ANNUAL INFORMATION FORM

OF

K92 MINING INC.

FOR THE YEAR ENDED DECEMBER 31, 2019

Dated: December 1, 2020

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K92 MINING INC.
ANNUAL INFORMATION FORM

INTRODUCTORY NOTES

In this annual information form ("**Annual Information Form**" or "**AIF**"), K92 Mining Inc., together with its subsidiaries, as the context requires, is referred to as "**we**", "**our**", "**us**", the "**Company**" or "**K92**".

DATE OF INFORMATION

All information contained in this Annual Information Form is as at December 31, 2019, unless otherwise stated, being the date of our most recently completed financial year, and the use of the present tense and of the words "is", "are", "current", "currently", "presently", "now" and similar expressions in this Annual Information Form is to be construed as referring to information given as of that date.

FINANCIAL INFORMATION

Readers are also encouraged to review the Company's annual consolidated financial statements and the management's discussion and analysis of the Company for the year ended December 31, 2019.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Annual Information Form includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation ("**forward-looking statements**"), including, but not limited 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**"); projections of future financial and operational performance; 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 our 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. Estimates of mineral resources are also forward-looking statements because they constitute projections, 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. All statements in this Annual Information Form 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 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; 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; Company's ability to carry on current and future operations, including development and exploration activities; 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 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; 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 Annual Information Form under the heading "Risk Factors" and elsewhere in this AIF.

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 Annual Information Form are qualified by these cautionary 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 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.

TECHNICAL INFORMATION

The term "Qualified Person" as used in this Annual Information Form means a Qualified Person as that term is defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). Except where otherwise disclosed, Andrew Kohler, PGeo, K92 Mine Geology Manager and Mine Exploration Manager, a qualified person under NI 43-101, has reviewed and approved the technical content contained in this Annual Information Form.

CURRENCY AND EXCHANGE RATE INFORMATION

Our financial statements are reported in U.S. dollars. Unless otherwise stated, reference in this Annual Information Form to:

- "**C$**" is to the lawful currency of Canada;
- "**US$**" is to the lawful currency of the United States.

The following table sets forth, for each period indicated, the high and low exchange rates for Canadian dollars expressed in U.S. dollars, the average of such exchange rates during such period, and the exchange rate at the end of such period. These rates are based on the Bank of Canada rate of exchange.

	Fiscal Year Ended December 31,		
	2017	2018	2019
Rate at the end of period	US$0.7971	US$0.7330	US$0.7699
Average rate during period	US$0.7708	US$0.7721	US$0.7537
Highest rate during period	US$0.8245	US$0.8138	US$0.7699
Lowest rate during period	US$0.7276	US$0.7330	US$0.7353

On December 1, 2020, the daily average rate of exchange for one Canadian dollar in United States dollars as reported by the Bank of Canada was C$1.00 = US$0.7720.

CORPORATE STRUCTURE

NAME, ADDRESS AND INCORPORATION

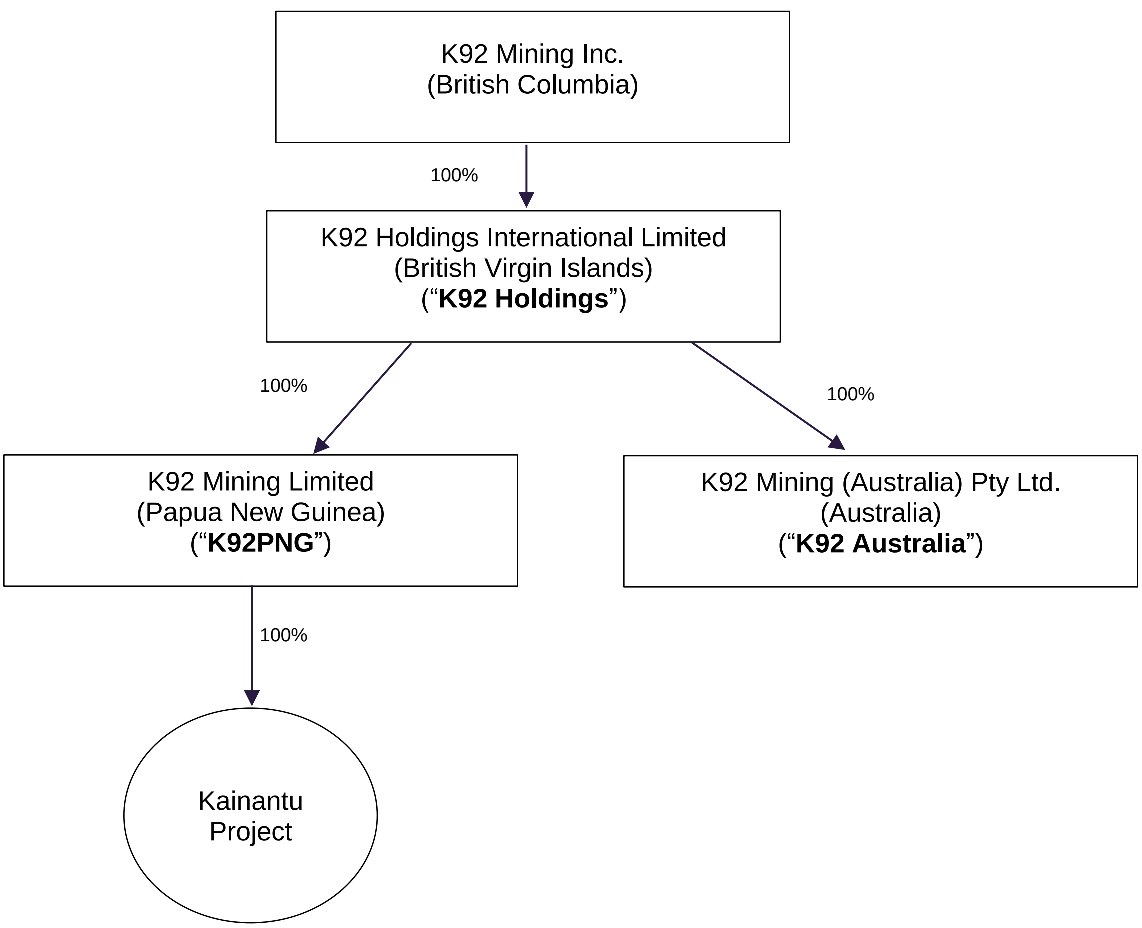
We were incorporated under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") on March 22, 2010 under the name Otterburn Resources Corp. ("**Otterburn**"). On May 20, 2016, we changed our name to "K92 Mining Inc.".

Our head office is located at 488 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, Canada and our registered office is located at 488 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, Canada.

On May 20, 2016, in connection with the completion of the RTO (defined under "*General Development of Business – Three Year History – 2015 Developments*"), the Company: (i) consolidated its issued and outstanding common shares on the basis of one new common share (a "**Common Share**") for every three previously issued common shares; and (ii) amended its Notice of Articles and Articles by adding a new class of preferred shares, being the Class A Preferred Shares (the "**Preferred Shares**"). (See *"Description of Capital Structure"*).

INTERCORPORATE RELATIONSHIPS

A significant portion of our business is carried on through our subsidiaries. A chart showing the names of our subsidiaries and their respective jurisdiction of incorporation is set out below:



GENERAL DEVELOPMENT OF THE BUSINESS

GENERAL

The Company is a gold, silver and copper producer. The Company's material mineral property consists of its one hundred percent owned underground mine and mining infrastructure, specifically the Kainantu gold mine (the "**Kainantu Mine**"), which includes both the Irumafimpa deposit and the Kora deposit, as further described in "*Material Properties – Kainantu Project*".

The Company's other significant assets include a processing plant, equipment and infrastructure located on ML150 (the "**Processing Facility**", and together with the Kainantu Mine and ML150 (the "**Kainantu Project**")).

The Company also holds Exploration Licences 470 and 693 (EL470 and EL693) and has claimed the rights to acquire the former Exploration Licence1341 (EL1341), that it (or its predecessor) held until such licence expired on June 20, 2018. K92 submitted an application for renewal of EL1341 for a further two years on March 20, 2018 however a response has not yet been received from the Papua New Guinea Minister for Mining as of the date of this AIF.

THREE YEAR HISTORY

Over the three most recently completed financial years, the significant events described below contributed to the development of our business.

2015 DEVELOPMENTS

On March 5, 2015, pursuant to a share sale agreement dated June 11, 2014 (the "**BKL Purchase Agreement**"), K92 Holdings acquired through its then wholly-owned subsidiary, K92 Holdings (PNG) Limited ("**K92 Holdings PNG**"), Barrick (Kainantu) Limited ("**BKL**") from Barrick (Niugini) Limited ("**Barrick Niugini**"), a wholly-owned subsidiary of Barrick Gold Corporation ("**Barrick**"). BKL held certain mineral rights and interests, including the ML150, in Papua New Guinea, as well as the Kainantu Mine.

Pursuant to a share exchange agreement dated August 21, 2014 (the "**Share Exchange Agreement**") between the Company and K92 Holdings and the shareholders of K92 Holdings, the Company agreed to acquire all outstanding shares of K92 Holdings in exchange for Common Shares on the basis of one K92 Holdings share for one Common Share (the "**RTO**"), whereby K92 Holdings would become a wholly-owned subsidiary of the Company. The completion of the transaction was, among other matters, conditional upon the completion of the acquisition of BKL by K92 Holdings PNG.

Pursuant to the BKL Purchase Agreement, K92 Holdings PNG acquired BKL for a purchase price of US$62 million comprising of a US$2 million initial cash payment and up to US$60 million in contingent cash payments. These contingent cash payments were subject to a term of ten years and were based upon K92 Holdings PNG determining the existence of at least 1,000,000 gold equivalent ("**AuEq**") ounces ("**oz**") within MP150 classified as measured indicated, probable ore reserve, or proven ore reserve equivalent oz of gold in accordance with the Australian Code for Reporting Results, Mineral Resources and Ore Reserves; plus cumulative production.

In October 2015, the Company completed an interim financing for proceeds of C$1,479,930 pending closing of the RTO through the sale of subscription receipts ("**Subscription Receipts**"). The Company advanced the net subscription proceeds realized from the sale of the Subscription Receipts to K92 Holdings as loans for financing of K92 Holdings' operations in Papua New Guinea pending closing of the RTO and a concurrent financing.

2016 DEVELOPMENTS

On February 4, 2016, K92 Holdings entered into financing agreements (the "**CRH Financing Documents**") with CRH Funding II Pte. Ltd. ("**CRH**"), an affiliate of Cartesian Royalty Holdings ("**Cartesian**") and Cartesian Capital Group, consisting of a gold prepayment investment and an equity investment (the "**CRH Financing**"). Upon signing, K92 Holdings drew down the first tranche under the gold prepayment agreement (the "**GPA**"). Under the GPA, CRH committed to provide K92 Holdings with up to approximately US$4.8 million over four tranches in exchange for a percentage of gold produced at the Irumafimpa deposit over a 36-month period, subject to a minimum of 18,000 oz of gold and a maximum of 20,000 oz of gold. In addition to the advances under the GPA, CRH committed to an equity investment of up to C$3.5 million in K92 Holdings (or the Company following completion of the RTO) over two tranches, pursuant to which CRH would subscribe for up to 10,000,000 units (the "**CRH Units**") of K92 Holdings (or the Company) at C$0.35 per CRH Unit, with each CRH Unit consisting of:

- one Preferred Share, convertible into one common share of K92 Holdings (or the Company). Each Preferred Share was redeemable by CRH at 1.5 times the original subscription price if K92 Holdings was unable to meet certain conditions, including the delivery requirements of gold under the GPA; and

- one warrant entitling CRH to purchase one common share of K92 Holdings (or the Company), exercisable at C$0.75 per common share for a period of two years following the date of issue.

As security for the Company's obligations under the GPA and the Preferred Shares issued to CRH, the Company granted CRH a general security interest in all of its present and future property, together with security granted by the Company's subsidiaries in Papua New Guinea. K92PNG also granted CRH a 0.25% net smelter return ("**NSR**") royalty on the Kora deposit (with a buyback provision of US$2,000,000) and a 0.5% NSR on Irumafimpa deposit.

Under the CRH Financing, CRH also received a nomination right to the board of directors of the Company (the "**Board**") so long as the GPA remained outstanding or CRH maintained at least a 5% equity ownership in the Company.

On March 11, 2016, the Company announced that it had issued an additional 13,106,304 Subscription Receipts for aggregate gross proceeds of C$4,587,207 in connection with its ongoing financing efforts.

On March 25, 2016, K92 Holdings PNG amalgamated with K92 Mining Limited under Papua New Guinea Law pursuant to which K92 Holdings PNG became a wholly-owned subsidiary of K92 Holdings.

On March 30, 2016 and May 10, 2016, K92 Holdings received US$1,375,421 and US$2,063,132 respectively from CRH, representing CRH's second and third tranche advance pursuant to the GPA. The funds received from CRH were used by K92 Holdings to progress towards the restart of operations at the Kainantu Project, including development of the underground mine and refurbishment of the onsite processing facilities.

During May 2016, the Company issued 4,058,931 Subscription Receipts for additional aggregate proceeds of C$1,420,626 in connection with its ongoing financing.

On May 20, 2016, the Company announced that it had completed the RTO pursuant to which it acquired K92 Holdings. In connection with the RTO, among other matters:

- the Company consolidated its issued and outstanding Common Shares on the basis of one new share for every three previously issued shares;

- the Company changed its name from "Otterburn Resources Corp." to "K92 Mining Inc.";

- K92 Holdings merged under the laws of the British Virgin Islands with a wholly-owned subsidiary of the Company to continue as "K92 Holdings International Limited" with the Company acquiring all of the issued and outstanding shares of K92 Holdings from its shareholders in consideration for the Company issuing an aggregate 49,126,666 (post-consolidated) Common Shares. As a result, K92 Holdings became a wholly-owned subsidiary of the Company;

- the former directors of the Company resigned, and new directors and management of the Company were appointed; and

- the Company amended its Notice of Articles and Articles by adding the Preferred Shares.

On closing of the RTO, each Subscription Receipt automatically converted into one unit of the Company with each unit consisting of one post-consolidated Common Share and one (post-consolidated) Common Share purchase warrant exercisable at C$0.50 per share for a period of 18 months expiring November 20, 2017.

Upon closing of the RTO, the Company assumed, to the extent possible, all obligations of K92 Holdings to CRH. This included the Company creating the Preferred Shares for issuance to CRH. CRH agreed to acquire up to 10,000,000 Preferred Shares at C$0.35 per share in two tranches, subject to K92 Holdings meeting certain project development milestones. The Preferred Shares were convertible to Common Shares, on the basis that if the Preferred Shares were fully subscribed, CRH would be entitled to receive 19,007,324 Common Shares on conversion. The Preferred Shares could be redeemed by CRH in certain circumstances at 1.5 times the subscription price thereof.

On June 7, 2016, the Company entered into an offtake agreement with Interalloys Trading Limited ("**ITL**") covering the first three years of concentrate production from the Kainantu Project.

Also on June 7, 2016, the Company reported that it had received US$412,626 from CRH, representing the fourth tranche advance (the "**Fourth Tranche**") pursuant to the GPA. Pursuant to the Company satisfying the conditions for the Fourth Tranche, the Company also received C$1,900,000 from CRH pursuant to the equity subscription agreement entered into as part of the CRH Financing Documents and issued 5,428,571 CRH Units.

On July 4, 2016, CRH was issued an aggregate of 4,571,428 CRH Units for a total consideration of C$1,600,000, being the final tranche pursuant to the equity subscription agreement entered as part of the CRH Financing Documents.

On July 21, 2016, the Company closed a non-brokered private placement of 12,500,000 units at a price of C$1.00 per unit for gross proceeds of C$12,500,000. Each unit issued consisted of one Common Share and one-half Common Share purchase warrant, with a whole warrant giving the holder the right to purchase an additional Common Share for a period of 12 months from closing at C$1.50 per Common Share.

On July 25, 2016, the Company closed a non-brokered private placement of 1,709,402 units at a price of C$1.17 per unit for gross proceeds of C$2,000,000. Each unit issued consisted of one Common Share and one Common Share purchase warrant, with each warrant giving the holder the right to purchase another Common Share for a period of 12 months from closing at C$1.75 per Common Share.

On December 23, 2016, the Company received a 2-year renewal on Exploration Licence 1341 as per its application to the Mineral Resources Authority of Papua New Guinea. The renewal was valid until June 20, 2018.

