



Kenadyr Signs Non-Binding Letter of Intent to Acquire Karus Gold Corp.

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VANCOUVER, BC – November 15, 2022 - Kenadyr Metals Corp. (TSX-V: KEN; OTC-MKTS: KNDYF; FRA: KMO) (the “**Corporation**” or “**Kenadyr**”) announces it has signed a non-binding arm’s length Letter of Intent (“**LOI**”) dated November 14, 2022 to acquire 100% of Karus Gold Corp. (“**Karus**”) by way of a business combination transaction. Karus controls a dominant 1,054 square kilometers claim block (the “**South Cariboo Claims**”) in the prolific Cariboo Gold District of British Columbia, Canada. The claims cover 110km of structural trend that is highly prospective for gold deposits. The flagship asset of Karus is the FG Gold Project (“**FG Gold**”), a large-scale, sediment hosted orogenic gold deposit. In addition, the South Cariboo Gold Project remains significantly under-explored with potential for additional discoveries. The Cariboo Gold District is highly accessible, with local power, a well-developed road network, skilled local labour and it hosts several operating mines.

As per the terms of the LOI, it is proposed that Kenadyr will acquire 100% of the issued and outstanding common shares of Karus (the “**Karus Common Shares**”), a British Columbia incorporated company and a reporting issuer in British Columbia and Alberta, via a Kenadyr issuance of common shares (the “**Proposed Transaction**”) resulting in a reverse takeover by Karus. The resulting issuer will be Kenadyr Metals Corp., a Tier 2 TSXV-listed company in the mining sector. The Proposed Transaction is subject to the parties entering into a binding definitive agreement, which will include customary closing conditions including approval of the Karus and Kenadyr shareholders (as applicable), court approval, and the TSX Venture Exchange (the “**TSXV**”). Further information about Karus can be found at www.karusgold.com.

South Cariboo Property Geology

The South Cariboo Property lies along the tectonic boundary between the Quesnel terrane and the ancestral margin of North America. This deformed suture zone hosts several orogenic-type gold deposits that collectively form the Cariboo Gold District, with deposits including Karus’ FG Gold deposit, the nearby Spanish Mountain deposit, and the Wells-Barkerville Camp, owned by Osisko Development Corp., which is 90km to the north. The South Cariboo Property is also underlain by significant tracts of Quesnel terrane and is therefore prospective for Cu-Au alkalic porphyry deposits like the nearby Mount Polley mine.

The FG Gold deposit is formed by a series of sub-parallel, sub-horizontal, rod-shaped mineralized zones (>0.1 g/t Au) that trend northwest to southeast. Individual rods have diameters of ~200-250m and strike length of up to 3.4km, though anomalous gold occurs for up to 10km of strike length based on historical rock and soil sampling. Gold occurs mostly within a distinctive, ankerite porphyroblastic, lower siltstone unit ("**knotted phyllite**") with higher grades associated with increased silicification and quartz vein density. Veins were emplaced as a conjugate set during a deformation D1 event, then overprinted by D2 and D3.

FG Gold Exploration History

The FG Gold deposit and surrounding area has been tested with 453 holes for 65,058 metres, most of which were drilled in 1990-91 (20,479m), 2007-2008 (14,029m), and by KORE/Karus in 2020-21 (14,758m). Several metallurgical test work programs have also been carried out, with work from 1990 showing 87% to 92% gold recovery on a 113 kg bulk sample with an average grade of 2.33 g/t Au. Approximately 298m of underground workings were developed between 1987 and 1991. Karus published a NI 43-101 report on the South Cariboo Claims on June 6, 2022, which is available on SEDAR (www.sedar.com)

The technical content of this news release has been reviewed and approved by Michael Tucker, P.Geo., a qualified person as defined by National Instrument 43-101.

Karus Background

Karus, a past wholly owned subsidiary of KORE Mining Ltd. ("**KORE**") incorporated under the *Business Corporations Act* (British Columbia) on November 20, 2020, was formed through a spin out of KORE's Canadian assets that was completed January 25, 2021.

Karus was founded, and has operated, to conduct geological exploration on the South Cariboo Property to find commercially viable gold deposits. Karus is a Canadian reporting issuer and news releases, as well as quarterly and annual audited financial reports, can be found under Karus' SEDAR profile at www.sedar.com.

Major shareholders of Karus include Yamana Gold Inc. and Mr. Eric Sprott (via 2176423 Ontario Ltd.).

