.65
November 16, 2021	Common Shares	6,000	\$3.85
November 17, 2021	Common Shares	500,000	\$1.00
November 25, 2021	Common Shares	50,000	\$6.73
	Common Shares	10,000	\$1.10
November 29, 2021	Common Shares	3,600	\$0.85
	Common Shares	30,000	\$0.60
November 30, 2021	Common Shares	260,000	\$1.00
December 2, 2021	Common Shares	2,040	\$3.85
	Common Shares	450,000	\$1.00
	Common Shares	150,000	\$0.65
	Common Shares	100,000	\$0.85
December 8, 2021	Common Shares	60,000	\$3.85

<b>Date of Issuance</b>	<b>Type of Security <sup>(1)</sup></b>	<b>Number of Securities</b>	<b>Issuance Prices (CAN\$)</b>
	Common Shares	33,000	\$6.73
December 20, 2021	Common Shares	30,000	\$0.74
	Common Shares	36,400	\$0.85
	Common Shares	20,000	\$1.92
	Common Shares	12,000	\$3.85
	Common Shares	13,200	\$6.73
February 10, 2022	Common Shares	10,000	\$1.92
	Common Shares	30,000	\$0.74
	Common Shares	100,000	\$0.65
	Common Shares	100,000	\$0.85
	Common Shares	50,000	\$0.74
	Common Shares	20,000	\$1.92
	Common Shares	12,000	\$3.85
	Common Shares	50,000	\$6.73
February 22, 2022	Common Shares	50,000	\$6.73
March 4, 2022	Common Shares	10,000	\$1.92
	Common Shares	12,000	\$3.85
March 8, 2022	Common Shares	12,000	\$3.85
	Common Shares	50,000	\$6.73
	Common Shares	50,000	\$6.73
	Common Shares	33,000	\$8.02
March 9, 2022	Common Shares	20,000	\$0.74
March 17, 2022	Common Shares	2,040	\$3.85
March 23, 2022	Common Shares	30,000	\$1.92
	Common Shares	48,000	\$3.85
	Common Shares	50,000	\$6.73
March 24, 2022	Common Shares	12,000	\$3.85
April 1, 2022	Common Shares	30,000	\$3.85
	Common Shares	150,000	\$1.92
	Common Shares	10,000	\$6.73
April 4, 2022	Common Shares	33,000	\$8.02
April 6, 2022	Common Shares	50,000	\$6.73
	Common Shares	33,000	\$8.02
	Common Shares	2,040	\$3.85
	Common Shares	4,080	\$3.85
	Common Shares	20,000	\$6.73
	Common Shares	6,800	\$6.73
April 12, 2022	Common Shares	2,040	\$3.85
	Common Shares	50,000	\$0.85
	Common Shares	50,000	\$0.74
	Common Shares	25,000	\$1.92
	Common Shares	18,000	\$3.85
April 13, 2022	Common Shares	10,000	\$2.13
	Common Shares	6,000	\$3.85
	Common Shares	100,000	\$6.73
	Common Shares	34,000	\$3.85
	Common Shares	100,000	\$6.73
April 18, 2022	Common Shares	120,000	\$0.65
	Common Shares	125,000	\$3.85
April 19, 2022	Common Shares	225,000	\$1.67
	Common Shares	66,000	\$8.02
	Common Shares	100,000	\$4.00
April 21, 2022	Common Shares	6,000	\$3.85
	Common Shares	30,000	\$1.92
April 25, 2022	Common Shares	10,000	\$6.73
April 29, 2022	Common Shares	21,000	\$3.85

<b>Date of Issuance</b>	<b>Type of Security <sup>(1)</sup></b>	<b>Number of Securities</b>	<b>Issuance Prices (CAN\$)</b>
	Common Shares	100,000	\$1.92
	Common Shares	250,000	\$1.67
May 5, 2022	Common Shares	13,200	\$8.02
May 6, 2022	Common Shares	20,000	\$8.02
May 12, 2022	Common Shares	12,000	\$6.73
June 9, 2022	Common Shares	15,000	\$3.85
June 21, 2022	Common Shares	20,000	\$6.73
December 31, 2021	Restricted Share Units	150,213	\$6.99
January 20, 2022	Restricted Share Units	328,370	\$7.19
June 6, 2022	Restricted Share Units	16,094	\$9.32
January 20, 2022	Performance Share Units	492,556	\$7.19

Notes:

(1) The Common Shares were issued pursuant to the exercise of stock options.

