

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

K92 Mining Inc. (the “**Company**” or “**K92**”)
488-1090 West Georgia St
Vancouver, British Columbia
V6E 3V7

Item 2 Date of Material Change

June 19, 2024

Item 3 News Release

A news release dated June 19, 2024 was disseminated to the Toronto Stock Exchange (“**TSX**”) and through various other approved public media and filed on SEDAR+ with applicable securities commissions.

Item 4 Summary of Material Change(s)

K92 and its Papua New Guinea subsidiary, K92 Mining Limited (“**K92 PNG**”), have entered into two separate credit facilities (the “**Credit Facilities**” and individually the “**Canadian Credit Facility**” and the “**PNG Credit Facility**”, respectively) with Trafigura Pte Ltd (“**Trafigura**”). The Credit Facilities replace the previous loan agreement with Trafigura announced in September 2023 (see *September 26, 2023 press release*) (the “**2023 Loan Facility**”) and upsize, on an aggregate basis, the 2023 Loan Facility amount from US\$100 million to US\$120 million, with an accordion feature to increase the aggregate amount available under the Credit Facilities to US\$150 million (the “**Accordion Feature**”).

The Credit Facilities may be used for general corporate purposes, working capital purposes, and capital expenditure. No hedging is required for the Credit Facilities. All conditions precedent for advance of US\$100 million under the Canadian Credit Facility have been satisfied, with the remaining US\$20 million subject to a Condition Precedent under K92’s control and expected to be satisfied later this month, with the funds for the additional US\$20 million available January 1, 2025. The Accordion Feature will become effective by mutual agreement between K92 and Trafigura. The 2023 Loan Facility has been terminated and the parties have entered into an agreement to release all security therewith. The Credit Facilities further strengthen K92’s strong financial position, with US\$73.4 million in cash and treasury bills and no debt as at March 31, 2024.

In addition, K92 PNG and Trafigura have entered into a new offtake agreement for the purchase by Trafigura of 100% of K92 PNG’s copper/gold concentrates produced at the Kainantu Gold Mine in Papua New Guinea (the “**New Offtake Agreement**”), replacing the amended offtake agreement announced on September 26, 2023 which did not come into effect (the “**Amended and Restated Offtake Agreement**”). Key terms of the New Offtake Agreement remain substantially the same as the Amended and Restated Offtake Agreement described in the Company’s September 26, 2023 press release. K92 is

pleased to confirm the New Offtake Agreement has received regulatory approval in Papua New Guinea subject to compliance with certain conditions, including but not limited to, K92 PNG observing the conditions of its gold export license.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

K92 and its Papua New Guinea subsidiary, K92 PNG, have entered into two separate Credit Facilities with Trafigura. The Credit Facilities replace the previous 2023 Loan Facility agreement with Trafigura announced in September 2023 (*see September 26, 2023 press release*) and upsize, on an aggregate basis, the 2023 Loan Facility amount from US\$100 million to US\$120 million, with an accordion feature to increase the aggregate amount available under the Credit Facilities to US\$150 million. The key terms of the Credit Facilities are set out below.

The Credit Facilities may be used for general corporate purposes, working capital purposes, and capital expenditure. No hedging is required for the Credit Facilities. All conditions precedent for advance of US\$100 million under the Canadian Credit Facility have been satisfied, with the remaining US\$20 million subject to a Condition Precedent under K92's control and expected to be satisfied later this month, with the funds for the additional US\$20 million available January 1, 2025. The Accordion Feature will become effective by mutual agreement between K92 and Trafigura. The 2023 Loan Facility has been terminated and the parties have entered into an agreement to release all security therewith. The Credit Facilities further strengthen K92's strong financial position, with US\$73.4 million in cash and treasury bills and no debt as at March 31, 2024.

In addition, K92 PNG and Trafigura have entered into a New Offtake Agreement for the purchase by Trafigura of 100% of K92 PNG's copper/gold concentrates produced at the Kainantu Gold Mine in Papua New Guinea, replacing the Amended and Restated Offtake Agreement announced on September 26, 2023 which did not come into effect.

Key terms of the New Offtake Agreement remain substantially the same as the Amended and Restated Offtake Agreement described in the Company's September 26, 2023 press release. K92 is pleased to confirm the New Offtake Agreement has received regulatory approval in Papua New Guinea subject to compliance with certain conditions, including but not limited to, K92 PNG observing the conditions of its gold export license.

Key Terms

1. Credit Facilities

Up to an aggregate US\$150 Million Senior Secured Credit Facilities

- 4-year term for each facility from the date of signing.
- Competitive interest rates.
- Nine month interest-only repayment grace period for the PNG Credit Facility. Interest-only repayment grace period up to July 1, 2025 for the Canadian Credit Facility.
- No hedging conditions.