During the year ended December 31, 2016, the Company issued 9,503,662 Common Shares upon the conversion of 5,000,000 Preferred Shares.

2017 DEVELOPMENTS

In February, 2017, the Company commenced a major exploration program on Exploration Leases 693 and 470 immediately to the north and west of ML150.

On March 2, 2017, the Company filed on SEDAR an amended technical report on the Kainantu Project, titled "Independent Technical Report, Mineral Resource Update and Preliminary Economic Assessment ("**PEA**") of Irumafimpa and Kora Gold Deposits, Kainantu Project, Papua New Guinea" with an effective date of March 2, 2017 (the "**2017 Technical Report**") prepared by Anthony Woodward, Sc. Hons., M.Sc., MAIG, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ and Lisa Park GAICD FAusIMM. The 2017 Technical Report was superseded by the Technical Report. See "*Material Properties – Kainantu Project*".

On March 22, 2017, the Company closed a non-brokered private placement of 13,333,333 units at a price of C$0.75 per unit for gross proceeds of C$10,000,000. Each unit issued consisted of one Common Share and one Common Share purchase warrant, with each warrant giving the holder the right to purchase another Common Share for a period of 12 months from closing at C$1.00 per Common Share.

On June 27, 2017, the Company closed a brokered private placement of 20,693,250 units at a price of C$0.80 per unit for aggregate gross proceeds of C$16,554,600. C$13,000,000 of the private placement was arranged by Clarus Securities Inc. as lead agent, on behalf of a syndicate of agents that included CIBC World Markets Inc., Eventus Capital Corp. and Haywood Securities Inc. with an additional C$3,554,600 arranged via a concurrent non-brokered private placement. Each unit was comprised of one Common Share and one Common Share purchase warrant, with each warrant entitling the holder to purchase one Common Share at an exercise price of C$1.05 for 12 months following the closing of the offering.

On August 10, 2017, John Lewins, director of the Company was appointed Chief Executive Officer to replace Ian Stalker, who would remain a director. Mr. Lewins, a Mineral Engineer with over 35 years of international leadership experience in the mining industry, held senior positions with companies operating in Africa, Australia, Asia, North America and the former Soviet Union. Mr. Lewins successfully led the start-up of multiple mines from study through to full operational stage. Prior to his appointment as K92 Chief Executive Officer, Mr. Lewins served as Chief Operating Officer of K92. His past industry leadership roles include 10 years with MIM Holdings, during which time he built the Tom's Gully Mine (50,000 ounces Au per annum), Tick Hill Mine (peak production of 180,000 ounces Au per annum) and Nolan's Gold Mine (a 2 million tonne per annum open pit with production peaks reaching in excess of 120,000 Au ounces per annum),the McArthur River Lead Zinc Mine (1.2 million tonnes per annum).

2018 DEVELOPMENTS

Effective February 1, 2018, the Company declared commercial production at the Kainantu Mine.

On March 6, 2018, the Company closed a brokered private placement of 14,444,500 units at a price of C$0.45 per unit for aggregate gross proceeds of C$6,500,025. The private placement was arranged by Clarus Securities Inc. as lead agent and sole bookrunner, on behalf of a syndicate of agents that included Eventus Capital Corp. Each unit comprised one Common Share and one-half of one Common Share purchase warrant, with each whole warrant entitling the holder to purchase one Common Share at an exercise price of C$0.65 for 18 months following the closing of the offering.

At the opening of trading on May 1, 2018, the Company began trading on the OTCQX (OTCQX® Best Market) under the symbol "KNTNF".

On November 13, 2018, the Company announced an updated mineral resource estimate for the Kora North deposit comprising a measured and indicated resource of 0.85 tonnes at 12.9 g/t Au, 13.1 g/t Ag and 0.8% Cu; and an inferred resources of 1.92 million tonnes at 10.7 g/t Au, 13.3 g/t Ag and 0.7% Cu, resulting in the 2017 Technical Report not being current and prompting the preparation of the 2018 Technical Report, which was later replaced by the Technical Report.

2019 DEVELOPMENTS

On January 8, 2019, the Company announced positive results from an updated preliminary economic assessment on its Kora and Kora North gold deposits, which together with its Irumafimpa gold deposit comprise the Kainantu Project and filed on SEDAR a NI 43-101 technical report titled, "Independent Technical Report, Mineral Resources Estimate Update and Preliminary Economic Assessment of Kora North and Kora Gold Deposits, Kainantu Project, Papua New Guinea," with an effective date of September 30, 2018 (the "**2018 Technical Report**"), prepared by Anthony Woodward BSc (Hons.), M.Sc., MAIG, Simon Tear BSc (Hons), PGeo IGI, EurGeol, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ, Lisa J. Park, BEng (Chem), GAICD, FAusIMM.

On January 15, 2019, the Company issued 9,503,662 Common Shares upon the conversion of 5,000,000 Preferred Shares resulting in nil Preferred Shares remaining issued and outstanding.

On the same day, the Company announced additional high-grade drill results from the Kora North gold deposit.

On January 22, 2019, the Company announced record Q4 production of 16,844 oz AuEq, comprised of 16,451 oz of gold, 170,800 lbs of copper and 3,095 oz of silver (based on a gold price of US$1,300/oz; silver US$16.5/oz; copper US$2.90/lb), and record annual production of 47,237 oz AuEq , comprising 45,810 oz of gold, 611,000 lbs of copper and 10,069 oz of silver (based on a gold price of US$1,300/oz; Silver US$16.5/oz; Copper US$2.90/lb), from the Kainantu Mine. See "*Material Properties – Kainantu Project*".

On February 25, 2019, the Company announced additional high-grade drill results from the Kora North gold deposit.

On March 13, 2019, the Company announced that it intended to double capacity at its Kainantu Mine to 400,000 tonnes per annum, increasing production to an average of 120,000 oz AuEq per annum. See "*Material Properties – Kainantu Project*".

On April 8, 2019, the Company announced record Q1 production of 19,125 oz of gold, 264,114 lbs of copper and 5,564 oz of silver or 19,778 oz AuEq (based on a gold price of US$1,300/oz; silver US$16.5/oz; copper US$2.90/lb).

On June 4, 2019, the Company announced additional high-grade drill results from the Kora North gold deposit.

On July 1, 2019, the Company entered into a loan agreement (the "**Trafigura Loan Agreement**") with Trafigura Pte Ltd. ("**Trafigura**"). Under the Trafigura Loan Agreement, Trafigura provided the Company with a US$15,000,000 loan for a period of two years and an offtake agreement (the "**Trafigura Offtake**

Agreement") for the purchase by Trafigura of the Company's copper/gold concentrate produced at the Kainantu Mine.

On July 1, 2019, the Company entered into the Trafigura Offtake Agreement. The Trafigura Offtake Agreement has a term equal to the later of: (i) nine years ending on February 11, 2028; and (ii) until a minimum of 165,000 dry metric tonnes of concentrate ("**DMT Minimum**") has been delivered. If the DMT Minimum has been delivered during the 9-year term, then the Company is only required to sell 50% of its annual production until the end of the term of the Trafigura Offtake Agreement.

On July 17, 2019, the Company entered into an amendment agreement (the "**Barrick Amendment Agreement**") with Barrick, through its wholly-owned subsidiary, amending the terms of the BKL Purchase Agreement and providing for the elimination of the contingent payment arrangement that continued until March 6, 2025 under the terms of the BKL Purchase Agreement, in return for a cash payment of US$12,500,000.

On July 22, 2019, the Company announced additional high-grade drill results from the Kora North deposit.

On July 30, 2019, the Company closed a bought deal brokered private placement of 10,895,100 Common Shares at a price of C$1.90 per Common Share for aggregate gross proceeds of C$20,700,690. The private placement was led by Clarus Securities Inc. as lead underwriter and sole bookrunner on behalf of a syndicate of underwriters that included PI Financial Corp., BMO Nesbitt Burns Inc., Canaccord Genuity Corp., Cormark Securities Inc., Eight Capital, GMP Securities L.P. and Haywood Securities Inc.

On August 23, 2019, the Company paid US$12,500,000 to Barrick pursuant to the terms of the Barrick Amending Agreement.

On September 3, 2019, the Company paid the final outstanding gold oz owed to Cartesian under the GPA, which formed part of the CRH Financing, eliminating all of the Company's liabilities and obligations to Cartesian and CRH.

On November 20, 2019 Cyndi Laval was appointed to the Board of Directors. Ms. Laval is a partner in Gowling WLG's Vancouver office. She is a past leader of the firm's national Corporate Finance, M&A and Private Equity Group, as well as a former co-leader and current member of its Mining Group. She has over 25 years of experience specializing in the areas of mining law, corporate finance, mergers and acquisitions, and securities. Ms. Laval was named one of Vancouver's 30 leading lawyers by the National Post and is recognized as a leading lawyer in the following publications: Legal 500 Canada 2019; The Best Lawyers in Canada 2019; Canadian Legal Lexpert Directory 2018; and Lexpert's Leading Canadian Lawyers in Global Mining Guide 2018/2019.

RECENT DEVELOPMENTS (subsequent to year ended December 31, 2019)

On May 19, 2020, the Company announced an updated mineral resource estimate for the Kora gold deposit at the Kainantu Project comprising a measured and indicated resource of 3.13 million tonnes at 9.47 g/t Au, 15 g/t Ag and 0.6% Cu (1.1 million oz at 10.45 g/t AuEq) and an inferred resource of 12.67 million tonnes at 7.32 g/t Au, 20 g/t Ag and 1.1% copper (3.7 million oz at 9.01 g/t AuEq), resulting in the 2018 Technical Report not being current and consequently filed the Technical Report. See "*Material Properties – Kainantu Project*".

On July 15, 2020, Anne Giardini was appointed to the Board of Directors. Ms. Giardini, QC, has over 30 years of experience as a lawyer, senior executive and director. She brings extensive expertise in the areas of strategy, governance, public reporting, financings, mergers and acquisitions, aboriginal affairs, safety and environment, government relations, litigation, and employment and labour matters. Ms. Giardini's extensive board experience includes, in the mining sector, having served on the boards of Nevsun Resources Ltd. and Thompson Creek Metals Company Inc. She is recognized for expertise on natural resource development, public and government relations, safety, risk and brand management, and manufacturing. Ms. Giardini holds an L.L.M. from Trinity Hall, University of Cambridge, an L.L.B. from the University of British Columbia, and a B.A. from Simon Fraser University.

On July 31, 2020, the Company filed on SEDAR a NI 43-101 technical report titled, "Independent Technical Report Mineral Resource Estimate Update and Preliminary Economic Assessment for Expansion of the Kainantu Project to Treat 1 Million Tonnes per Annum ("**Mtpa**") from the Kora Gold Deposit, Kainantu, Papua New Guinea" with an effective date of April 2, 2020 (the "**2020 Technical Report**"), prepared by Anthony Woodward BSc (Hons.), M.Sc., MAIG, Simon Tear BSc (Hons), PGeo IGI, EurGeol, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ, Lisa J. Park, BEng (Chem) MAppFin GAICD, FAusIMM, which was consequently replaced by the Technical Report.

The highlights from the 2020 Technical Report where announced by the Company on July 27, 2020 for the expansion of Kainantu Project the as follows:

- After-tax NPV5% of US$1.5 billion at US$1,500 per oz gold, increasing to an after-tax NPV5% of US$2.0 billion at US$1,900 per oz gold.

- Average annual expansion run-rate production of 318,000 oz AuEq per annum at 1.0Mtpa, commencing in late-2023, representing a 165% increase in life of mine ("**LOM**") from stage 2 expansion of Kainantu Project average annual production (AuEq – calculated on the following metal prices: Au – US$1,500/oz, Ag – US$18.00/oz, Cu – US$3.00/lb. Note that gold equivalence factors for the production estimates are different from those used for reporting the mineral resource estimate).

- LOM average cash costs of US$353 per AuEq oz and AISC of US$489 per AuEq oz (AISC – All-In Sustaining Costs include cash costs plus estimated corporate G&A, sustaining costs and accretion).

- Low cash costs of US$202 per gold oz and AISC costs of US$362 per gold oz net of by-product credits.

- Initial pre-expansion capital cost of US$125 million and LOM sustaining capital cost of US$341 million with all capital costs fully funded by existing Stage 2 Kainantu mine cash flow.

- Mine life of 12 years, including ~3 years of stage 2 production (2021 to late-2023).

On October 15, 2020, the Company announced that it has received conditional approval from the Toronto Stock Exchange ("**TSX**") to graduate from the TSX Venture Exchange (the "**TSXV**") and list its common shares on the TSX.

On September 3, 2020, the Company announced preliminary underground bulk sample results from the Judd Vein System at the Kainantu Mine. The Judd Vein System is located near-mine infrastructure, ~100-150m North-East from the Kora Consolidated deposit and consists of four known veins, with the bulk sample from Judd #1 Vein. The Judd Vein System has seen very limited exploration, has four known veins and has a target strike length of approximately 2.5 km sub-parallel to Kora. The results marked the first significant exploration activity undertaken on Judd by K92.

On November 20, 2020, the Company filed on SEDAR a NI 43-101 technical report titled, "Revised Independent Technical Report Mineral Resource Estimate Update and Preliminary Economic Assessment for Expansion of the Kainantu Project to Treat 1 Million Tonnes per Annum ("**Mtpa**") from the Kora Gold Deposit, Kainantu, Papua New Guinea" dated November 13, 2020 with an effective date of April 2, 2020 (the "**Technical Report**"), prepared by Anthony Woodward BSc (Hons.), M.Sc., MAIG, Simon Tear BSc (Hons), PGeo IGI, EurGeol, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ, Lisa J. Park, BEng (Chem) MAppFin GAICD, FAusIMM. The Technical Report is not materially different from the 2020 Technical Report and is only updated to include after-tax data in addition to pre-tax data which was disclosed in the 2020 Technical Report. See "*Material Properties – Kainantu Project"*.

On November 23, 2020, the Company announced that it had completed the processing of 4,256 tonnes of underground bulk sample material and also extended underground development by an additional 114 metres along the Judd 1235 Level J1 Vein underground development, within the +2.5km strike, Judd Vein System.

DESCRIPTION OF THE BUSINESS

GENERAL

The Company is a Vancouver-based gold, silver and copper producer and operates the Kainantu Mine in Papua New Guinea. The Company conducts gold mining operations and exploration and drilling campaigns to define and develop mineral resources and mineral reserves on the Company's properties with an intention of developing, constructing and operating mines on such properties.

The Company's corporate objective is to continue growing as a profitable and responsible gold producer through ongoing exploration and development of the Company's existing and acquisition of future projects.

PRINCIPAL PRODUCTS

The Company's principal products are gold, silver and copper, with gold production forming the majority of the Company's revenues. There is a global market into which the Company can sell its gold and other minerals and, as a result, the Company is not dependent on a particular purchaser with respect to the sale of the gold and other minerals that the Company produces.

SPECIAL SKILLS AND KNOWLEDGE

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of permitting, engineering, geology, metallurgy, logistical planning, implementation of exploration programs, mine construction and development, mine operation, as well as legal compliance, finance and accounting. The Company has an active recruitment program, has highly qualified management personnel on staff, and believes that persons having the necessary skills are generally available. The Company has found that it can locate and retain competent employees and consultants in such fields as well as maintain a high retention rate of highly skilled employees and the Company anticipates that it will not have significant difficulty in recruiting other personnel as needed. The Company has training programs in place for workers who are recruited.

COMPETITIVE CONDITIONS

The gold exploration and mining business is a competitive business. The Company competes with numerous other companies and individuals in the search for and the acquisition of quality gold properties, mineral claims, permits, concessions and other mineral interests, as well as in recruiting and retaining qualified employees. The Company's ability to acquire gold properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for development or mineral exploration.

CYCLES

The mineral exploration and development business is subject to mineral price cycles. The marketability of minerals is also affected by worldwide economic cycles.

EMPLOYEES

Our business is administered principally from our head office in Vancouver, British Columbia, Canada. We also have an office in Papua New Guinea. As at the date of this AIF, we, including our subsidiaries, employ more than 900 permanent employees.

Production at the Company's mining operations is dependent upon the efforts of the Company's employees and the Company's relations with the Company's employees.

FOREIGN OPERATIONS

The Company's principal operations and assets are located in Papua New Guinea. The Company's operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country and include, but are not limited to government regulations (or changes to such regulations) with respect to restrictions on production, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, local ownership requirements and land claims of local people, regional and national instability and mine safety. The effect of these factors cannot be accurately predicted. See "*Risk Factors*".