### TRADING PRICE AND VOLUME

The Common Shares were listed for trading on the TSX Venture Exchange under the symbol “KNT” until December 9, 2020, when the Common Shares were listed on the TSX under the trading symbol “KNT”. The Company’s Common Shares are quoted on the OTCQX under the trading symbol “KNTNF”. The following table sets forth information relating to the trading of the Common Shares on the TSX for the period indicated.

#### TSX — “KNT”

<b>Period</b>	<b>High (CAN\$)</b>	<b>Low (CAN\$)</b>	<b>Volume</b>
June 1 – 24, 2022 .....	9.91	8.45	16,727,065
May, 2022 .....	10.10	7.73	16,405,345
April, 2022 .....	10.52	8.47	14,346,614
March, 2022 .....	9.44	7.64	22,327,387
February, 2022 .....	8.69	6.25	14,277,205
January, 2022 .....	7.54	6.29	9,724,091
December, 2021 .....	7.59	6.70	11,699,981
November, 2021 .....	8.50	6.85	10,992,867
October, 2021 .....	7.31	5.75	10,542,958
September, 2021 .....	7.49	5.90	28,004,933
August, 2021 .....	9.12	6.83	10,707,560
July, 2021 .....	9.36	7.67	12,569,812
June, 2021 .....	9.01	7.84	16,447,530

### CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the Tax Act and the regulations thereunder (the “**Regulations**”) generally applicable to a holder who acquires Offered Shares as beneficial owner pursuant to this Prospectus and who, at all relevant times, for the purposes of the Tax Act, deals at arm’s length with the Company and the Underwriters, is not affiliated with the Company or the Underwriters, and will acquire and hold such Offered Shares as capital property (each, a “**Holder**”), all within the meaning of the Tax Act. Offered Shares will generally be considered to be capital property to a Holder unless the Holder holds or uses the Offered Shares or is deemed to hold or use the Offered Shares in the course of carrying on a business of trading or dealing in securities or has acquired them or deemed to have acquired them in a transaction or transactions considered to be an adventure in the nature of trade.

This summary does not apply to a Holder (a) that is a “financial institution” for purposes of the mark-to-market rules contained in the Tax Act; (b) an interest in which is or would constitute a “tax shelter investment” as defined in the Tax Act; (c) that is a “specified financial institution” as defined in the Tax Act; (d) that is a corporation resident in Canada (for the purposes of the Tax Act) or a corporation that does not deal at arm’s length (for purposes of the Tax Act) with a corporation resident in Canada, and that is or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of the Offered Shares, controlled by a non-resident person, or group of non-resident persons not dealing at arm’s length for the purposes of the “foreign affiliate dumping” rules Section 212.3 of the Tax Act; (e) that reports its “Canadian tax results” in a currency other than Canadian currency, all as defined in the Tax Act; (f) that is exempt from tax under the Tax Act; or (g) that has entered into, or will enter into, a “synthetic disposition arrangement” or a “derivative forward agreement” with respect to the Offered Shares, as those terms are defined in the Tax Act. Such Holders should consult their own tax advisors with respect to an investment in Offered Shares.

This summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of Offered Shares.

This summary is based upon the current provisions of the Tax Act and the Regulations in force as of the date hereof, specific proposals to amend the Tax Act and the Regulations (the “**Tax Proposals**”) which have been announced by or on behalf the Minister of Finance (Canada) prior to the date hereof, the current provisions of the Canada United States Tax Convention (1980) (the “**Canada-U.S. Tax Convention**”), and counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency. This summary assumes that the Tax Proposals will be enacted in the form proposed and does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed herein. No assurances can be given that the Tax Proposals will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

**This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Offered Shares. This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or income tax advice to any particular Holder. Holders should consult their own income tax advisors with respect to the tax consequences applicable to them based on their own particular circumstances.**

### *Residents of Canada*

The following portion of this summary is generally applicable to a Holder who, for the purposes of the Tax Act, is resident or deemed to be resident in Canada at all relevant times (each, a “**Resident Holder**”). Certain Resident Holders whose Offered Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election pursuant to subsection 39(4) of the Tax Act to have the Offered Shares, and every other “Canadian security” (as defined by the Tax Act) owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances.