- The Canadian Credit Facility is secured, inter alia, by a pledge of the shares of K92 Holdings International Limited and a conversion right in connection with the shares of the Company (the “Security”). Should an event of default occur under the Canadian Credit Facility, Trafigura has, among other rights, the right to accelerate repayment of the Canadian Credit Facility, realize upon the shares of K92 Holdings International Limited (which holds indirectly through K92 PNG the Kainantu Gold Mine in Papua New Guinea) and convert all or any portion of the Canadian Credit Facility into common shares of the Company, up to a cap of 4.5% of the issued and outstanding common shares of the Company.
- US\$30 million Accordion Feature to increase the aggregate amount available under both Credit Facilities to US\$150 Million with competitive interest rates, no hedging conditions and secured by the same Security.
- The Accordion Feature must be exercised within 12 months of the first draw under the Canadian Credit Facility.
- K92 has, among other things, guaranteed the obligations of K92 PNG under the PNG Credit Facility.

2. New Offtake Agreement

- The term of 7 consecutive calendar years, commencing January 1, 2026, and continuing either until December 31, 2032 or until a minimum quantity of 600,000 dry metric tons of concentrate has been delivered to Trafigura.
- Competitive industry terms in relation to all metrics at London Metals Exchange spot prices.
- Attractive payment arrangements which provide for upfront payment on delivery of concentrates to port of dispatch and provision of certain shipping documents.
- Amended and improved metals payabilities for deliveries of concentrates, which includes amending penalties, treatment and refining charges, and transport charges, all of which are better than the assumptions outlined in the Kainantu Integrated Development Plan Definitive Feasibility and Preliminary Economic Assessment cases (*see September 12, 2022 press release – K92 Mining Inc. Announces Robust Kainantu Gold Mine Integrated Development Plan*).
- The original offtake agreement dated July 1, 2019 (as referred to in the September 26, 2023 press release) will be performed prior to the New Offtake Agreement coming into effect and/or upon the New Offtake Agreement ceasing to be effective.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

John D. Lewins, Chief Executive Officer
Tel: +1-604-416-4445

Item 9 Date of Report

June 20, 2024

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This material change report includes certain “forward-looking statements” under applicable Canadian securities legislation. Such forward-looking statements include, without limitation: (i) the estimated use of proceeds of the Credit Facilities and the Accordion Feature; and (ii) the satisfaction of the conditions precedent to the Credit Facilities including the satisfaction of the additional conditions for the Accordion Feature.

All statements in this material change report that address events or developments that we expect to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as “expect”, “plan”, “anticipate”, “project”, “target”, “potential”, “schedule”, “forecast”, “budget”, “estimate”, “intend” or “believe” and similar expressions or their negative connotations, or that events or conditions “will”, “would”, “may”, “could”, “should” or “might” occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, without limitation, Public Health Crises, including the COVID-19 virus; changes in the price of gold, silver, copper and other metals in the world markets; fluctuations in the price and availability of infrastructure and energy and other commodities; fluctuations in foreign currency exchange rates; volatility in price of our common shares; inherent risks associated with the mining industry, including problems related to weather and climate in remote areas in which certain of the Company’s operations are located; failure to achieve production, cost and other estimates; risks and uncertainties associated with exploration and development; uncertainties relating to estimates of mineral resources including uncertainty that mineral resources may never be converted into mineral reserves; the Company’s ability to carry on current and future operations, including development and exploration activities at the Arakompa, Kora, Judd and other projects; the timing, extent, duration and economic viability of such operations, including any mineral resources or reserves identified thereby; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the Company’s ability to meet or achieve estimates, projections and forecasts; the availability and cost of inputs; the availability and costs of achieving the Stage 3 Expansion or the Stage 4 Expansion; the ability of the Company to achieve the inputs the price and market for outputs, including gold, silver and copper; 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 conflicts in Ukraine, Israel and Palestine; compliance with various laws and regulatory requirements to which the Company is subject to, including taxation; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions, including relationship with the communities in Papua New Guinea and other jurisdictions it operates; other assumptions and factors generally associated with the mining industry; and the risks, uncertainties and other factors referred to in the Company’s Annual Information Form under the heading “Risk Factors”.

Forward-looking statements are not a guarantee of future performance, and actual results and future events could materially differ from those anticipated in such statements. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause actual results to differ materially from those that are anticipated, estimated or intended. There can be no assurance that such statements will

prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