ENVIRONMENTAL PROTECTION

The Company's activities are subject to extensive laws and regulations governing the protection of the environment, natural resources and human health. These laws address, among other things, emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. The Company is required to obtain governmental permits under federal, state, or provincial air, water quality, and mine reclamation rules and permits. Violations of environmental, health and safety laws are subject to civil sanctions and, in some cases, criminal sanctions, including the suspension or revocation of permits. The failure to comply with environmental laws and regulations or liabilities related to hazardous substance contamination could result in project development delays, material financial impacts or other material impacts to the Company's projects and activities, fines, penalties, lawsuits by the government or private parties, or material capital expenditures.

Additionally, environmental laws in Papua New Guinea require that the Company periodically perform audits and environmental impact studies at the Company's mines. These studies could reveal environmental impacts that would require the Company to make significant capital outlays or cause material changes or delays in the Company's intended activities.

ENVIRONMENTAL, OCCUPATIONAL HEALTH AND SAFETY, AND REGULATORY

The Company has adopted environmental policies designed to ensure environmental risks are adequately addressed while committing to environmental protection for all of the Company's activities. The Company has also adopted occupational health and safety policies designed to ensure the protection and promotion of the safety, human health, and welfare of the Company's employees. In addition, the Company has in place a Health and Safety Committee of the Board to assist the Board in overseeing the Company's health, safety, environmental and corporate social responsibility policies and programs, and the Company's health, safety, environmental and corporate social responsibility performance.

The following is a brief summary of HSE management systems in place on the Kainantu Project:

- The HSE management systems are 'integrated' safety and environmental systems based on AS4801 framework for Safety Management Systems and ISO 14001 for Environment Management Systems.

- The safety aspects are enforced by the Papua New Guinea Mineral Resource Authority and the environmental aspects are audited and enforced by the Papua New Guinea Conservation and Environment Protection Authority, both of which visit the Kainantu Project on a regular basis.

- The Company's HSE management systems comprise 12 core elements, including proactive measures, control measures, and response measures. The core elements are as follows:

  (1) Leadership and Consultation

  (2) Hazard Identification and Risk Management

  (3) Emergency Response

  (4) Safety Operational Controls

  (5) Environmental Controls

  (6) Medical Controls

  (7) Training and Competence

  (8) Planning, Auditing, Monitoring, Reporting (Performance Measurement and Assessment)

  (9) Incident and Investigation Management

  (10) Contractor Management

  (11) Document Control

  (12) Legal Obligations

- At the operational level, the Company has a dedicated Safety Manager, Safety Superintendents, Safety Officers, Environment Officers, medical staff, and Emergency Response staff. In addition, the Company has a Compliance Officer who focusses on the Company's in-house auditing and corrective action register; a dedicated Equipment Trainer; and a Graduate Safety Officer program.

In addition, the Company works with occupational health, safety, and environmental regulatory agencies to ensure that the performance of the Company's operations is at a level that is acceptable to the regulatory authorities. The Company encourages open dialogue and has prepared procedures for responding to concerns of all entities with respect to HSE issues.

MATERIAL PROPERTIES

The Company currently has one material property for the purposes of NI 43-101, the Kainantu Project.

KAINANTU PROJECT

The current technical report for the Kainantu Project is the Technical Report dated November 13, 2020 with an effective date of April 2, 2020. The Technical Report is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.k92mining.com. The following disclosure relating to the Kainantu Project is an excerpt of the summary of the Technical Report, which has been updated to conform defined terms to this AIF. The entire Technical Report is incorporated by reference, and readers are encouraged to review the complete text of the Technical Report. A full list of references cited in the below summary is contained in the Technical Report.

The following summary is not exhaustive. The Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Report contains the expression of the professional opinions of the Qualified Persons (as defined under NI 43-101) who prepared the Technical Report based upon information available at the time of preparation of the Technical Report. The following disclosure, which is derived from the Technical Report, is subject to the assumptions and qualifications contained in the Technical Report. The following summary has been reviewed by Anthony Woodward BSc (Hons.), M.Sc., MAIG, Simon Tear BSc (Hons), PGeo IGI, EurGeol, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ, Lisa J. Park, BEng (Chem) MAppFin GAICD, FAusIMM, Qualified Persons (as defined under NI 43-101).

SUMMARY

INTRODUCTION

The Technical Report is an Independent Technical Report dated November 13, 2020 of the geology, exploration, mineral resource estimates, and mining scoping study for the Kora gold-copper deposit at the Kainantu Project. The Kainantu Project covers a total area of 856.45 sq.km (including 201.19 sq.km under application) and is located in the Eastern Highlands Province of Papua New Guinea, approximately 180 km west-northwest of Lae.

In June 2020, the Company requested Nolidan Mineral Consultants ("**Nolidan**"), H&S Consultants Pty Ltd ("**H&SC**"), Australian Mine Design and Development ("**AMDAD**"), and Mincore Pty Ltd ("**Mincore**") to prepare a report in accordance with NI 43-101 incorporating the results of recently completed mineral resource estimates and mine scoping studies of the Kora gold-copper deposits and the new process plant studies.

H&SC were engaged by the Company to prepare an updated Mineral Resource Estimate ("**MRE**") for the Kora, Kora North and Eutompi deposits (the "**Kora Consolidated deposit**") previously reported by H&SC in September 2018. AMDAD was engaged to undertake a scoping study for the development of the Kora deposit. In conjunction with the scoping study, Mincore was engaged to carry out a detailed study on the potential replacement of the existing processing plant to treat 1,000,000 tonnes per annum ("**tpa**") of ore from the Kora Consolidated deposit.

As part of the Kora studies, AMDAD prepared conceptual cashflows to provide guidance in relation to the economic viability of those mine plans. Those cashflows are the basis of the Preliminary Economic Assessment presented in the Technical Report.

The Company intends that the Technical Report be used as an Independent Technical Report as required under Part 4 "Obligation to File a Technical Report" of NI 43-101 to support publicly disclosed information.

This preliminary economic assessment is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized.

The Kainantu Project as described in the Technical Report is 100% owned by K92PNG; a company incorporated in Papua New Guinea, which is 100% owned by K92 Holdings.

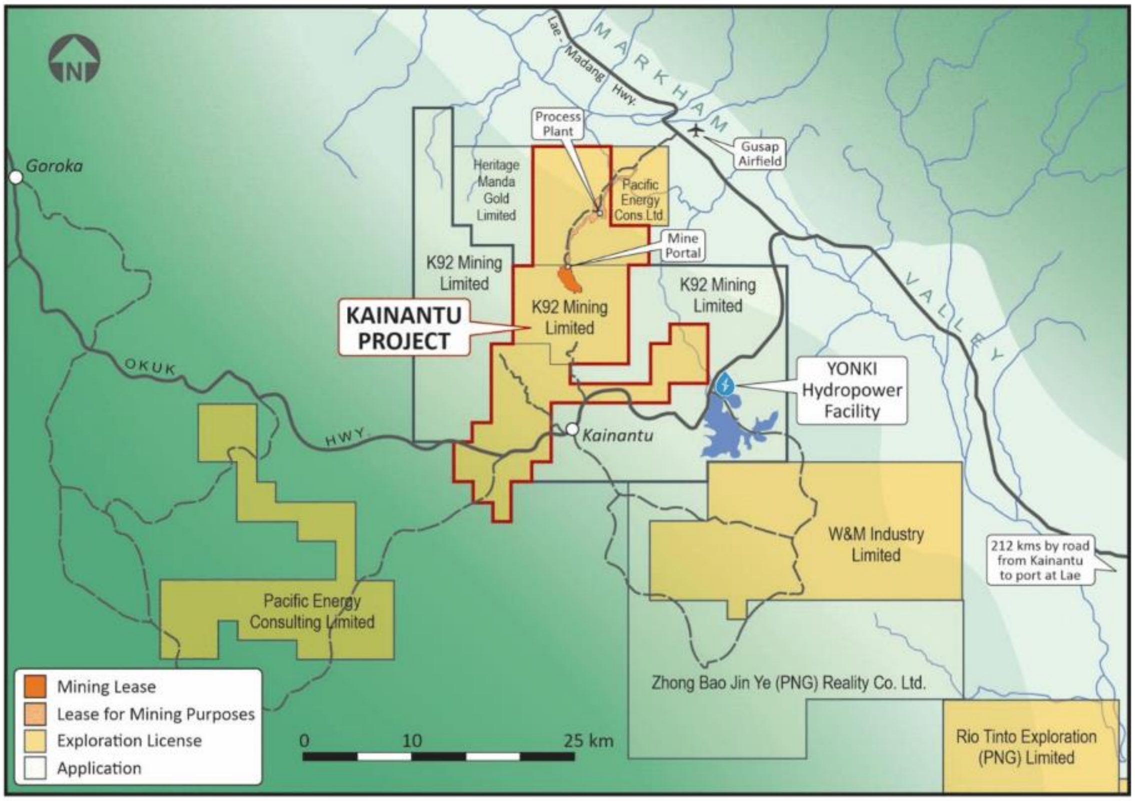
K92PNG acquired K92PNG from Barrick Niugini pursuant to the BKL Purchase Agreement, for the sum of US$2,000,000. Under the terms of that agreement, K92PNG was obligated to make additional payments of up to US$60,000,000. The obligation to pay additional payments was to cease on March 6, 2025.

However, during 2019, the BKL Purchase Agreement was amended whereby K92PNG revised the contingent payment to a fixed payment of US$12.5 million, which was paid to Barrick Niugini on August 23, 2019.

The Company is a company incorporated under the laws of British Columbia, Canada; the Common Shares of which are publicly listed on the TSXV.

K92PNG is the registered holder of the following tenements in PNG, as issued by the applicable government authorities in accordance with the PNG Mining Act 1992 (the "**Mining Act**"):

- ML150, effective until June 14, 2024;
- Mining Easements 80 and 81 ("**ME80**" and "**ME81**"), each effective until June 14, 2024;
- Licence for Mining Purposes 78 ("**LMP 78**"), effective until June 14, 2024;
- Exploration Licence 470 ("**EL470**"), effective until February 4, 2019; K92 have lodged an application for renewal for a further two years;
- Exploration Licence 693 ("**EL693**"), effective until February 4, 2019; K92 have lodged an application for renewal for a further two years;
- Exploration Licence 1341 ("**EL1341**"), effective until June 20, 2018; K92 have lodged an application for renewal for a further two years;
- Exploration Licence 2619 ("**EL2619**"), effective until January 22, 2022; and
- Exploration Licence Application 2620 ("**ELA2620**"); application lodged February 15, 2019.



Kainantu Project Location and Tenements
Source: K92PNG 2020

GEOLOGY AND MINERALIZATION

The Kainantu Project is located within the New Guinea Thrust Belt, close to its northern contact with the Finisterre Terrane. The property area is underlain by metamorphosed sedimentary rocks of the Early Miocene Bena Formation, unconformably overlain by Miocene age sedimentary and intermediate volcanic rocks of the Omaura and Yaveufa Formations. These formations were intruded in the mid-Miocene by the Akuna Intrusive Complex, which comprised multiple phases of mafic to felsic magma. Late Miocene age Elandora Porphyry dykes formed small high-level crowded feldspar porphyry dykes and diatreme breccias. A north-northeast trending transfer structure transects the area, with associated mineralization, alteration and porphyry complexes aligned along it.

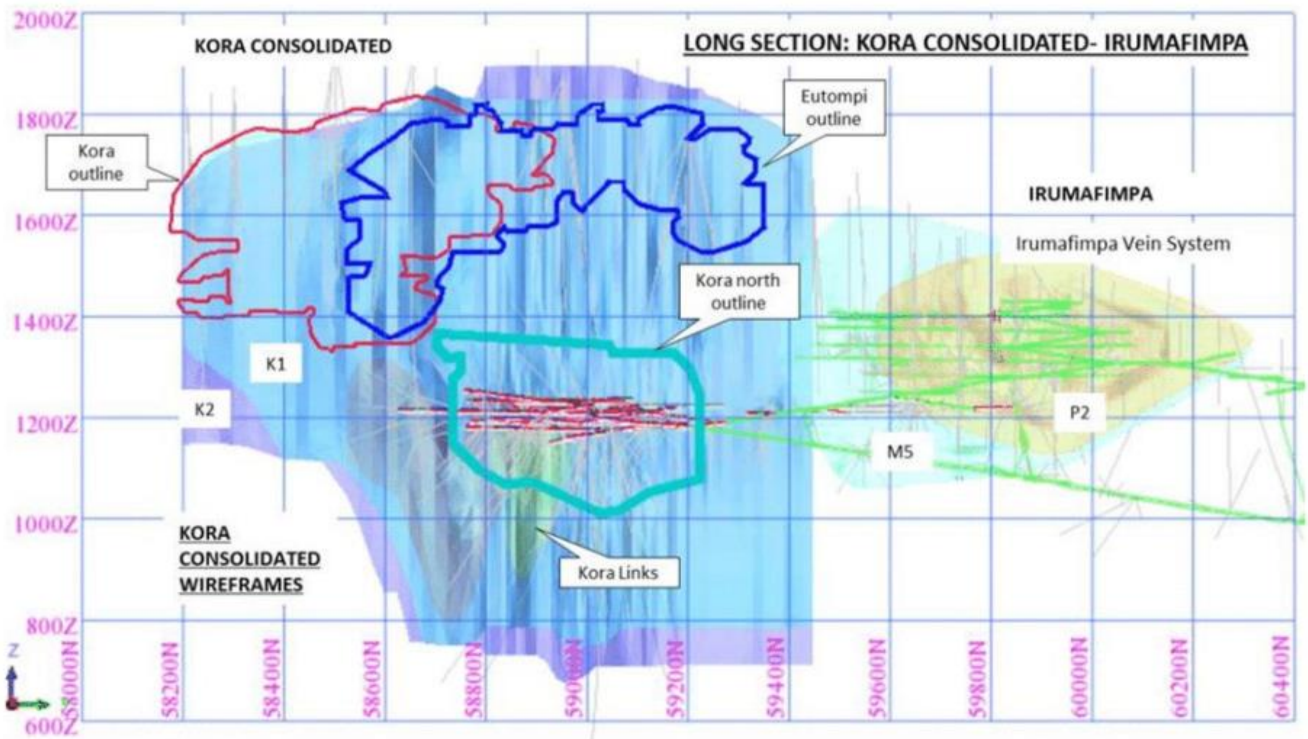
Mineralization on the property includes gold ("**Au**"), silver ("**Ag**") and copper ("**Cu**") occurring in epithermal Au-telluride veins (Irumafimpa), Au Cu-Ag quartz-sulphide veins of Intrusion Related Gold Copper ("**IRGC**") affinity (Kora) and also less explored porphyry Cu Au systems; and alluvial gold. The Kora-Irumafimpa (including Eutompi and Kora North) vein deposit has been demonstrated from the Company's drilling results to be a continuous mineralized structure. The April 2020 MRE has produced the Kora Consolidated deposit. The Irumafimpa deposit has recent mining activity and is reported as a separate mineral resource. The mineralized structure occurs in the centre of a large mineralized system approximately 5 km x 5 km in an area that has been partly delineated by drilling and comprises several individual zones of IRGC and porphyry-style mineralization.

The Kora Consolidated deposit currently comprises two parallel, steeply west dipping, N-S striking quartz-sulphide vein systems, K1 and K2 (see figure on the top of the following page - Geological Interpretation of the Kora Consolidated and Irumafimpa Mineral Systems). An additional structure, the Kora Link, has also been defined and provides a possible link between the two main vein systems. Drilling has confirmed that the overall system has a vertical extent greater than 1000m.

Two stages of mineralization have been recognized; an early sulfide-rich Cu-dominant stage overprinted by a quartz-rich Au-dominant stage with high grade gold associated with tellurides. At Kora Consolidated both the sulphide-rich Cu-dominant and quartz-rich Au-dominant mineralization occur along the same NW trending sub-vertical structure.

The current mineral resources occupy a broad northwest trending mineralized zone more than 2.5 km long and up to 60m wide. Individual veins vary from less than one metre wide that pinch and swell over short distances (i.e., Irumafimpa Au telluride lodes) to more continuous veins up to several metres wide to a maximum of 9m (i.e., Au-the Kora Consolidated Cu-Ag quartz-sulphide lodes).

The Kora Consolidated deposit currently comprises two parallel, steeply west dipping, N-S striking quartz-sulphide vein systems, K1 and K2. An additional structure, the Kora Link, has also been defined and provides a possible link between the two main vein systems. Drilling has confirmed that the overall system has a vertical extent greater than 1000m.