### *Taxation of Dividends*

In the case of a Resident Holder who is an individual (including certain trusts), dividends (including deemed dividends) received on the Offered Shares will be included in the Resident Holder’s income and be subject to the gross up and dividend tax credit rules applicable to taxable dividends received by an individual from taxable Canadian corporations, including the enhanced gross up and dividend tax credit for “eligible dividends” properly designated as such by the Company. There may be limitations on the ability of the Company to designate dividends as eligible dividends. Taxable dividends received by such Resident Holder who is an individual (including certain trusts) may give rise to minimum tax under the Tax Act.

In the case of a Resident Holder that is a corporation, such dividends (including deemed dividends) received on the Offered Shares will be included in the Resident Holder’s income and will normally be deductible in computing such Resident Holder’s taxable income, subject to certain restrictions and special rules under the Tax Act. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a “private corporation” or “subject corporation” (as such terms are defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Offered Shares to the extent that such dividends are deductible in computing the Resident Holder’s taxable income for the year.

### *Disposition of Offered Shares*

A Resident Holder who disposes of, or is deemed to have disposed of, an Offered Share (other than to the Company, unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market) will realize a capital gain (or incur a capital loss) equal to the amount by which the proceeds of disposition in respect of the Offered Share exceed (or are exceeded by) the aggregate of the adjusted cost base to the Resident Holder of such Offered Share immediately before the disposition or deemed disposition and any reasonable expenses incurred for the purpose of making the disposition. The adjusted cost base to a Resident Holder of an Offered Share will be determined by averaging the cost of that Offered Share with the adjusted cost base (determined immediately before the acquisition of the Offered Share) of all other Common Shares held as capital property at that time by the Resident Holder. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading “*Taxation of Capital Gains and Losses*”.

### *Taxation of Capital Gains and Losses*

Generally, one half of any capital gain (a “**taxable capital gain**”) realized by a Resident Holder must be included in the Resident Holder’s income for the taxation year in which the disposition occurs. Subject to and in accordance with the provisions of the Tax Act, one half of any capital loss incurred by a Resident Holder (an “**allowable capital loss**”) must generally be deducted from taxable capital gains realized by the Resident Holder in the taxation year in which the disposition occurs. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition generally may be carried back and deducted in the three preceding taxation years or carried forward and deducted in any subsequent year against taxable capital gains realized in such years, in the circumstances and to the extent provided in the Tax Act.

A capital loss realized on the disposition of an Offered Share by a Resident Holder that is a corporation may in certain circumstances be reduced by the amount of dividends which have been previously received or deemed to have been received by the Resident Holder on the Offered Share. Similar rules may apply where a corporation is, directly or indirectly through a trust or partnership, a member of a partnership or a beneficiary of a trust that owns Offered Shares. A Resident Holder to which these rules may be relevant is urged to consult its own tax advisor.

Capital gains realized by an individual (including certain trusts) may result in the individual paying minimum tax under the Tax Act.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) or a “substantive CCPC” (as defined in the Notice of Ways and Means Motion to amend the Tax Act and other legislation released by the Minister of Finance on April 7, 2022) may be liable to pay an additional refundable tax on its “aggregate investment income”, which is defined in the Tax Act to include an amount in respect of taxable capital gains.

### *Non-Residents of Canada*

The following portion of this summary is generally applicable to a Holder who, for purposes of the Tax Act and at all relevant times, is neither resident nor deemed to be resident in Canada and does not use or hold, and will not be deemed to use or hold, Offered Shares in a business carried on in Canada (each, a “**Non-Resident Holder**”). The term “**U.S. Holder**,” for the purposes of this summary, means a Non-Resident Holder who, for purposes of the Canada-U.S. Tax Convention, is at all relevant times a resident of the United States and is a “qualifying person” within the meaning of the Canada-U.S. Tax Convention. In some circumstances, persons deriving amounts through fiscally transparent entities (including limited liability companies) may be entitled to benefits under the Canada-U.S. Tax Convention. U.S. Holders are urged to consult their own tax advisors to determine their entitlement to benefits under the Canada-U.S. Tax Convention based on their particular circumstances.

Special considerations, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere or an authorized foreign bank (as defined in the Tax Act). Such Non-Resident Holders should consult their own advisors.