Karus Gold Corp. latest summary financial information (Unaudited – Prepared by Management) is below:

SUMMARY FINANCIALS**Interim Statement of Financial Position**

	<i>as at 6/30/2022</i>	<i>as at 12/31/2021</i>
ASSETS		
Current Assets		
Cash	1,267,285	632,961
Accounts receivable	15,332	25,975
Other	35,134	64,872
Non-Current Assets		
Mineral properties	10,910,243	10,902,017
Other	134,641	137,330
TOTAL ASSETS	12,362,635	11,763,155
LIABILITIES		
Current Liabilities		
Accounts payable	467,072	785,395
Total Shareholder Equity	11,895,563	10,977,760
TOTAL LIABILITIES and EQUITY	12,362,635	11,763,155

	<i>for the six months ended June 30, 2022</i>	<i>for the six months ended June 30, 2021</i>
Interim Statement of Loss		
Expenses	3,598	1,700
Depreciation	493,297	878,879
General and administrative	147,634	110,943
Management fees and wages	197,045	192,617
Marketing, advisory and investor relations	61,747	262,252
Professional fees	231,376	111,827
Share-based payments	242,811	294,403
LOSS FOR THE PERIOD	1,377,508	1,852,621

The Proposed Transaction

Pursuant to the Proposed Transaction, Kenadyr will acquire all the issued and outstanding Karus Common Shares in exchange for common shares of Kenadyr (“**Kenadyr Common Shares**”)

resulting in a reverse takeover of Kenadyr by Karus. Prior to the closing of the Proposed Transaction, Kenadyr will complete a consolidation of Kenadyr Common Shares on the basis of one (1) post-consolidation Kenadyr Common Share for every ten (10) pre-consolidation Kenadyr Common Shares (the “Consolidation”). It is intended that the current shareholders of Karus will receive an aggregate of approximately 39,091,346 Kenadyr Common Shares on a post-Consolidation basis. It is anticipated that the Proposed Transaction will be completed as a plan of arrangement under the laws of British Columbia.

The Proposed Transaction values Karus at CDN\$19.7 million (including certain payables settled in Kenadyr Common Shares) and Kenadyr at CDN\$1.1 million (including Kenadyr Debt Settlements (as defined below)) pre-Concurrent Financing (as defined below) using a CDN\$0.50 per common share price, post-Consolidation (as defined below), of Kenadyr. The Proposed Transaction is an arm’s length transaction.

Upon completion of the Proposed Transaction, certain members of Kenadyr management will settle accrued salary payments and loans in Kenadyr Common Shares. Also, certain outstanding payables to third parties will be settled in Kenadyr Common Shares. To settle approximately CDN\$500,000 of debt, accrued salary payments and third-party payables (“**Kenadyr Debt Settlements**”) a total of 1,000,000 post-Consolidation Kenadyr Common Shares would be issued, subject to TSXV approval.

In connection with the Proposed Transaction, Kenadyr will complete a private placement (the “**Concurrent Financing**”) for gross proceeds of a minimum CDN\$2,000,000 at an effective price of CDN\$0.50 per Kenadyr Common Share post-Consolidation, or such other price as determined by Kenadyr and Karus in the context of the market. The Concurrent Financing may be undertaken as an offering of subscription receipts or Kenadyr Common Shares. In addition, Kenadyr intends to complete a private placement of flow-through common shares at a market premium to the \$0.50 price per Kenadyr Common Share (the “**Concurrent Flow-Through Financing**”). The LOI specifies that gross proceeds of a maximum of CDN\$5,000,000 may be raised under the Concurrent Financing and Concurrent Flow-Through Financing.

It is currently anticipated that the Proposed Transaction will close on or before the end of Q1 2023. Further updates and particulars of the Proposed Transaction will be provided by Kenadyr and Karus upon entering into a binding agreement for the Proposed Transaction.

None of the securities to be issued pursuant to the Proposed Transaction have been or will be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The Kenadyr Common Shares were halted effective November 15, 2022 and may remain halted until the completion of the Proposed Transaction.

No loans or advances have been made between Karus and Kenadyr. There is no finder's fee connected with the Proposed Transaction.

Biographies of New Kenadyr Board and Management

Stuart "Tookie" Angus, proposed Chairman and director – Mr. Angus is a current director of Kenadyr. Mr. Angus is an independent business adviser to the mining industry. For more than 35 years, Mr. Angus has focused on structuring and financing significant international exploration, development and mining ventures. Mr. Angus is the former chairman of the board of B.C. Sugar Refinery Ltd.; he was a director of First Quantum Minerals until June, 2005, a director of Canico Resources Corp. until its takeover by CVRD in 2005 and a director of Bema Gold until its takeover by Kinross Gold in 2007. More recently, he was managing director of mergers and acquisitions for Endeavour Financial, a director of Ventana Gold until its takeover by AUX Canada Acquisition in 2011 and a director of Plutonic Power until its merger with Magma Energy in 2011. He was Chairman of Nevsun Resources. He is presently chairman of K92 Mining Inc., which operates the Kainantu Gold Project located in the Eastern Highlands province of Papua New Guinea.