Geological Interpretation of the Kora Consolidated and Irumafimpa Mineral Systems

2020 KORA CONSOLIDATED RESOURCE ESTIMATE

The updated global MRE (using a 1g/t gold cut-off) for the Kora Consolidated deposit effective April 2, 2020 is tabulated below:

Global									
Category	**Mt**	**Au g/t**	**Au Moz**	**Ag ppm**	**Ag Moz**	**Cu %**	**Cu Kt**	**Au_Eq g/t**	**Au_Eq Moz**
Measured	0.66	13.34	0.28	11.6	0.25	0.51	3.4	14.14	0.3
Indicated	2.47	8.44	0.67	16.3	1.29	0.63	15.6	9.46	0.8
Total M & I	**3.13**	**9.47**	**0.95**	**15.3**	**1.54**	**0.61**	**19.0**	**10.45**	**1.1**

Global									
Category	**Mt**	**Au g/t**	**Au Moz**	**Ag ppm**	**Ag Moz**	**Cu %**	**Cu Kt**	**Au_Eq g/t**	**Au_Eq Moz**
Inferred	12.67	7.32	2.98	19.9	8.11	1.10	139.4	9.01	3.7

Mineral resources were estimated and verified by Simon Tear (PGEO), a director of independent consultants H&SC, Sydney, Australia (April, 2020). The mineral resources have been classified under the 2014 CIM Definition Standards for mineral resources and mineral reserves.

Metal equivalents are reported here to give a better indication of potential project value. The Company requested reporting of a AuEq g/t to include copper and silver credits using the formula:

Au g/t +((0.923 x Cu%) x 1.494)) + ((0.77 x Ag g/t) x 0.0115).

Assumptions provided by the Company include:

- Gold price of US$1,400/oz; Silver US$16.05/oz; Copper US$3.05/lb
- Recoveries relative to gold of 92.3% for copper and 77% for silver

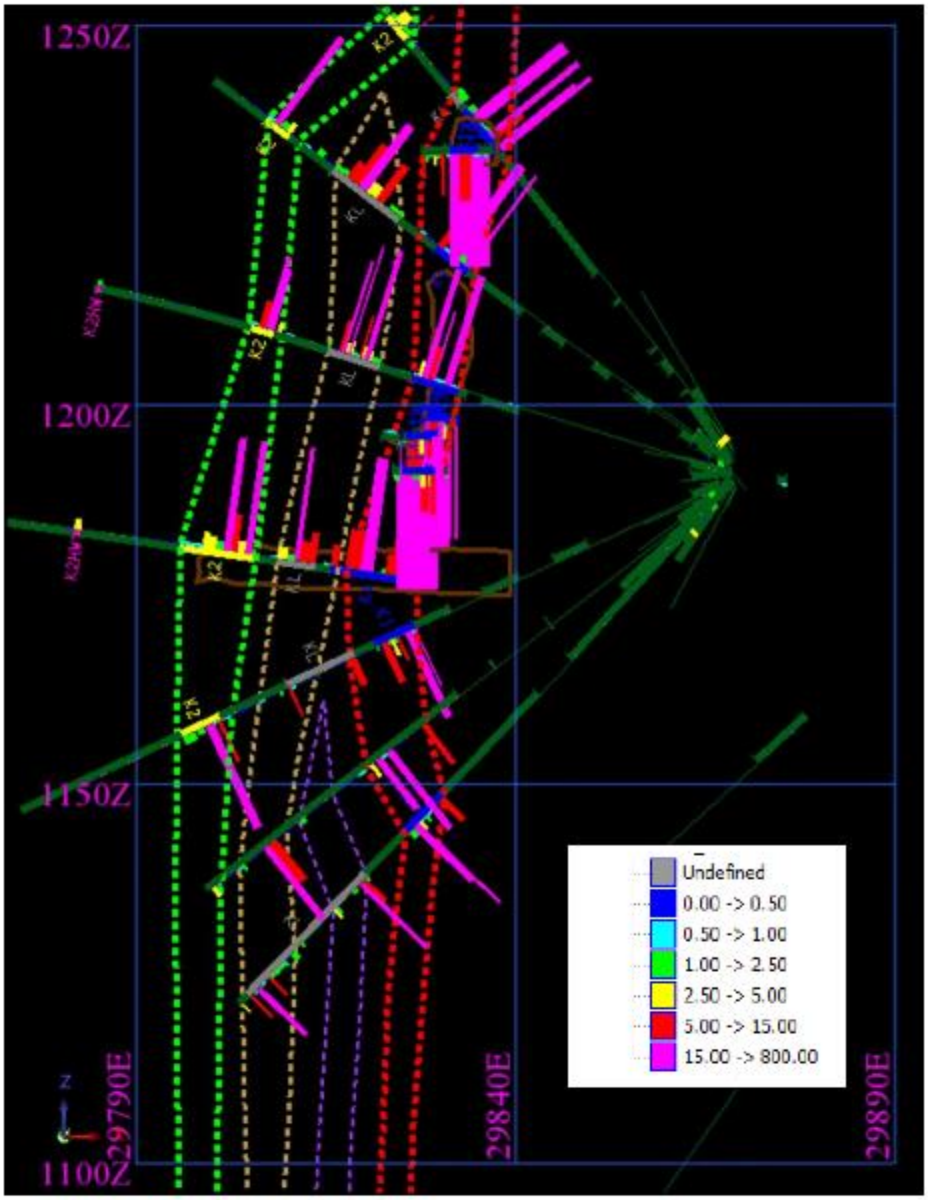
The Kora Consolidated-Irumafimpa (including Eutompi and Kora North) vein deposits have been demonstrated from the Company's drilling results to be a continuous mineralized structure. Drilling from the surface targeted the area above Kora North and below Eutompi enabling the consolidation of the Kora, Eutompi and Kora North deposits in the MRE.

The diamond drilling uses several core sizes at the Kora North deposit, namely LTK60, NQ, NQ2 and HQ. At surface, all holes were collared to various depths in PQ with HQ and NQ used to get competent samples through the lode system. The MRE for the Kora Consolidated deposit were prepared using Ordinary Kriging ("**OK**") in the H&SC in-house GS3 modelling software package. H&SC considers OK to be an appropriate estimation technique for the type of mineralization, its extent, and the nature of the available data. The resource estimation includes some internal low grade material. A 3D interpretation of geological domains as wireframes for the K1, K2 and 3 Kora Link lodes (KL1 to 3) was completed using the Surpac mining software.

Reconciliation of the resource model with the mill production to end of March 2020 is considered good. This would appear to justify the estimation methodology used by H&SC which included the combination of using both drillhole and face sampling data, no widespread use of top cuts, an appropriate composite length, new geological interpretations and search parameters to remove/significantly reduce any smearing of the very high gold grades and thus avoid any subsequent over-statement of the resource estimates. All information in the diagrams has been plotted in the local grid coordinates.

The figure below is a cross section showing drillhole traces with a histogram of gold grades and logged vein. The K2 lode interpretation is shown as a green dash, the K1 lode as a red dash and the brown and purple dash as the Kora Link lodes. The dark brown solid lines represent the current excavations including some K1 stoping.

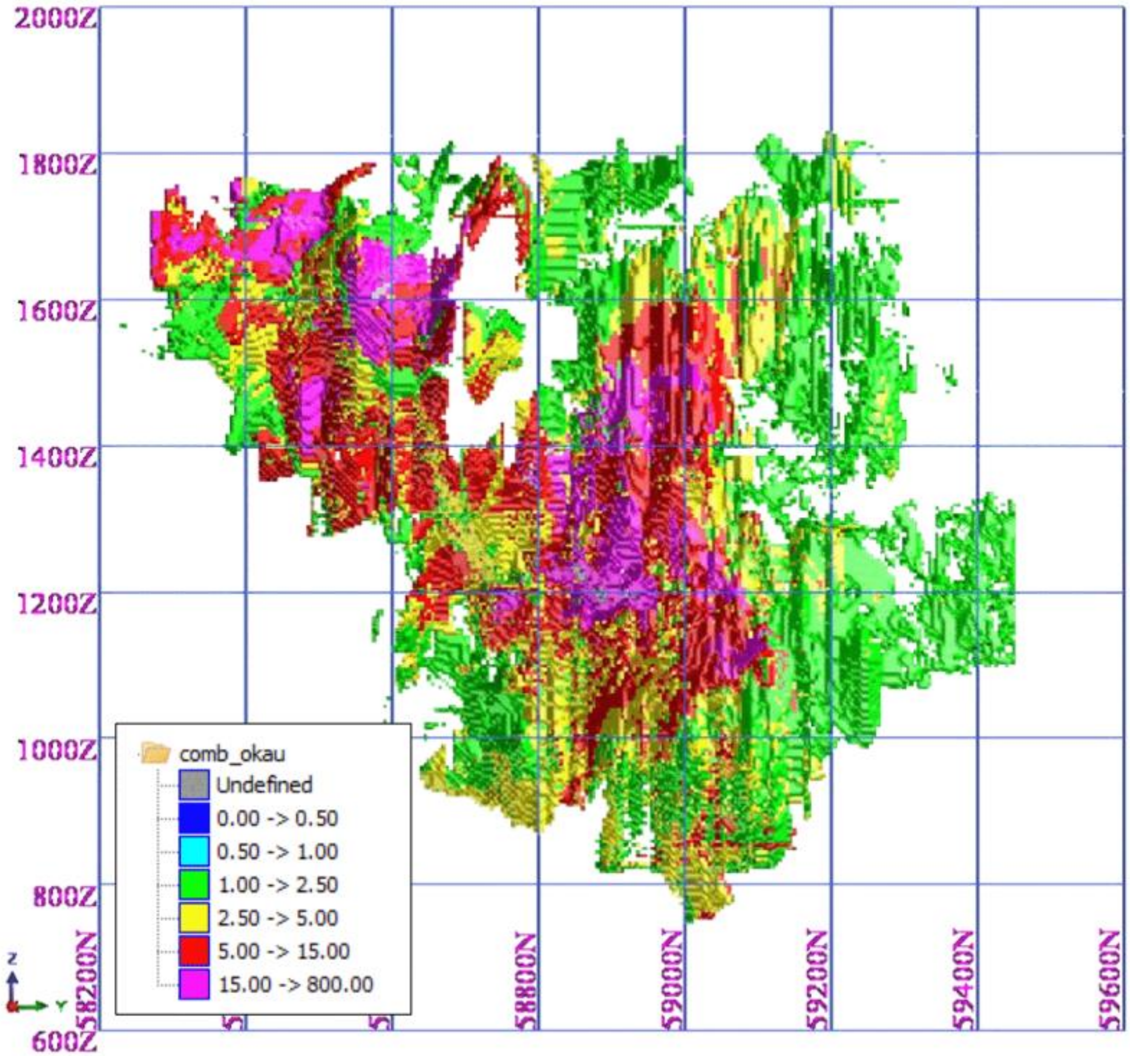
(Note: the lengths of the colour bars are intended to be relevant to the gold grade, but gold grades are so high that the maximum length has been limited at 30g/t)



Geological Interpretation for Kora North Cross Section 58900mN (H&SC)

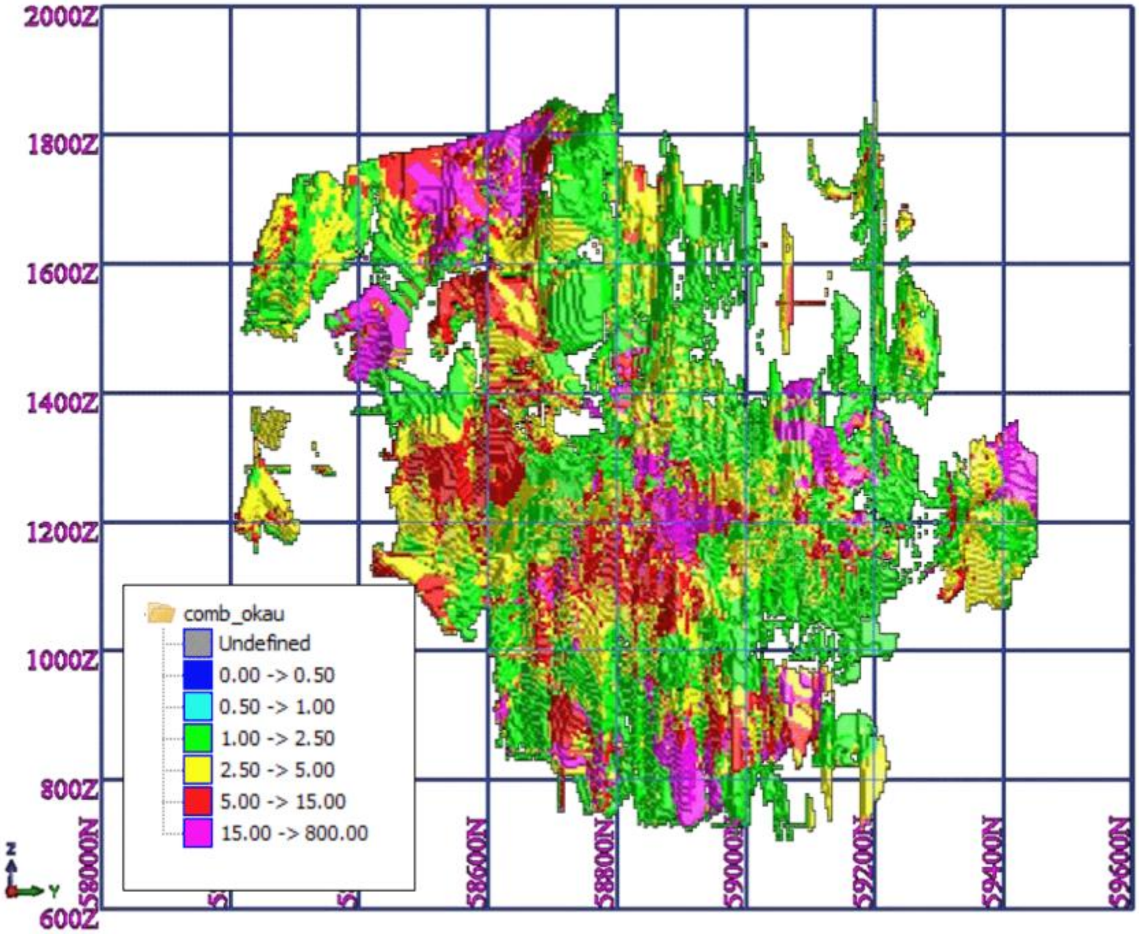
The constraints for reporting the MRE for the K1 lode are uncut gold grade at a 1g/t cut off for block centroids inside the K1 mineral wireframe with mined depletion removed. The constraints for the K2 lode are cut gold grade (to 1000g/t) at a 1g/t cut off for block centroids inside the K2 mineral wireframe with mined depletion removed. The same K1 constraints are used for reporting resource estimates for the Kora Link lodes KL1 and KL3, with the same constraints for the KL2 estimates but for cut gold grade data at 150g/t.

The figure below shows the gold block grade distribution in long section for the K1 lode resource estimates.



K1 Lode Mineral Resources Gold Long Section 1g/t Au Cut Off (H&SC)
(view looking west)

The figure below shows the gold block grade distribution in long section for the K2 lode resource estimates.



K2 Lode Mineral Resources Gold Long Section 1g/t Au Cut Off (H&SC)
(view looking west)

Issues impacting on the mineral resource classification are:

- Geology of the deposit and the style of mineralization: Shear zone hosted gold mineralization is notorious for poor grade continuity. To counteract the complex grade distribution H&SC has fused a combination of composite length, geological interpretation, variography and search parameters to minimise the possible over-statement of grade within the resource estimates. This appears to have been successfully completed based on the block model validation and reconciliation with mill production.

- Sampling methods: The bulk of the resource estimates have been generated from diamond drilling results which is generally considered the best sampling technique (assuming good core recoveries). However, a substantial amount of the high grade assays are from face sampling which can be prone to variance associated with the actual sampling method. It is worth noting that the development and stoping associated with the face sampling appears to be reconcilable with the block model.

- Spacing: The general drill hole spacing and hence data distribution is considered wide for a large part of the deposit. This can impact negatively on the confidence of the grade continuity. The close spaced face sampling and subsequent mining provides a high level of confidence in the gold grade continuity in that area.

- Limited density data: There is an insufficient amount of data for grade interpolation. However, results presented seem to indicate modest variations between and within each lode such that the calculated default values are reasonable. Thus, there is a moderately high level of confidence in the density values used for reporting the tonnage of the resource.