### ***Taxation of Dividends***

Subject to an applicable tax treaty or convention, dividends paid or credited, or deemed to be paid or credited, to a Non-Resident Holder on the Offered Shares will be subject to Canadian withholding tax under the Tax Act at the rate of 25% of the gross amount of the dividend. Such rate is generally reduced under the Canada-U.S. Tax Convention to 15% if the beneficial owner of such dividend is a U.S. Holder. The rate of withholding tax is further reduced to 5% if the beneficial owner of such dividend is a U.S. Holder that is a company that owns, directly or indirectly, at least 10% of the voting stock of the Company. In addition, under the Canada-U.S. Tax Convention, dividends may be exempt from such Canadian withholding tax if paid to certain U.S. Holders that are qualifying religious, scientific, literary, educational or charitable tax exempt organizations or qualifying trusts, companies, organizations or arrangements operated exclusively to administer or provide pension, retirement or employee benefits or benefits for the self employed under one or more funds or plans established to provide pension or retirement benefits or other employee benefits that are exempt from tax in the United States and that have complied with specific administrative procedures.

### ***Disposition of Offered Shares***

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition of Offered Shares, unless the Offered Shares constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of the disposition and are not “treaty-protected property” (as defined in the Tax Act) of the Non-Resident Holder at the time of the disposition.

Generally, as long as the Offered Shares are then listed on a designated stock exchange (which currently includes the TSX), the Offered Shares will not constitute taxable Canadian property of a Non-Resident Holder unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (a) the Non-Resident Holder, persons with which the Non-Resident Holder does not deal at arm’s length, partnerships whose members include, either directly or indirectly through one or more partnerships, the Non-Resident Holder or persons which do not deal at arm’s length with the Non-Resident Holder, or any combination of them, owned 25% or more of the issued shares of any class or series of shares of the capital stock of the Company, and (b) more than 50% of the fair market value of the Offered Shares was derived directly or indirectly, from one or any combination of real or immovable property situated in Canada, “Canadian resource properties”, “timber resource properties” (each as defined in the Tax Act), and options in respect of or interests in, or for civil law rights in, any such property (whether or not such property exists). Notwithstanding the foregoing, an Offered Share may also be deemed to be taxable Canadian property of a Non-Resident Holder in certain circumstances.

In the case of a U.S. Holder, the Offered Shares of such U.S. Holder will generally constitute “treaty-protected property” for purposes of the Tax Act unless the value of the Offered Shares is derived principally from real property situated in Canada. For this purpose, “real property” has the meaning that term has under the laws of Canada and includes any option or similar right in respect thereof and usufruct of real property, rights to explore for or to exploit mineral deposits, sources and other natural resources and rights to amounts computed by reference to the amount or value of production from such resources.

If Offered Shares are taxable Canadian property of a Non-Resident Holder and are not treaty-protected property of the Non-Resident Holder at the time of their disposition, the consequences above under “*Residents of Canada – Disposition of Offered Shares*” and “*Residents of Canada – Taxation of Capital Gains and Losses*” will generally apply.

**Non-Resident Holders whose Offered Shares are taxable Canadian property should consult their own advisors.**

### **DIVIDEND POLICY**

The Company has not declared any dividends or distributions on the Common Shares since its incorporation. The Company intends to retain its earnings, if any, to finance the growth and development of its operations and does not presently anticipate paying any dividends or distributions in the foreseeable future. The Company’s board of directors may, however, declare from time to time such cash dividends or distributions out of the monies legally available for dividends or distributions as the board of directors considers advisable. Any future determination to pay dividends or make distributions will be at the discretion of the board of directors and will depend on the Company’s capital requirements, results of operations and such other factors as the board of directors considers relevant.

## DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

The Company is authorized to issue an unlimited number of Common Shares without par value of which 226,870,937 Common Shares were issued and outstanding as at the date hereof. Shareholders are entitled to receive notice of and attend all meetings of shareholders with each Common Share held entitling the holder to one vote on any resolution to be passed at such shareholder meetings. Shareholders are entitled to dividends if, as and when declared by the board of directors of the Company. Shareholders are entitled upon liquidation, dissolution or winding up of the Company to receive the remaining assets of the Company available for distribution to shareholders.