Tim McCutcheon, proposed CEO and director - Mr. McCutcheon is a current director and CEO of Kenadyr. He is a capital markets professional and corporate manager with over 25 years business experience. He was a Thompson Extel and Institutional Investor ranked metals and mining analyst for one of Europe's largest brokerage firms. Founder of DBM Capital Partners, a boutique mining resource merchant bank with AUM of \$130M, financing and M&A value of +\$100M. Corporate turnaround of Ovoca Gold PLC, Abzu Gold Ltd., Global Minerals Ltd. Founded, managed and sold Ashanti Gold Corp. Mr. McCutcheon has led several public natural resource companies with assets in Canada, Russia, Kyrgyzstan, Slovakia, Mali, Chile and Ghana. Columbia University, BA and MBA.

Scott Trebilcock, proposed director - Mr. Trebilcock has over 25 years of experience as a process engineer, management consultant, and mining executive. He was Chief Development Officer of Nevsun Resources, leading the company's 2016 acquisition of Reservoir Minerals and 2018 sale of Nevsun to Zijin Mining for \$1.9 billion after a year-long contested defense process. Mr. Trebilcock holds a B.Sc. in Chemical Engineering, an MBA from Queen's University and is a Chartered Director.

David Whittle, proposed director - Mr. Whittle is a Chartered Professional Accountant with 30 years of senior executive experience in the mining industry. Mr. Whittle was CFO of Alexco Resource Corp. for seven years and CFO of Hillsborough Resources Limited. Mr. Whittle has extensive experience on audit, compensation and special committees. Mr. Whittle holds a B.Com. in Finance from the University of British Columbia.

Yulia Chekunaeva, proposed director - Ms. Chekunaeva is the former head of Capital Markets for En+, a major multinational energy and metals conglomerate with over \$10B in revenue and 90,000 employees. She was a director of Nordgold and was Executive Director at Goldman Sachs.

She is based in London, UK. Ms. Chekunaeva holds a B.Sc. in Banking and Finance from The London School of Economics, and a M.A. in Finance from University of Warwick - Warwick Business School.

Michael Tucker, proposed COO and Head Geologist - Mr. Tucker, P.Geo., in good standing, has over 10 years of mineral exploration experience. Most recently he was Vice President, Exploration of KORE Mining Ltd, Exploration Manager for Balmoral Resources Ltd (until acquisition by Wallbridge Mining) and has previously worked for Goldcorp, QuadraFNX and Archer, Cathro & Associates. Mr. Tucker is currently a director of Regency Silver Corp. Mr. Tucker holds a B.Sc. from Laurentian University and a M.Sc. from the University of British Columbia.

Kevin Ma, proposed CFO - Mr. Ma is the current CFO of Kenadyr. He is a senior financial professional specializing in corporate finance, public company reporting and regulatory compliance in Canada and United States, for the past 10 years. Mr. Ma was a core member of the senior management team at Alexco Resource Corp. that put the Bellekeno mine into commercial operations in 2011 in the historic Keno Hill silver district, Yukon, Canada. Mr. Ma is a chartered accountant certified by the Institute of Chartered Professional Accountants of British Columbia and holds a diploma in accounting and a Bachelor of Arts degree from the University of British Columbia.

Yee Lun “Emmery” Wang, proposed Corporate Secretary – Ms. Wang has over 20 years of professional accounting and record-keeping experience at various corporations, including both private and public companies listed in Canada and USA. She is a Chartered Accountant and a graduate of the University of British Columbia with a B.Sc. and Diploma in Accounting.

Sponsorship

Sponsorship of a reverse takeover is required by the TSXV unless exempt in accordance with TSXV policies. Kenadyr will be applying for an exemption from the sponsorship requirements pursuant to the policies of the TSXV, however, there is no assurance that an exemption is available or that Kenadyr will ultimately obtain an exemption if one is available.

ON BEHALF OF KENADYR METALS CORP.

“Tim McCutcheon”

Tim McCutcheon
Chief Executive Officer and Director

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Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable, disinterested shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative. The TSXV has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

All information contained in this news release with respect to Kenadyr and Karus was supplied by the parties, respectively, for inclusion herein.

Cautionary Statement on Forward-Looking Information

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the anticipated timing and closing of the Proposed Transaction, the receipt and approval of the Kenadyr shareholders and Karus shareholders and the TSXV, anticipated benefits to the shareholders as a result of the Proposed Transaction and the anticipated business plans and timing of future activities of the post-closing Corporation, are forward-looking statements. Although the Corporation believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Corporation cautions investors that any forward-looking statements by the Corporation are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the state of the financial markets for the Corporation's equity securities, the state of the commodity markets generally, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Corporation may produce or plan to produce, the inability of the Corporation to obtain any necessary permits, consents or authorizations required, including TSXV acceptance, for its planned activities, the inability of the Corporation to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks and uncertainties disclosed in the Corporation's latest interim Management Discussion and Analysis and filed with certain securities

commissions in Canada. All of the Corporation's Canadian public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Corporation's mineral properties.