- Sampling and Assaying: No issues were detected with the sample preparation or assaying of the drillcore and face samples for the K92PNG drilling.

- QAQC procedures and outcomes: These are considered to industry standard and the QAQC outcomes impart a high level of confidence in the appropriateness of the sampling methods and the accuracy of the assays.

- Core recoveries: The current recovery of >95% is reasonable but some of the initial drilling was a little low (around the 90% mark). However, the confidence level in the gold grade of the samples is high with no bias associated with core recovery.

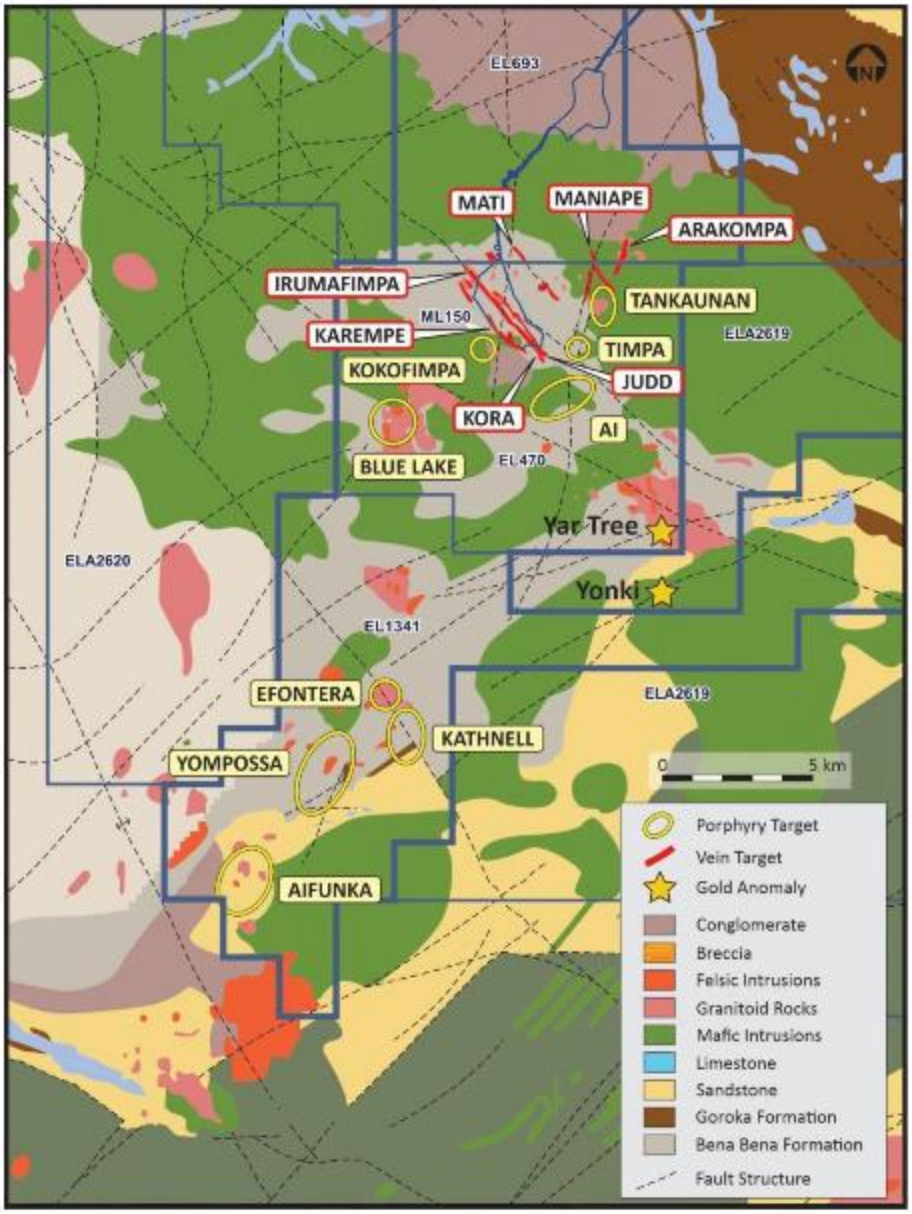
- Reconciliation: Reconciliation reasonable with predicted block model ounces 12% under mill production up to the end of March 2020. This has allowed for a reasonably high level of confidence in the gold content for material in the immediate vicinity of the development drives and mined stopes.

EXPLORATION TARGETS

The Kainantu Project is located in a recognized copper-gold province, as evidenced by the underlying geology and presence of nearby major projects operated by global majors Barrick, Newcrest and Harmony. There remain a significant number of major untested and early stage targets.

Within ML150, the Kora Consolidated lodes are strongly mineralized at the limit of drilling and remain open to the south and at depth. In addition, there is the Judd, Kerempa and other unnamed mineralized lodes parallel to the defined K1 and K2 resource estimates which have economically attractive gold grades in surface outcrops and/or drill samples from limited work to date.

Recent drilling by K92PNG at the Blue Lake prospect within EL470 has highlighted a possible porphyry copper-gold system at depth.



Kainantu geology and known vein and porphyry prospects.
(Source: K92PNG, 2020)

PREVIOUS MINING AND PROCESSING

The processing plant built by Highlands Pacific Limited ("**HPL**") to treat the Irumafimpa lodes used simple processing consisting of crushing, screening and grinding equipment. The sulphide bearing material is processed to liberate the gold by flotation producing a gold-rich flotation concentrate as a saleable product. The plant was operated between 2006 and 2009 and then placed on care and maintenance between January 2009 and September 2016.

Rehabilitation by K92PNG of the Irumafimpa mine, process plant and associated infrastructure commenced in March 2016. The first batch of underground ore from Irumafimpa was treated in October 2016. K92PNG started the Kora mine project by completing the underground incline drive from Irumafimpa to Kora and commencing underground drilling. Since August 2017, operations have been focused on the Kora deposit with underground drilling and development following up on the Kora deposit northern extension discovery.

The existing plant is currently undergoing an expansion to allow ore processing at an increased rate of 400,000 tpa. The expansion encompasses installation of a larger secondary crusher, with the existing crusher relegated to standby service. The existing Flotation circuit has been reconfigured for new Rougher duty with new Cleaner and Re-Cleaner Flotation Cell banks added. The existing Concentrate Filter Press is being upgraded to maximise capacity.

SCOPING STUDIES

The Technical Report is preliminary in nature. It is based on a mine plan that includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Additionally, further geotechnical assessment is required to confirm the feasibility of stope designs. There is no certainty that the preliminary economic assessment will be realized.

The Technical 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 but are not limited to: (i) 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; and (ii) that the anticipated rates of production and production costs will be achieved. Project failure will adversely impact the Company’s future profitability.

Key points and estimates from the Kora mining study prepared by AMDAD are:

- Resource drilling has linked mineralization that was previously two separate areas, Kora and Kora North, into a single continuous zone. The June 2020 mineral resource estimate and the updated PEA mine plan now refer to the combined deposit simply as Kora.

- The mine plan has been updated with the latest resource to target a 1Mtpa production rate. It is based primarily on longhole stopping with an optimized cutoff grade of 5.5g/t gold equivalent.

- Some “incremental” stope material is also included at the end of the mine life. This is material that is below the optimal cut-off grade of 5.5 g/t gold equivalent but above the marginal economic cut-off grade of 3.04 g/t gold equivalent.

- The mine plan and PEA estimates are for mining operations from 1 January 2021 onwards, modelling the project expansion from 400ktpa to 1Mtpa. The production estimates exclude those parts of the mineral resources that were, or are planned to be, extracted between April 1, 2020 and December 31, 2020.

- The updated Kora mine design includes 118,485m of lateral development and 6,951m of vertical development.

- Planned treatment totals 9.8Mt tonnes at 8.8 g/t gold, 1.0% copper, 18 g/t silver, (10.4g/t gold equivalent) over the 12-year LOM plan. This comprises 2,240kt from development and 7,547kt from stoping.

- This production would generate an estimated positive pre-tax cash flow of US$2,856 million using the following metal prices: gold US$1500/oz, copper US$3.0/lb, silver US$18/oz. This pre-tax cashflow includes allowances for capital.

- Production is estimated at 2.64M oz gold, 88kt copper and 4.25M oz silver (3.10M oz gold equivalent) over the LOM. The LOM production cost, including capex and sustaining capex, is estimated at US$523/oz gold and US$447/oz gold equivalent.

- The PEA production estimates would generate a simple pre-tax discounted cashflow of US$2,061 million; using the PEA metal prices stated above, and a 5% discount rate.

- The PEA production estimates would generate, using information and tax computations provided by the Company, a simple after-tax discounted cashflow of US$1,569 million; using the PEA metal prices stated above, and a 5% discount rate.

- The LOM capital cost breakdown is summarised in the table below.

Capital Cost Breakdown

Capital Type	US$M
Up-front Capital	125
Sustaining Capital	341
Total	466

- Operating cost is estimated to be US$94/tonne of ore for the LOM.

- The estimated pre-tax cashflow for 2021 onward is always positive indicating that the new 1Mtpa mill and mine capital will be self-funding.

- The sensitivity of pre and, using information and tax computations provided by the Company, after-tax DCF5% to gold price is shown in the table below.

Pre-tax and after-tax DCF5% sensitivity to gold price

Gold Price, US$/oz	Pre-Tax DCF5%, US$M	After-Tax DCF5% US$M
1,400	1,875	1,439
1,500	2,061	1,569
1,600	2,247	1,700
1,700	2,433	1,830
1,800	2,619	1,960

MINING OPERATIONS

The Stage 3 expansion mine plan is designed as an incline access operation with a series of ore passes for efficient gravity material movement amongst sublevels and ultimately to the twin incline for material transport to surface. Life of mine tonnage from the Technical Report mine plan is approximately 80%

from long hole open stoping and 20% from cut and fill mining methods. Both mining methods have already been successfully applied at the Kora deposit, with long hole stoping utilizing the AVOCA and modified AVOCA methods. The application of cut and fill mining is greatest during the earlier parts of the mine plan until the paste fill plant is constructed in 2022. Prior to the implementation of the paste fill plant, fill is exclusively unconsolidated waste backfill.

Stopes were identified for the mine plan based on the CAE Mineable Shape Optimiser ("**MSO**") program at an elevated diluted cut-off grade of 5.5 g/t AuEq. An elevated cut-off grade was selected as this provided the greatest discounted cash flow while resulting in only a moderate reduction in gold equivalent ounces produced. Stope shapes with uneconomic development access were excluded. Dilution was calculated based on a 0.5m dilution skin for both the footwall and hanging wall using the MSO program for a minimum stope width of 3.0 metres. An additional dilution factor of 8% (12% for K1) was then applied to account for external dilution from backfill and additional falloff. The overall dilution range is 21% to 41%, with K1 and K2 averaging 31% and 26% dilution, respectively. A simple mining recovery factor of 90% for long hole to 95% for cut and fill was applied. The life of mine average head grade is 8.8 g/t Au, 1.0% Cu and 18 g/t Ag or 10.4 g/t AuEq.

The mine plan involves operating at the stage 2 400,000-tonnes-per-annum throughput rate until late-2023 when the stage 3 expansion is online. In 2024 to the end of the mine life, the designed throughput rate is 1 mtpa.

NEW TREATMENT PLANT

Design criteria, process flow sheets and a mass balance for a new standalone 1Mtpa plant treating material from a copper-gold sulphide deposit have been developed. The design and equipment selection is based on current site experience with operational improvements.

Conventional single stage crushing followed by a SAG milling circuit was chosen in place of the current multi stage crushing and ball mill circuit based on the nature of the ore, the potential that the clay content in plant feed will increase and the relatively high rainfall experienced during the wet season at Kainantu. The milling circuit includes flash flotation and a gravity circuit to capture free gold for smelting on site to produce gold dore.

Conventional sulphide flotation, thickening, filtering and concentrate drying are employed to produce a high grade concentrate that is loaded into shipping containers for transport to smelters.

Process Plant Capital Costs

The total estimated installed capital cost for the 1Mtpa Processing Plant is US$46.26 million and includes a ±30% contingency allowance of US$10.67 million.

The total estimated installed capital cost for the new centralised power station and 11kV reticulation is US$15.8 million and includes a ±30% contingency allowance of US$3.65 million.

Process Plant Operating Costs

Total annual processing cost for a 1Mtpa throughput is estimated as USD$24.37 million with plant reagents (20%) and power (28%) the major components.

Tailings Management

The expansion of the processing plant will result in an increase in the volume of tailings. The Company aims to increase the capacity of their existing tailings storage facility (TSF) to ensure there is sufficient space to store the increased tailings volume.

As part of the proposed 1 Mtpa Expansion a Paste Fill system is proposed for stopes underground. This system has the added advantage of placing tailings material underground, thereby reducing the volume of tailings disposed in the existing storage tailings facility.

This is a technically proven and safe option at similar operations that would substantially increase the storage capacity of tailings produced by the mine.

The preliminary assessment of this solution has confirmed the viability of this option. It involves a dewatering process located at the processing plant and the thickened tailings pumped to a paste plant located at the 800 Portal.

K92PNG engaged Mincore to assess the option of recycling of the tailings to produce backfill material for the underground operation. The design criteria, process flow sheets and a mass balance for the waste management to recycle the tailings as paste backfill, will be used for the 1Mtpa process plant expansion. The design and equipment selection is based on current site experience with operational improvements.

A Continuous Paste Plant at the 800 Portal is confirmed as the preferred option due to the simplicity in operation, capital cost and operating cost. The total estimated installed capital cost for the 1Mtpa processing plant to recycle the tailings as paste backfill is estimated to be US$19.8 million which includes a ±30% contingency allowance of US$4.57 million.

Annual operating cost for the 1Mtpa processing plant to recycle the tailings as paste backfill is estimated as USD$6.8 million.

RECOMMENDATIONS

Exploration

The general drill hole spacing and hence data distribution is considered wide for a large part of the Kora Consolidated deposit. This impacts negatively on the variography, which in turn indicates that much closer spaced drilling is required for more confidence in the grade continuity, which in turn is reflected in the resource classification. Thus a significant infill drill program, initially at 50m centres, is required to upgrade the resource estimates.

The Company should also look to continue drilling for resource extensions to veins within or close to ML150. The Kora South prospect has numerous artisanal workings and mineralized outcrops. Drill testing is proposed for 2020. The target has not previously been drilled.

There is an insufficient amount of density data for grade interpolation and thus a revision to the density measuring protocol is required to generate more density data with upcoming drilling.

The two-year work program for EL470 includes a proposed minimum expenditure of PGK 1,200,000 (Year 1 PGK 600,000; Year 2 PGK 600,000) for the period ending February 4, 2021. Additional drilling to delineate the lateral extent of the propylitic mineralized shell more closely at the Blue Lake (Kotampa) prospect is planned in 2020 followed by deeper targeted drilling to locate a deeper potassic core.

The two-year work program for EL693 includes a proposed minimum expenditure of PGK 1,000,000 (Year 1 PGK 500,000; Year 2 PGK 500,000) for the period ending February 4, 2021. Work will focus on further evaluation of the Maniape and Arakompa prospects which both have historical resource estimates.

A proposed expenditure of PGK 800,000 (Year 1 PGK 400,000; Year 2 PGK 400,000) has been submitted for EL1341 (for the 2-year period ending June 20, 2020) with priority targets at Yompossa (Yanabo) and Yauna.

Mine

The following investigations are recommended to increase confidence in the mine plan and in the technical feasibility and economic viability of the project. It is proposed that this work will be completed in conjunction with a Mining Feasibility Study that would be underpinned by the next phase of resource upgrade work.

- Geotechnical Feasibility Study including:
  - Geotechnical Data Collection, Data Review and Compilation
  - Update geotechnical model
  - Geotechnical Analysis, to confirm:
    - K1 Mining Method
    - Development location, standoff distances, profile sizes
    - Vent raise assessment
    - Mining sequence
    - Stope dimensions
    - Backfill Requirements
    - Dilution estimates
    - Ground support requirements
- Trial Stoping, in conjunction with the Geotechnical Feasibility Study.
- Hydrogeological investigations by hydrogeological specialists to improve confidence in estimates of water inflows, and to underpin the mine water management plan.
- A comprehensive ventilation study to analyse all ventilation options including VentSim modelling of airways to determine airflows, pressures, air power and fan specifications. Vent rise paths will need geotechnical investigations.
- The feasibility of raiseboring holes from surface greater than 500m long to consider the implications, timing and costs involved.
- Paste Fill Feasibility Study including:
  - Tailings and paste testwork to confirm the feasibility and viability of paste fill, including cement (or similar) addition to achieve required fill strengths,
  - Paste plant design and capital and operating cost estimates, and
  - Paste delivery system design, including operating and capital costs.