## PLAN OF DISTRIBUTION

Under the Underwriting Agreement dated as of June 17, 2022 between the Company and the Underwriters, the Company has agreed to sell, and the Underwriters have severally agreed to purchase, on the Closing Date, 5,405,500 Offered Shares at the Offering Price, payable in cash to the Company, against delivery. The Offered Shares are to be taken up by the Underwriters, if at all, on or before a date not later than 42 days following the date of a final receipt for this Prospectus. The obligations of the Underwriters under the Underwriting Agreement are several and are not joint, nor joint and several, and may be terminated upon the occurrence of certain stated events as set out in the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares (other than the Over-Allotment Shares) if any of the Offered Shares are purchased under the Underwriting Agreement.

The Offering Price was determined by negotiation between the Company and the Underwriters.

Offered Shares sold by the Underwriters to the public will initially be offered at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Shares at the Offering Price specified on the cover page, the Underwriters may change the Offering Price and the other selling terms to an amount not greater than the Offering Price set forth on the cover of this Prospectus, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Company. Upon execution of the Underwriting Agreement, the Underwriters will be obligated to purchase the Offered Shares offered hereby at the prices and upon the terms stated therein and, as a result, will thereafter bear any risk associated with changing the Offering Price or other selling terms.

Subject to certain limited exceptions, it is expected that the Offering will be conducted under the book-based system and the Company will arrange for the instant deposit of the Offered Shares to be registered to CDS. Subject to certain limited exceptions, a subscriber who purchases Offered Shares will receive a customer confirmation from the Underwriters or other registered dealer who is a CDS participant (a “**CDS Participant**”) from or through whom Offered Shares are purchased. Subject to certain limited exceptions, no beneficial holder of the Offered Shares will receive definitive certificates representing their Offered Shares. CDS will record the CDS Participants who hold Offered Shares on behalf of owners who have purchased or transferred Offered Shares in accordance with the book-based system.

The Offering is being made concurrently in each of the Qualifying Jurisdictions.

The Offered Shares offered hereby have not been and will not be registered under the U.S. Securities Act or any securities laws of any state of the United States. Accordingly, the Offered Shares may not be offered, sold or delivered, directly or indirectly, in the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States.

The Underwriting Agreement permits the Underwriters, acting through one or more of their registered United States broker-dealer affiliates, (i) to offer and resell the Offered Shares in the United States to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), provided such offers and sales are made in accordance with Rule 144A under the U.S. Securities Act, and (ii) to offer the Offered Shares for sale by the Company in the United States to “accredited investors” (as defined in Rule 501(a) of Regulation D under the U.S. Securities Act), provided that such offers and sales are made in accordance with Rule 506(b) of Regulation D under the U.S. Securities Act, and in each case in compliance with similar exemptions under applicable securities laws of any state of the United States. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Offered Shares outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. The Offered Shares that are sold in the United States will be “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions or exclusions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act and similar exemptions under applicable state securities laws.

The Company has applied to list the Offered Shares distributed under this Prospectus on the TSX. Listing will be subject to the Company fulfilling all of the requirements of the TSX.

The Offering is expected to close on or about July 6, 2022.

### **Over-Allotment Option**

The Company has granted the Underwriters an Over-Allotment Option, exercisable in whole or in part, at the sole discretion of the Underwriters, for a period of 30 days after and including the Closing Date, to purchase up to an additional 810,825 Over-Allotment Shares at the Offering Price, solely to cover over-allotments, if any. Under applicable securities laws, this Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares upon the exercise of the Over-Allotment Option.

### **Underwriting Fee**

The following table shows the per Offered Share and total Underwriters' Fee the Company will pay to the Underwriters, assuming both no exercise and full exercise of the Over-Allotment Option.

	<u>Over-Allotment Option not exercised</u>	<u>Over-Allotment Option fully exercised</u>
Per Offered Share .....	CAN\$0.4625	CAN\$0.4625
Total.....	CAN\$2,500,043.75	CAN\$2,875,050.31

The Company estimates that the total expenses of the Offering payable by the Company, not including the Underwriters' Fee, will be approximately CAN\$250,000. Pursuant to the Underwriting Agreement, the Company has agreed to pay the actual and accountable out-of-pocket expenses of the Underwriters and actual and accountable reasonable fees and disbursements of the Underwriters' counsel.