- A Mining Fleet, Materials Handling and Cost Study including:
  - Assessment of equipment required for development and production, covering specifications, capability, productivity, operating cost, training, maintenance.
  - Detailed design of the dedicated truck haulage-way system for ore including:
    - Truck-loading arrangements, ore pass layouts, stockpiles and chutes, and
    - Assessment of number and size of trucks required to meet the expansion production targets.
  - Mullock handling and stowage, in conjunction with backfill study, including a materials mass-balance analysis.
  - Ancillary materials including aggregate for incline and road sheeting and production blasthole stemming.
  - Associated mining cost estimates.

Treatment Plant

The following investigations are recommended to increase confidence in the treatment plant technical feasibility. It is proposed that this work will be completed during the Feasibility Study.

- Test work is required to validate design assumptions, give greater confidence in the selection of equipment and identify operational enhancements.
- Filter testwork and the subsequent selection of the type of filter equipment may allow the production of a filter cake which does not require further drying. This would eliminate one unit operation with associated production risk(s) and the associated capital and operating cost.
- Reagent screening of fluorine depressants may identify a more effective depressant resulting in the reduction or elimination of smelter penalties.
- Examination of the plant operating pH may identify that a lower pH is optimal resulting in reduced lime consumption and more pyrite to concentrate (subject to smelter requirements).
- A review of the need for direct truck tipping could result in reduced capital for the crusher feeder installation and remove trucks from the immediate area of the crusher, thereby reducing congestion and improve vehicle safety on the ROM pad.
- A review of the plant layout, especially the flotation area, may identify process streams that can flow by gravity and do not need pumping, resulting in capital and operating savings.

RISK FACTORS

The exploration, development and mining of natural resources are highly speculative in nature and are subject to significant risks. The risk factors noted below do not necessarily comprise all risks faced by us. Additional risks and uncertainties not presently known to the Company or that the Company currently *considers immaterial may also impair the Company's business, operations and future prospects. If any of the following risks actually occur, the Company's business may be harmed and its financial condition and results of operations may suffer significantly.*

Risks related to the Company's business

1. COMMODITY, CURRENCY AND MARKET RISKS

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. The current COVID-19 global health pandemic is significantly impacting 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 have been implemented in Canada, Australia, Papua New Guinea and the rest of the world in response to the impact of the COVID-19. While the global impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and 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, it could have an adverse impact on our business, results of operations, financial position and cash flows.

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, silver or copper price declines could cause commercial production or the development of new mines to be impracticable or unpredictable. If gold, silver and/or copper prices decline significantly, or decline 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 Company's agreements with its partners. 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.

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, prepayments, receivables, accounts payable and accrued liabilities and lease liabilities; and

- Translation exposure: the consolidated financial statements of the Company are presented in U.S. dollars, which is the functional currency of K92 Holdings and K92PNG. The Company has a functional currency of the Canadian dollars and K92 Australia has a functional currency of the Australian dollars. As a result of the foregoing, translation foreign exchange gains and losses are included in the determination of profit or loss. Therefore, as the exchange rates between the United States dollar, the Canadian dollar, Australian dollar and Papua New Guinea kina fluctuate, 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.

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 AIF.

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.

2. PRODUCTION, MINING, AND OPERATING RISKS

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 certain of 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; underground mining risks but not limited to fire, explosions, ventilation and gases, heavy machinery, electrical safety and cave-ins or slides; flooding; periodic interruption due to inclement or hazardous weather conditions; and other conditions involved in the drilling, blasting 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 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 Annual Information Form 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 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 including building mining and processing facilities for new properties are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build 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; adequate 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; 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 AIF.

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.

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 Technical 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 thereof will be upgraded to proven and probable mineral reserves as a result of continued exploration.

- 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 Technical 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 but are not limited to: (i) 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; and (ii) that the anticipated rates of production and production costs will be achieved. 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 proven and probable mineral 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 than the Company 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 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.

Failures of information systems or information security threats.

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.

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. 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'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 matters.

3. 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; 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 federal, 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 federal government pursuant to the 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.

Generally, the Papua New Guinea government has the right 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 political instability 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.

The Company encounters illegal mining on its properties.

There has been and continues to be illegal mining activities on the Company's mineral properties. For the most part, the illegal mining is restricted to the oxidised 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.

4. 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; water and air quality regulations; protection of endangered and protected species; social legislation; 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 foreign jurisdictions, and adverse changes to the taxation laws of such foreign 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 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;
- Approval to recruit non-citizens;
- Gold export licence;
- Export consignment form;
- Establishing foreign bank accounts to meet exchange control requirements;
- Tax clearance certificates for transfer of funds out of Papua New Guinea.

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 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 or 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 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. 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. According to Transparency International, Papua New Guinea is perceived as having fairly high levels of corruption relative to Canada. 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. 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.

5. 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'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.

Dilution

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.

6. 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 non-governmental organizations ("**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. 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 "key-man" 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 unionized and non-unionized employees. The Company may not be able to satisfactorily renegotiate its collective labour agreements when they expire and may face tougher negotiations or higher wage demands than would be the case for non-unionized labour. In addition, 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 us 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 work-force can be classified as unskilled or semi-skilled labourers, as a result of which it may be difficult for employers 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.

DIVIDENDS

We have not declared any dividends or distributions on our Common Shares since our incorporation. The Board may declare from time to time such cash dividends or distributions out of the monies legally available for dividends or distributions as the Board considers advisable. Any future determination to pay dividends or make distributions will be at the discretion of the Board and will depend on our capital requirements, results of operations and such other factors as the Board considers relevant.

DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized share capital consists of an unlimited number of Common Shares without par value and an unlimited number of Preferred Shares without par value. As at the date of this AIF, 219,162,197 Common Shares and nil Preferred Shares (see *Three Year History – 2019 Developments*) are issued and outstanding.

COMMON SHARES

The holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, the holders of Common Shares will be entitled to receive on pro rata basis, after all amounts to which the holders of Preferred Shares are entitled to have been distributed, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of Common Shares are entitled to receive any dividends declared by the Company in respect of the Common Shares, subject to the rights of holders of other classes ranking in priority to the Common Shares (specifically the holders of Preferred Shares) with respect to the payment of dividends, on a pro rata basis.

PREFERRED SHARES

As of the date of this AIF, there are nil Preferred Shares issued and outstanding. The holders of Preferred Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Preferred Share carries the right to one vote. The holders of Preferred Shares are entitled to receive any dividends declared by the Company in respect of the Preferred Shares, on a pro rata basis.

The Preferred Shares are convertible into Common Shares at a conversion rate of 1:1, subject to certain adjustments. The Preferred Shares may be convertible to Common Shares at a conversion rate of 1:1.5 in certain events, including: commencement of proceedings for winding-up, liquidation, bankruptcy or dissolution of the Company; transfer of all of the shares or sale of all or substantially all of the assets of the Company; there is a take-over bid or exchange offer, merger or other business combination transaction, consolidation or arrangement in respect of the Company, there is a breach of the GPA or other related agreements between the Company and CRH; there is a sale of the Irumafimpa or Kora deposits, other than pursuant to an internal reorganization; and ML150 or the Company’s right in ML150, is cancelled, extinguished, terminated, revoked or forfeited.

Without the consent of all of the holders of the Preferred Share, the Company cannot make any distributions of any kind to the holders of any other class of shares until the Company has converted or redeemed all of the Preferred Shares.

If a liquidation event occurs, then, before any assets of the Company can be distributed to the holders of any other class of shares, the holders of Preferred Shares are entitled to receive the greater of:

1. 1.5 times the subscription price paid for each Preferred Share; and

2. an amount a holder of Preferred Shares would be entitled to receive on an as-converted to Common Shares basis.

So long as there are any Preferred Shares issued and outstanding, without the affirmative vote or written consent of: (i) 75% of the votes attaching to the then outstanding Preferred Shares; and (ii) 75% of the votes attaching to the then outstanding Common Shares; the Company shall not by amendment of its articles or through any reorganization, recapitalization, transfer of assets, amalgamation, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under its Articles and the Company shall at all times in good faith assist in the carrying out of all the provisions hereof and in the taking of any action necessary or appropriate in order to protect the conversion, redemption and liquidation rights of the Preferred Shares against impairment.

In addition, the Company cannot, directly or indirectly, without the affirmative vote or written consent by the holders of at least 75% of the votes attaching to then outstanding Preferred Shares: increase the number of directors from six; effect a liquidation event; enter into or effect any transaction involving a non-arm's length person (other than Affiliates), including the issue of any additional securities (other than pursuant to the grant and exercise of options); amend, restate or waive any provision of its Articles; purchase or redeem any Common Shares; effect any take-over bid or exchange offer, merger or other business combination transaction; sell or transfer all or substantially all of its assets of the Company; and permit ML150 to lapse, expire or be terminated or the loss of any material permit to mine and process ore at Irumafimpa.

WARRANTS

As of the date of this AIF, the Company has nil share purchase warrants outstanding, under which Common Shares may be issued.

STOCK OPTIONS

The Company's stock option plan (the "**Stock Option Plan**") was prepared by the Company in accordance with the policies of the TSXV and is in the form of a "rolling 10% plan" reserving for issuance upon the exercise of options granted pursuant to the Stock Option Plan a maximum of 10% of the issued and outstanding common shares. As of the date if this AIF, the Company has stock options outstanding to purchase 16,094,590 common shares at exercise prices from C$0.45 to C$7.25 per share with original terms of 5 years, and with the last options expiring on November 19, 2025. Based on the Company having 219,162,197 Common Shares outstanding on November 20, 2020, a total of 5,821,630 options are available for issuance under the Stock Option Plan.

MARKET FOR SECURITIES

TRADING PRICE AND VOLUME

Our Common Shares are listed for trading on the TSXV under the symbol "KNT". The following table sets out the market price range and trading volumes of our Common Shares on the TSXV for year ended December 31, 2019.

Year	**Month**	**High (C$)**	**Low (C$)**	**Volume (no. of shares)**
2019	December	$2.96	$2.37	10,423,012
2019	November	$2.67	$1.83	20,923,600
2019	October	$2.50	$2.09	6,881,360
2019	September	$2.23	$1.66	11,641,692
2019	August	$2.60	$1.80	18,029,379
2019	July	$2.67	$1.76	12,972,485
2019	June	$1.89	$1.59	6,175,665
2019	May	$1.76	$1.27	5,796,357
2019	April	$1.75	$1.42	8,605,388
2019	March	$1.57	$1.07	12,212,042
2019	February	$1.24	$1.06	7,964,027
2019	January	$1.20	$0.84	10,907,959

On December 1, 2020, the closing price of our Common Shares on the TSXV was C$7.83 per share.

PRIOR SALES

The following table summarizes the issuances of securities convertible or exercisable for Common Shares by us during the year ended December 31, 2019.

Date of Issue	Number of Securities	Security	Price per Security (C$)
January 31, 2019	250,000	Stock Options	1.10
May 30, 2019	2,175,000	Stock Options	1.67
July 4, 2019	690,000	Stock Options	1.85
September 16, 2019	1,265,000	Stock Options	1.92
September 23, 2019	150,000	Stock Options	1.92
October 1, 2019	50,000	Stock Options	2.13
November 22, 2019	225,000	Stock Options	2.17

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the name, municipality, province or state of residence, position held with us, the date of appointment of each of our current directors and executive officers, principal occupation within the immediately preceding five years and the shareholdings of each director and executive officer as at the date of this Annual Information Form. The statement as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the directors and executive officers named below is in each instance based upon information furnished by the person concerned and is as at the date of this Annual Information Form. Our directors hold office until the next annual general meeting of the shareholders or until their successors are duly elected or appointed.

Name and Province or State and Country of Residence	Position with K92	Principal Occupation During Past Five Years	Director/Officer Since	Number of Voting Securities(1)
R. Stuart Angus(3)(6) British Columbia, Canada	Independent Chair and Director	Chair of the Company since May 2016, Chair of San Marco Resources Inc. and Kenadyr Mining (Holdings) Corp.; independent business advisor to the mining industry.	May 2016	1,349,261
John D. Lewins(5) Western Australia, Australia	CEO and Director	Chief Executive Officer of the Company since August 2017; Chief Operating Officer of the Company from May 2016 to August 2017; Executive Director of African Thunder Platinum SA from October 2014 to February 2016; Principal at Mining, Processing and Project Consulting Pty Ltd. since July 2013; Managing Director of Platinum Australia from October 2000 to June 2012.	May 2016	2,369,000

Name and Province or State and Country of Residence	Position with K92	Principal Occupation During Past Five Years	Director/Officer Since	Number of Voting Securities[1]
Justin Blanchet British Columbia, Canada	CFO	Chief Financial Officer of the Company since May 2016, co-owner of Red Fern Consulting Ltd. since January 2011 and through Red Fern has held officer roles with various publicly listed companies.	May 2016	570,000
Mark Eaton[2][3][6][9] Ontario, Canada	Director	Executive Chairman of Belo Sun Mining Corp. since February 2010; CEO and President of Belo Sun Mining Corp. from March 2010 to August 2014; Independent Business Consultant since March 2008.	May 2016	100,000
Saurabh Handa[2][4][6][7] British Columbia, Canada	Director	Principal of Handa Financial Consulting Inc.; Chief Financial Officer of Titan Mining Corp. from March 2017 to January 2018; Vice President, Finance of Imperial Metals Corp. from February 2016 to March 2017; Senior Corporate Controller of Imperial Metals Corp. from August 2015 to February 2016; CFO of Meryllion Resources Corp. from January 2014 to February 2015; CFO of Yellowhead Mining Inc. from January 2012 to January 2014.	May 2016	170,000
John (Ian) Stalker[3][5][6] Cascais, Portugal	Lead Director	Chair of Helium One Ltd. exploration and development company since April 2019; Chief Executive Officer of LSC Lithium Corporation from 2017 until 2019; Chief Executive Officer of the Company from May 2016 to August 2017; director of Nexus Gold since 2018; director of Condor Gold plc since 2019; Chairman of Plateau Energy Metals Inc. from 2013 until 2019.	May 2016	737,950

Name and Province or State and Country of Residence	Position with K92	Principal Occupation During Past Five Years	Director/Officer Since	Number of Voting Securities[(1)]
Graham Wheelock[(4)(6)] Auckland, New Zealand	Director	Managing Director of PolyNatura Corp. since January 2018; Mining Consultant for Belgravia Capital International Inc. (formerly IC Potash Corp.) January 2015 until December 2017; Group Executive New Business Development for Gem Diamonds plc from July 2005 to July 2013.	May 2016	Nil
Cyndi Laval British Columbia, Canada	Director	Partner at the law firm of Gowling WLG (Canada) LLP.	November 2019	Nil
Anne Giardini[(2)(4)(8)] British Columbia, Canada	Director	Corporate Director, Author, Speaker and Consultant; Director CMHC since 2018; Director Pembina Institute since 2020; Governor and Past Chair of Vancouver Board of Trade; Chair, BC Achievement Foundation since 2016.	July 2020	Nil
Christopher Muller Sydney, Australia	Vice President Exploration	Vice President, Exploration of the Company since October 2017; Exploration Manager of the Company from 2016 until 2017; Country Manager and Chief Geologist of Papua Mining plc from 2011 until 2016.	October 2017	150,000
Warren Uyen[(5)] Perth, Australia	Senior Vice President, Operations	Senior Vice President, Operations since 2018; Executive General Manager Underground for Macmahon Holdings Ltd. from 2017 to 2018; Mining Manager for Millennium Minerals from February to July 2017; General Manager of White Mountain Mine for Eldorado Gold from 2012 until 2017	May 2019	153,800
David Medilek British Columbia, Canada	Vice President, Business Development and Investor Relations	Vice President, Business Development and Investor Relations of the Company since June 2019; Equity Research Analyst at Macquarie Group Limited Mining from 2016 until 2019; Mining Investment Banking Associate at Cormark Securities Inc. from 2011 until 2016.	June 2019	Nil

Notes:

(1) The information as to the nature of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the directors and executive officers, not being within our knowledge, has been furnished by such directors and officers.

(2) Member of the Audit Committee.

(3) Member of the Compensation and Benefits Committee.

(4) Member of the Nominating and Corporate Governance Committee.

(5) Member of Health and Safety Committee.