### **No Sales of Similar Securities**

Except as contemplated by the Underwriting Agreement, the Company has agreed that, subject to certain exceptions, it will not, without the prior written consent of Clarus Securities Inc. (not to be unreasonably withheld or delayed) on behalf of the Underwriters, issue any Common Shares or securities convertible into or having the right to acquire Common Shares, or disclose to the public any intention to do so, during the period from the date of the Underwriting Agreement and ending 90 days following the Closing Date.

The Company's officers and directors will enter into agreements providing that, subject to certain exceptions, for a period beginning from the date of the Underwriting Agreement and ending 90 days from the Closing Date, they will not, without the prior written consent of Clarus Securities Inc. (not to be unreasonably withheld or delayed) on behalf of the Underwriters, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, any Common Shares, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares of the Company, other securities, cash or otherwise, or agree to do any of the foregoing or publicly announce any intention to do any of the foregoing.

### **Indemnification and Contribution**

The Company has agreed in the Underwriting Agreement to indemnify the Underwriters against certain liabilities, including liabilities under the U.S. Securities Act, and Canadian securities laws, and, where such indemnification is unavailable, to contribute to payments that the Underwriters may be required to make in respect of such liabilities.

## **Price Stabilization, Short Positions**

In order to facilitate the Offering, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the market price of the Common Shares in accordance with applicable securities laws. Specifically, the Underwriters may sell more Common Shares than they are obligated to purchase under the Underwriting Agreement, creating a short position. A short sale is covered if the short position is no greater than the number of Common Shares available for purchase by the Underwriters under the Over-Allotment Option. The Underwriters can close out a covered short sale by exercising the Over-Allotment Option or purchasing Common Shares in the open market. In determining the source of Common Shares to close out a covered short sale, the Underwriters will consider, among other things, the open market price of Common Shares compared to the price available under the Over-Allotment Option. The Underwriters may also sell Common Shares in excess of the Over-Allotment Option, creating a naked short position. The Underwriters must close out any naked short position by purchasing Common Shares in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Common Shares in the open market after pricing that could adversely affect investors who purchase in the Offering. As an additional means of facilitating the Offering, the Underwriters may bid for, and purchase, Common Shares in the open market to stabilize the price of the Common Shares. These activities may raise or maintain the market price of the Common Shares above independent market levels or prevent or retard a decline in the market price of the Common Shares. The Underwriters are not required to engage in these activities and may end any of these activities at any time.

Pursuant to the policies of certain Canadian securities regulators, the Underwriters may not, throughout the period of distribution under this Prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions, including: (a) a bid or purchase permitted under the bylaws and rules of applicable regulatory authorities and stock exchanges, including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada, relating to market stabilization and passive market-making activities; (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution; (c) a bid or purchase to cover a short position entered into prior to the distribution; and (d) transactions in compliance with U.S. federal securities laws. Any such trades are permitted only on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares.

## **Affiliations**

Some of the Underwriters and their affiliates have in the past engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Company for which they have received, and would expect to receive, customary fees and commissions.

The decision to distribute the Offered Shares and the terms of the Offering, and the Offering Price were made through negotiations between the Company and the Underwriters. The Offering was not required or suggested by the Underwriters. The net proceeds from the Offering will not be applied for the benefit of the Underwriters or any of their related issuers. The Underwriters will receive compensation for their services to the Company in connection with the Offering. See “*Plan of Distribution — Underwriting Fee*”.

## **LEGAL MATTERS**

Certain legal matters in connection with the Offering will be passed upon on behalf of the Company by Gowling WLG (Canada) LLP, Certain legal matters in connection with the Offering will be passed upon on behalf of the Underwriters by Borden Ladner Gervais LLP.

As of the date of this Prospectus, the partners and associates of Gowling WLG (Canada) LLP and Borden Ladner Gervais LLP beneficially own, directly or indirectly, in the aggregate less than 1% of the issued and outstanding Common Shares.

## **INTERESTS OF EXPERTS**

The technical information, mineral reserve and mineral resource estimates and economic estimates relating to Kainantu Project and the Company’s other properties included or incorporated by reference in this Prospectus has been included or incorporated by reference in reliance on the report, valuation, statement or opinion of the persons described below. The following persons, firms and companies are named as having prepared or certified a report, valuation, statement or opinion in this Prospectus, either directly or in a document incorporated by reference.