(6) Member of the Special Committee.

(7) Mr. Handa is the chair of the Audit Committee.

(8) Ms. Giardini is the chair of the Nominating and Corporate Governance Committee.

(9) Mr. Eaton is the chair of the Compensation and Benefits Committee.

(10) Mr. Lewins is the chair of the Health and Safety Committee.

(11) Mr. Angus is the chair of the Special Committee.

SHAREHOLDINGS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this AIF, our directors and executive officers, as a group, beneficially owned, or controlled or directed, directly or indirectly, 5,600,011 Common Shares, representing approximately 2.56% of the issued and outstanding Common Shares.

CEASE TRADE ORDERS OR BANKRUPTCIES

Except as disclosed below, none of our directors or executive officers is, as at the date of this Annual Information Form, or was within 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including K92), that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of subsections (a) and (b), “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, and in each case that was in effect for a period of more than 30 consecutive days.

None of our directors or executive officers, or a shareholder holding a sufficient number of our securities to affect materially the control of K92:

(a) is, as at the date of this Annual Information Form, or has been within the 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including K92) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Saurabh Handa was a director of Banks Island Gold Ltd. ("**Banks Island**") from June 7, 2011 to July 28, 2015. On January 8, 2016, Banks Island announced its intention to make an assignment into bankruptcy and Industry Canada accepted that assignment effective January 8, 2016. The assignment was also filed with the Office of the Superintendent of Bankruptcy the same day.

John Lewins was a director of Platinum Australia Limited ("**Platinum Australia**"), a company listed on the Australian Stock Exchange ("**ASX**") when, on June 28, 2012, Bryan Hughes of Pitcher Partners Accountants, Auditors & Advisors was appointed Voluntary Administrator of the company pursuant to Section 436A of the Australia Corporations Act.

The decision was made due to operational issues at the company's Smokey Hills platinum mine, combined with decreasing commodity prices. Mr. Lewins remained a director of Platinum Australia until December 2014, while the company was still in Administration status. Under the Corporations Act, all powers of the directors ceased on the appointment of the Administrator.

The Administrator found that the company had not traded while insolvent and that the directors had not committed any offences.

Platinum Australia was still in Administration when it was suspended from the ASX on August 31, 2015. The Administrator subsequently made an application for Platinum Australia to be wound up voluntarily.

The foregoing information, not being within our knowledge, has been furnished by the respective directors, officers and shareholders holding a sufficient number of our securities to affect materially control of K92.

PENALTIES OR SANCTIONS

None of our directors or executive officers, or a shareholder holding a sufficient number of our securities to affect materially the control of K92, has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision regarding us.

The foregoing information, not being within our knowledge, has been furnished by the respective directors, officers and shareholders holding a sufficient number of our securities to affect materially control of K92.

CONFLICTS OF INTEREST

Certain directors and officers of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring and exploiting natural resource properties. These associations to other public companies in the resource sector may give rise to conflicts of interest from time to time. Under the laws of the Province of British Columbia, the directors and senior officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company. If such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will disclose such interest in a contract or transaction and will abstain from voting on any resolution in respect of such contract or transaction.

CODE OF ETHICS

We have adopted a code of business conducts and ethics, which is applicable to all directors, officers and employees. A copy of the code can be obtained from our website at www.K92Mining.com.

AUDIT COMMITTEE

The Company's Audit Committee is governed by an audit committee charter. A copy of the Company's Audit Committee Charter is attached hereto as Schedule "A". The Audit Committee Charter may also be obtained upon request to the Company's Corporate Secretary or through its website at www.K92Mining.com.

The Audit Committee is responsible for the review of both interim and annual financial statements for the Company. Board approval of interim financial statements is delegated to the Audit Committee. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditor of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditor.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee must consist of at least three directors, all of whom must be independent and "financially literate" (within the meaning of applicable requirements or guidelines for audit committee service under securities laws or the rules of any applicable stock exchange, including NI 52-110. The Company's Audit Committee is composed of three independent directors: Saurabh Handa (Chair), Mark Eaton and Anne Giardini.

All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience and expertise necessary to read, understand and analyze financial statements of the Company, as well as understand the complexity of issues, accounting principles, internal controls and procedures necessary for the Company's financial reporting.

Each of the Audit Committee members have education and experience that is relevant to the performance of their responsibilities as audit committee members, as disclosed below.

Saurabh Handa – Mr. Handa is a mining professional with diverse senior experience that includes finance, mergers and acquisitions and multi-jurisdictional public company disclosures. He is currently the Principle at Handa Financial Consulting Inc. Previously he held the position of CFO of Titan Mining Corp., Vice President, Finance of Imperial Metals Corp., CFO of Meryllion Resources Corp., CFO of Yellowhead Mining Inc. and Controller for SouthGobi Resources Ltd. Mr. Handa also served as a director and Chair of the Audit Committee for Banks Island Gold Ltd.

Mr. Handa is a Chartered Accountant and graduated with Honours from the University of British Columbia with a diploma in Accounting. Prior to joining the accounting profession, Mr. Handa obtained a Bachelor of Science degree in Genetics from the University of British Columbia and a diploma in Computer Systems from the British Columbia Institute of Technology.

Mark Eaton – Mr. Eaton is an experienced investment professional with over 20 years of experience in equity capital markets specializing in the resource sector. He is currently Executive Chairman, and is the former President and CEO of Belo Sun Mining Corp. Mr. Eaton was a Partner and Director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer, from January 2007 until March 2008. From 1998 to 2007, he held the position of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto and Manager of US Equity Sales for CIBC World Markets. Mr. Eaton has also served in the capacity of CEO, President and director of several other TSX and TSXV listed companies. Mr. Eaton is a graduate from Hull University, England.

Anne E. Giardini – Ms. Giardini, QC, has over 30 years' experience as a lawyer, senior executive, director, journalist and author, and has held a number of senior advisory roles. Ms. Giardini had a 20+-year career with Weyerhaeuser, including as General Counsel and subsequently President of Weyerhaeuser's Canadian subsidiary. She also brings extensive board experience, currently serving on the boards of Pembina Institute and Canadian Mortgage and Housing Corporation and as Chair of the British Columbia Achievement Foundation. She was previously Chair of the Greater Vancouver Board of Trade and has served on numerous boards including Weyerhaeuser Company Limited; Nevsun Resources Ltd.; Thompson Creek Metals Company Inc; Hydro One Limited, and TransLink. She was a member of the Audit Committee of Hydro One Limited and a member of the Compensation Committees of Thompson Creek Metals and Nevsun Resources. In 2016, Ms. Giardini was made an Officer of the Order of Canada and in 2018 she was admitted to the Order of British Columbia. Ms. Giardini is former Chancellor of Simon Fraser University.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of our most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

The Company is relying on the exemptions provided by Parts 3 and 5 of NI 52-110, which exempts Venture Issuers, such as the Company, from the composition requirements of NI 52-110 and from certain reporting obligations of NI 52-110.

NON-AUDIT RELATED PRE-APPROVAL POLICIES AND PROCEDURES

All non-audit related services to be performed by the Company’s independent auditor must be approved in advance by the Audit Committee and such approval is subject to ratification by the Board at its next meeting. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of the Audit Committee if it first adopts specific policies and procedures in respect of this delegation and provided such decisions are presented to the full Audit Committee for approval at its next meeting.

EXTERNAL AUDITOR SERVICE FEES

The aggregate fees billed by our external auditors, PricewaterhouseCoopers LLP, in each of the last financial years are as follows:

Financial Year Ending	Audit Fees(1)	Audit-Related Fees(2)	Tax Fees(3)	All Other Fees(4)
2019	C$180,211	C$2,023	C$71,059	C$38,500

Financial Year Ending	Audit Fees(1)	Audit-Related Fees(2)	Tax Fees(3)	All Other Fees(4)
2018	C$200,799	C$900	C$45,179	C$34,000

Notes:

(1) Represents the aggregate fees billed by the Company's external auditor in each of the last two financial years for audit services.

(2) Represents CPAB fees related to the annual audit.

(3) Represents fees for preparation of income tax returns and stock options tax withholding analyses.

(4) Represents the aggregate fees billed in each of the last two financial years by the Company's external auditor for products and services not included under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees". These other fees relates to reviews of interim financial statements.

LEGAL PROCEEDINGS

To the Company's knowledge, there are no pending or contemplated legal proceedings to which the Company is a party or of which any of its material properties is the subject that would have a material effect on our financial condition or future results of operations. During the last financial year, the Company has not been subject to any penalties or sanctions imposed by a regulatory body in respect of securities legislation or regulatory requirements or any penalty or sanction that would likely to be considered important to a reasonably investor in making an investment decision. The Company has not entered into any settlement agreement in respect of securities legislation or regulatory requirements.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this AIF, during the three most recently completed financial years, no director or executive officer, insider, or any associate or affiliate of such insider, or director, or executive officer has had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is TSX Trust Company at its offices in Vancouver, British Columbia.

MATERIAL CONTRACTS

There are no other contracts, other than those disclosed in this AIF and other than those entered into in the ordinary course of the Company's business, that are material to the Company and which were entered into in the most recently completed financial year ended December 31 2019, or before the most recently completed financial year but are still in effect as of the date of this AIF.

INTEREST OF EXPERTS

The persons referred to below have been named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 – *Continuous Disclosure Obligations* during, or relating to, as of the date of this AIF.

Anthony Woodward BSc (Hons.), M.Sc., MAIG, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ and Lisa J. Park, BEng (Chem) MAppFin GAICD, FAusIMM are the authors responsible for the Technical Report.

To our knowledge, none of the persons above, at the time of or after such person prepared the statement, report or valuation, held any registered or beneficial interests, direct or indirect, in any of our securities or other property or of one of its associates or affiliates or is or is expected to be elected, appointed or employed as a director, officer or employee of K92 or of any associate or affiliate of K92.

The Company's independent auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants of Vancouver, British Columbia, who have prepared an independent auditor's report dated March 26, 2020, in respect of the Company's consolidated financial statements as at December 31, 2019 and 2018 and for the years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Company within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available free of charge through the Company's website at www.K92Mining.com or through the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

Additional financial information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Company's information circular for its most recent annual meeting of security holders that involved the election of directors.

Additional financial information is provided in the Company's most recent financial statements and the management discussion and analysis for its most recently completed financial year.

SCHEDULE A
AUDIT COMMITTEE CHARTER

1. PURPOSE

The Audit Committee (the "**Committee**") is a committee of the Board of Directors of the Company (the "**Board**"). The Audit Committee is accountable to the Board.

A. The Committee's primary function is to assist the Board in fulfilling its oversight responsibilities with respect to:

(a) the integrity of the financial information to be provided to the shareholders and others,

(b) the adequacy and maintenance of the systems of internal controls, and accounting and financial reporting processes that management has established under supervision of the Audit Committee,

(c) the Company's internal and external audit process including the external auditor's qualifications, independence and performance,

(d) the assessment, monitoring and management of the strategic, operational, reporting and compliance risks of the Company's business (the "**Risks**"), and

(e) monitoring compliance with the Company's legal and regulatory requirements with respect to its Committee mandate and financial disclosure.

B. In the course of fulfilling its specific responsibilities, the Audit Committee is expected to maintain an open communication between the Company's external auditors and the Board. In addition, the Committee will facilitate communication among the auditors, management and the Board for financial reporting and control matters.

C. The Committee, in collaboration with the external auditors, has the duty to review and ensure that the Company's financial disclosures are complete and accurate, are in accordance with generally accepted accounting principles and fairly present the financial position and Risks of the Company's business.

D. The responsibilities of a member of the Audit Committee are in addition to such member's fiduciary responsibility and duties as a member of the Board.

2. COMPOSITION AND MEMBERSHIP

A. The Audit Committee shall consist of at least three Directors of the Company who shall serve on behalf of the Board. The members will be appointed annually by the Board at the time of each annual meeting of shareholders and shall hold office until the next annual meeting or until they cease to be directors or Committee members. The Board may, at any time and from time to time, remove or replace any member of the Committee, fill any vacancy in the Committee or add a member to the Committee.

B. The members shall meet the independence, financial literacy and experience requirements of applicable securities laws and of the stock exchange(s) on which the securities of the Company are listed.

C. Financial literacy means the ability to read and understand a set of financial statements and associated notes that represent a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's consolidated financial statements.

D. The Board will appoint one member of the Committee to act as the chair ("**Chair**") of the Committee. The Chair shall preside over all Audit Committee meetings, coordinate the Audit Committee's compliance with this Charter, and provide reports of the Audit Committee to the Board.

3. PROCEDURAL MATTERS

A. General

As part of its responsibilities, authorities and procedures, the Audit Committee shall:

(a) take charge of all responsibilities imparted on an Audit Committee of the Company, as they may apply from time to time, under the *Business Corporations Act* (British Columbia), National Instrument 52-110 - *Audit Committees*, and any other applicable laws or stock exchange rules;

(b) report material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Committee may deem appropriate, at the subsequent Board meeting. The reports of the Committee shall include any issues of which the Committee is aware with respect to the integrity of the Company's financial statements, any instances of fraud or illegal acts, its compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor and changes in Risks;

(c) review the performance of the Audit Committee, including its compliance with this Charter, on an annual basis and report the results of its evaluation to the Board;

(d) review and assess this Audit Committee Charter at least annually and recommend any proposed changes to the Board of Directors.

(e) have the power to conduct or authorize investigations into any matter within the scope of its responsibilities;

(f) have the authority to communicate directly with the external and auditors;

(g) have the right to communicate directly with the CFO and other members of management who have responsibility for the accounting and financial reporting process, if applicable; and

(h) have the authority to pre-approve non-audit services (subject to ratification by the Board at its next meeting) to be performed by the external auditors. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of its Committee if it first adopts specific policies and procedures respecting same and provided such decisions are presented to the full Audit Committee for approval at its next meeting.

B. Meetings and Transacting of Business

(a) The Committee shall meet regularly and at least on a quarterly basis either by telephone conference or in person.

(b) The Committee shall have the opportunity to hold in-camera sessions without the presence of management after each meeting.

(c) A meeting may be called at the request of the external auditor, the Chair of the Board, the Chief Executive Officer ("**CEO**") or the CFO, or any member of the Committee by notifying the Company's Corporate Secretary who will notify the members of the Audit Committee. In advance of every meeting of the Committee, the Chair, with the assistance of the CFO, will ensure that the agenda and meeting materials are distributed in a timely manner.

(d) No business may be transacted by the Audit Committee at a meeting of its members unless a quorum of the Committee is present. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum.

(i) The Chair of the Committee shall chair each meeting. In his or her absence, the Committee may appoint another person to act as chair of a meeting of the Committee provided a quorum is present. The Chair will appoint a secretary of the meeting, who need not be a member of the Committee and who will maintain the minutes of the meeting.

(j) The external auditors are entitled to attend and be heard at each Audit Committee meeting. In addition, the Committee may invite to a meeting any directors, officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities;

(j) The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held.

(k) If a meeting is not convened, the Audit Committee may alternatively approve matters by resolution in writing signed by all the members of the Committee.

C. Engagement of Other Advisors

The Audit Committee shall have the authority to engage independent counsel and other advisors as the Audit Committee may deem appropriate in its sole discretion and to set and pay the compensation for any advisors employed by the Audit Committee. The Audit Committee shall not be required to obtain the approval of the Board of Directors in order to retain or compensate such consultants or advisors. The Company shall provide appropriate funding, as determined by the Audit Committee, for the services of these advisors.

D. Access to Information

The Audit Committee shall have access to any and all books and records of the Company necessary for the execution of the Committee's obligations and shall discuss with the Chief Executive Officer ("**CEO**"), Controller or CFO such records and other matters considered appropriate.

4. RESPONSIBILITIES

The Committee shall have the duties and responsibilities set out below as well as any other duties that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these duties and responsibilities, the Committee shall perform the duties required of an audit committee by any exchange upon which securities of the

Company are traded, or any governmental or regulatory body exercising authority over the Company, as are in effect from time to time (collectively, the "**Applicable Requirements**").

A. External Auditors

The Audit Committee has primary responsibility for the selection, engagement, dismissal, compensation and oversight of the external auditors, subject to the overall approval of the shareholders and the Board as is required under applicable legislation and stock exchange requirements. For this purpose, the Audit Committee may consult with management.

The responsibilities of the Audit Committee in respect of external auditors are to:

(a) Recommend to the Board:

i. whether the current external auditor should be re-nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

ii. if the current external auditor is not to be re-nominated, an acceptable alternative auditor; and

iii. the compensation to be paid to the external auditor.