<b>Name</b>	<b>Description</b>
Andrew Kohler BAppSs (Geol), PGCert (Geostatistics), MAIG	Co-authored the Kainantu Report and reviewed or supervised the preparation of certain scientific and technical information relating to the Kainantu Project contained or incorporated by reference in this Prospectus.
Simon Tear BSc (Hons), EurGeol, PGeo IGI, EurGeol	Co-authored the Kainantu Report.
Anthony Woodward BSc (Hons), M.Sc., MAIGare.	Co-authored the Kainantu Report.
Christopher Muller PGeo	Reviewed or supervised the preparation of certain scientific and technical information relating to the Kainantu Project contained or incorporated by reference in this Prospectus.

None of the experts named in the foregoing section held, at the time they prepared or certified such statement, report, opinion or valuation, received after such time or will receive any registered or beneficial interest, direct or indirect, in any securities or other property of the Company or one of the Company's associates or affiliates, other than Andrew Kohler and Christopher Muller, both employees of the Company, who as of the date of this Prospectus, beneficially own, directly or indirectly, less than 1% of any outstanding class of securities of the Company and less than 1% of the outstanding securities of any class of the Company's associates or affiliates.

Except as otherwise stated above, none of the aforementioned persons, nor any director, officer, employee, consultant or partner, as applicable, of the aforementioned persons is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

In addition, PricewaterhouseCoopers LLP, the external auditor of the Company, provided an auditor's report on the Annual Financial Statements. PricewaterhouseCoopers LLP report that they are independent of the Company within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

#### **AUDITORS, TRANSFER AGENT AND REGISTRAR**

The auditors of the Company are PricewaterhouseCoopers LLP, Chartered Professional Accountants, of 1400 - 250 Howe Street, Vancouver, British Columbia, V6C 3S7.

The transfer agent and registrar for the Common Shares is TSX Trust Company at its offices in Vancouver, British Columbia located at 650 West Georgia Street, Suite 2700, Vancouver, British Columbia V6B 4N9.

#### **STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Purchasers should refer to any applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser.

**CERTIFICATE OF K92 MINING INC.**

June 27, 2022

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta and Ontario.

By: *(Signed)* “John D. Lewins”  
JOHN D. LEWINS  
Chief Executive Officer

By: *(Signed)* “Justin Blanchet”  
JUSTIN BLANCHET  
Chief Financial Officer

On behalf of the Board of Directors

By: *(Signed)* “Mark Eaton”  
MARK EATON  
Director

By: *(Signed)* “Cyndi Laval”  
CYNDI LAVAL  
Director

## CERTIFICATE OF THE UNDERWRITERS

June 27, 2022

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta and Ontario.

### CLARUS SECURITIES INC.

By: (Signed) "Robert Orviss"  
ROBERT ORVISS  
Managing Director, Investment Banking

### NATIONAL BANK FINANCIAL INC.

By: (Signed) "Mengfei Zhou"  
MENGFEI ZHOU  
Managing Director

### BMO NESBITT BURNS INC.

By: (Signed) "Haroon Chaudhry"  
HAROON CHAUDHRY  
Director

### DESJARDINS SECURITIES INC.

By: (Signed) "Maciej Pach"  
MACIEJ PACH  
Managing Director

### PI FINANCIAL CORP.

By: (Signed) "Tim Graham"  
TIM GRAHAM  
Managing Director

### HAYWOOD SECURITIES INC.

By: (Signed) "Kevin Campbell"  
KEVIN CAMPBELL  
Managing Director

### CORMARK SECURITIES INC.

By: (Signed) "Darren Wallace"  
DARREN WALLACE  
Managing Director

### STIFEL NICOLAUS CANADA INC.

By: (Signed) "Michael Barman"  
MICHAEL BARMAN  
Managing Director

### SCOTIA CAPITAL INC.

By: (Signed) "Darren Grant"  
DARREN GRANT  
Managing Director

### EIGHT CAPITAL

By: (Signed) "John Sutherland"  
JOHN SUTHERLAND  
Managing Director

### RAYMOND JAMES LTD.

By: (Signed) "John Willet"  
JOHN WILLET  
Managing Director

### TD SECURITIES INC.

By: (Signed) "Ted McGurk"  
TED MCGURK  
Managing Director

**K92**  
MINING INC.