(b) Oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company. The external auditors must report directly to the Audit Committee.

(c) Resolve disagreements, if any, between management and the external auditors regarding financial reporting through querying management and the external auditors.

(d) Take reasonable steps to confirm, at least annually, the independence of the external auditors.

(e) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Company's present and former external auditors.

(f) Consider, in consultation with the external auditors, the audit scope and plan of the external auditors and the related engagement letter, and recommend approval of same to the Board.

(g) Confirm with the external auditor and receive written confirmation at least annually as to the external auditor's internal processes and quality control, and disclosure of any investigations or government enquiries, reviews or investigations of the external auditors, and any steps taken to deal with any such issues.

(h) In accordance with any applicable regulatory requirements and applicable stock exchanges, pre-approve any non audit related services provided by the external auditors to the Company or the Company's subsidiaries, if any. The Committee may decide pre-approval is not required if:

i. the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five percent of the total amount of fees paid by the Company and its subsidiary entities to the Company's external auditor during the fiscal year in which the services are provided;

ii. the Company or the subsidiary entity of the Company did not recognize the services as non-audit services at the time of the engagement; and

iii. the services are promptly brought to the attention of the Audit Committee of the Company and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Audit Committee.

(i) Review with the external auditors the audit plan, scope and timing of the audit and other related services to be rendered by the independent auditors.

(j) Obtain confirmation from the external auditors that the external auditors are a 'participating audit' firm for the purpose of National Instrument 52-108 - Auditor Oversight and in compliance with governing regulations.

(k) Review and evaluate the performance of the external auditors including the external auditors' internal quality-control procedures and provide feedback to the extent deemed appropriate.

B. Internal Auditors

The Audit Committee must assist the Board in its oversight of the performance of the Company’s internal audit function, if any. In connection with the Company’s internal audit function, if any, the Audit Committee shall:

(a) review the terms of reference of the internal auditor and meet with the internal auditor as the Audit Committee may consider appropriate to discuss any concerns or issues;

(b) in consultation with the external auditor and the internal audit group, review the adequacy of the Company’s internal control structure and procedures designed to ensure compliance with applicable laws and regulations, and any special audit steps adopted in light of material deficiencies and controls;

(c) review the internal control report prepared by management, including management’s assessment of the effectiveness of the Company’s internal control structure and procedures for financial reporting; and

(d) periodically review with the internal auditor any significant difficulties, disagreements with management or scope restrictions encountered in the course of the work of the internal auditor.

C. Audit and Review Process and Results

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, accuracy and presentation of the Company’s financial statements to ensure that the financial statements fairly present the financial position and Risks of the organization and that they are prepared in accordance with generally accepted accounting principles. To accomplish this, the Audit Committee is required to:

(a) Review annually the Company's internal system of audit and financial controls, internal audit procedures and results of such audits.

(b) Ensure the auditors have full, unrestricted access to required information and have the cooperation of management.

(c) Review with the external auditors, in advance of the audit, the scope and general extent of the external auditors' review, including the audit engagement letter, the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles.

(d) Review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements.

(e) Review the appropriateness and disclosure of any off-balance sheet matters.

(f) Review disclosure of related-party transactions and potential conflicts of interest.

(g) Receive and review with the external auditors, the external auditors' audit reports and the audited or reviewed financial statements. Make recommendations to the Board respecting approval of the audited financial statements.

(h) In connection with the annual audit, review material written matters between the external auditors and management, such as management letters, schedules of unadjusted differences and analyses of alternative assumptions, estimates or generally accepted accounting methods.

(i) Meet with the auditors separately from management to review the integrity of the Company's financial reporting, including the clarity of financial disclosure and usage of the accounting policies and estimates, performance of internal audit management, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting and the degree of compliance of the Company with prior recommendations of the external auditors. The Audit Committee shall direct management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review.

(j) Meet at least annually with the external auditors, independent of management, and report to the Board the results of such meetings.

D. Annual Financial Statements, MD&A and Financial Press Releases

The Audit Committee shall:

(a) Review on an annual basis the Company's practice with respect to review of annual financial statements by the external auditors.

(b) Conduct all such reviews and discussions with the external auditors and management as it deems appropriate.

(c) Review the annual financial statements, management's discussion and analysis ("**MD&A**"), and interim profit or loss press releases before the Company publicly discloses this information.

(d) Provide the Board with such recommendations and reports with respect to the annual financial statements and MD&A of the Company as it deems advisable.

E. Interim Financial Statements, MD&A and Financial Press Releases

The Board has delegated to the Audit Committee the power to approve the Company's interim financial statements and management’s discussion and analysis. The Audit Committee shall:

(a) Review on an annual basis the Company's practice with respect to review of interim financial statements by the external auditors.

(b) Conduct all such reviews and discussions with the external auditors and management as it deems appropriate.

(c) Review and, if appropriate approve the interim financial statements, management’s discussion and analysis, and interim profit or loss press releases before the Company publicly discloses this information.

(d) Review the interim financial statements with the external auditors if the external auditors conduct a review of the interim financial statements.

(e) Receive and review with the external auditors, the external auditors' interim review reports to the Audit Committee and the reviewed interim financial statements.

F. Involvement with Management

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting. The Audit Committee shall:

(a) Ensure that management has the proper and adequate systems and procedures in place for the review of the Company's financial statements, financial reports and other financial information, including all Company disclosure of financial information extracted or derived from the Company’s financial statements, and that they satisfy all legal and regulatory requirements; periodically assess the adequacy of such procedures.

(b) Review material financial Risks with management, the plan that management has implemented to monitor and deal with such Risks and the success of management in following the plan.

(c) Consult annually and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls and review any breaches or deficiencies.

(d) Obtain such certifications by the CEO and CFO attesting to internal controls, disclosure and procedures as deemed advisable.

(e) Review management's response to significant written reports and recommendations issued by the external auditors and the extent to which such recommendations have been implemented by management.

(f) Review as required with management annual financial statements, quarterly financial statements, management’s discussion and analysis, Annual Information Forms, future-oriented financial information or pro-forma information, press releases and other financial disclosure in continuous disclosure documents.

(g) Review with management the Company's compliance with applicable laws and regulations respecting financial matters.

(h) Review with management proposed regulatory changes and their impact on the Company.

(i) Review with management and approve public disclosure of the Audit Committee Charter in the Company's Annual Information Form, if applicable, the Information Circular and on the Company's website.

G. Internal Controls

The Audit Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures.

At least annually, the Audit Committee shall consider and review with management and the auditors:

(a) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Company’s internal controls (including computerized information system controls and security), the overall control environment for managing business Risks, accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, regulatory controls, and the impact of any weaknesses in internal controls on management’s conclusions;

(b) any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the Company’s periodic regulatory filings;

(c) the Company’s fraud prevention and detection program, including, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s internal controls over financial reporting, that may impact the integrity of financial information, or expose the Company to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against those involved; and

(d) any related significant issues and recommendations of the auditors together with management’s responses to them, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

5. WHISTLEBLOWER COMPLAINTS

A. Confidentiality

Complaints regarding accounting, internal accounting controls, or auditing matters may be submitted to the Chair of the Audit Committee in accordance with the Company’s Whistleblower Policy. Complaints may be made anonymously and, if not made anonymously, the identity of the person submitting the complaint will be kept confidential.

B. Treatment of Complaints

Upon receipt of concerns regarding questionable accounting or auditing matters, the Committee Chair will conduct or designate a member of the Audit Committee to conduct an initial investigation. If the results of that initial investigation indicate there may be any merit to the complaint, the matter will be brought before the Audit Committee for a determination of further investigation and action.

C. Recording of Complaints

Records of complaints made and the resulting action or determination with respect to the complaint shall be documented and kept in the records of the Audit Committee for a period of three years.

6. REPORTING

The Audit Committee shall report to the Board of Directors at its regularly scheduled meetings.

7. ANNUAL REVIEW

This Charter will be reviewed annually, and any recommended changes will be submitted to the Board of Directors for approval.

8. EFFECTIVE DATE

This Charter was implemented by the Board on May 20, 2016 and updated on June 1, 2020.

SCHEDULE B
DEFINITIONS

"**2017 Technical Report**" means the technical report prepared in accordance with NI 43-101 titled, Independent Technical Report, Mineral Resource Update and Preliminary Economic Assessment of Irumafimpa and Kora Gold Deposits, Kainantu Project, Papua New Guinea" with an effective date of March 2, 2017, and prepared by Anthony Woodward, Sc. Hons., M.Sc., MAIG, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ and Lisa Park GAICD FAusIMM.

"**2018 Technical Report**" means the technical report prepared in accordance with NI 43-101 titled, "Independent Technical Report, Mineral Resources Estimate Update and Preliminary Economic Assessment of Kora North and Kora Gold Deposits, Kainantu Project, Papua New Guinea," with an effective date of September 30, 2018, prepared by Anthony Woodward BSc (Hons.), M.Sc., MAIG, Simon Tear BSc (Hons), PGeo IGI, EurGeol, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ, Lisa J. Park, BEng (Chem), GAICD, FAusIMM.

"**2020 Technical Report**" means the technical report prepared in accordance with NI 43-101 titled, "Independent Technical Report Mineral Resource Estimate Update and Preliminary Economic Assessment for Expansion of the Kainantu Project to Treat 1 Million Tonnes per Annum from the Kora Gold Deposit, Kainantu, Papua New Guinea" with an effective date of April 2, 2020, prepared by Anthony Woodward BSc (Hons.), M.Sc., MAIG, Simon Tear BSc (Hons), PGeo IGI, EurGeol, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ, Lisa J. Park, BEng (Chem) MAppFin GAICD, FAusIMM.

"**AIF**" or "**Annual Information Form**" means this annual information form.

"**AMDAD**" means Australian Mine Design and Development.

"**Ag**" means silver.

"**ASX**" means the Australian Stock Exchange.

"**Au**" means gold.

"**AuEq**" means gold equivalent.

"**Banks Island**" means Banks Island Gold Ltd.

"**BCBCA**" means the Business Corporations Act *(British Columbia)*.

"**Board**" means the board of directors of the Company.

"**Barrick**" means Barrick Gold Corporation.

"**Barrick Amendment Agreement**" has the meaning ascribed to that term on page 9 of this AIF.

"**Barrick Niugini**" means Barrick (Niugini) Limited, a wholly-owned subsidiary of Barrick Gold Corporation.

"**BKL**" means Barrick (Kainantu) Limited is a wholly-owned subsidiary of Barrick Gold Corporation.

"**BKL Purchase Agreement**" means the share sale agreement dated June 11, 2014 among K92, K92 Holdings PNG, K92 Holdings, and Barrick Niugini.

"**C$**" means Canadian dollars.

"Cartesian" means Cartesian Royalty Holdings.

"**Common Shares**" means common shares in the authorized capital of the Company.

"**COVID-19**" has the meaning ascribed to that term on page 1 of this AIF.

"**CPAB**" means Canadian Public Accountability Board.

"**CRH**" has the meaning ascribed to that term on page 6 of this AIF.

"**CRH Financing**" has the meaning ascribed to that term on page 6 of this AIF.

"**CRH Financing Documents**" has the meaning ascribed to that term on page 6 of this AIF.

"**CRH Units**" has the meaning ascribed to that term on page 6 of this AIF.

"**Cu**" means copper.

"**DCF**" means discounted cash flow.

"**DMT Minimum**" means the minimum of 165,000 dry metric tonnes of concentrate required to be delivered to Trafigura by the Company under the Trafigura Offtake Agreement.

"**ELA2620**" means PNG Exploration Licence Application 2620 lodged by the Company on February 15, 2019.

"**EL470**" means the Company's PNG Exploration Licence 470 effective until February 4, 2019.

"**EL693**" means the Company's PNG Exploration Licence 693 effective until February 4, 2019.

"**EL1341**" means the Company's PNG Exploration Licence 1341 effective until June 20, 2018.

"**EL2619**" means the Company's PNG Exploration Licence 2619 effective until January 22, 2022.

"**forward-looking statements**" has the meaning ascribed to that term on page 1 of this AIF.

"**Fourth Tranche**" has the meaning ascribed to that term on page 7 of this AIF.

"**g/t**" means grams per tonne.

"**GPA**" has the meaning ascribed to that term on page 6 of this AIF.

"**H&SC**" means H&S Consultants Pty Ltd.

"**HPL**" means Highlands Pacific Limited.

"**HSE**" means health, safety, environmental and corporate social responsibility policies and programs.

"**IRGC**" means intrusion related gold copper.

"**IT**" means information technology.

"**ITL**" means Interalloys Trading Limited.

"**K92**" or the "**Company**" means K92 Mining Inc.

"**K92 Australia**" means K92 Mining (Australia) Pty Ltd., the Company's wholly-owned subsidiary in Australia.

"**K92 Holdings**" means K92 Holdings International Limited, the Company's wholly-owned subsidiary in the British Virgin Islands.

"**K92 Holdings PNG**" means K92 Holdings (PNG) Limited, the former wholly-owned subsidiary of K92 Holdings.

"**K92PNG**" means K92 Mining Limited, the Company's wholly-owned subsidiary in Papua New Guinea.

"**Kainantu Mine**" means the Kainantu gold mine that includes the Irumafimpa deposit and the Kora deposit.

"**Kainantu Project**" means the Company's processing plant, equipment and infrastructure located on ML150, together with the Kainantu Mine.

"**Kora Consolidated deposit**" means the combined Kora, Kora North and Eutompi deposits in PNG.

"**LMP 78**" means PNG Licence for Mining Purposes 78 effective until June 14, 2024.

"**LOM**" means life of mine.

"**m**" means metre or metres.

"**M**" means million.

"**ME80**" means PNG Mining Easements 80 effective until June 14, 2024.

"**ME81**" means PNG Mining Easements 81 effective until June 14, 2024.

"**Mincore**" means Mincore Pty Ltd.

"**Mining Act**" means the PNG Mining Act 1992.

"**ML150**" means the PNG mining lease 150 effective until June 14, 2024.

"**MRE**" means Mineral Resource Estimate.

"**MSO**" means the CAE Mineable Shape Optimiser.

"**Mtpa**" means million tonnes per annum.

"**NGO**" means non-governmental organization.

"**NI 43-101**" means National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators.

"**Nolidan**" means Nolidan Mineral Consultants.

"**NPV**" means net present value.

“**NSR**” means net smelter return.

“**OK**” means Ordinary Kriging.

“**Otterburn**” means Otterburn Resources Corp., the former name of the Company.

“**oz**” means ounce or ounces.

“**Platinum Australia**” means Platinum Australia Limited.

“**Preferred Shares**” means the Class A Preferred Shares of the Company.

“**PEA**” means preliminary economic assessment.

“**PGK**” means Papua New Guinea currency, Kina.

“**PNG**” means Papua New Guinea.

“Processing Facility” means the Company’s processing plant, equipment and infrastructure located on ML150.

“**RTO**” has the meaning ascribed to that term on page 5 of this AIF.

“**SEDAR**” means system for electronic document analysis and retrieval at www.sedar.com.

“**Share Exchange Agreement**” has the meaning ascribed to that term on page 5 of this AIF.

“**Stock Option Plan**” has the meaning ascribed to that term on page 45 of this AIF.

“**Subscription Receipts**” has the meaning ascribed to that term on page 5 of this AIF.

“**Technical Report**” means the technical report prepared in accordance with NI 43-101 titled, “Revised Independent Technical Report Mineral Resource Estimate Update and Preliminary Economic Assessment for Expansion of the Kainantu Project to Treat 1 Million Tonnes per Annum (“**Mtpa**”) from the Kora Gold Deposit, Kainantu, Papua New Guinea” dated November 13, 2020 with an effective date of April 2, 2020, prepared by Anthony Woodward BSc (Hons.), M.Sc., MAIG, Simon Tear BSc (Hons), PGeo IGI, EurGeol, Christopher Desoe BE (Min)(Hons), FAusIMM, RPEQ, Lisa J. Park, BEng (Chem) MAppFin GAICD, FAusIMM.

“**tpa**” means tonnes per annum.

“**Trafigura**” means Trafigura Pte Ltd.

“**Trafigura Loan Agreement**” has the meaning ascribed to that term on page 9 of this AIF.

“**Trafigura Offtake Agreement**” has the meaning ascribed to that term on page 9 of this AIF.

“**TSX**” means the Toronto Stock Exchange.

“**TSXV**” means the TSX Venture Exchange.

“**US$**” means Unites States dollars.

“**U.S.**” means the United States of America.