

# K92

MINING INC.

# Building **The** Next World Class Gold Mine in PNG

Papua New Guinea Mining and Petroleum Conference • December 2024

K1 Vein, Kora Deposit  
Kainantu Gold Mine  
Papua New Guinea



# Kainantu Gold Mine – Location



**Lowlands PNG, 'Elephant Country' Geology and Excellent Infrastructure**  
**Nearby hydropower, highway, airstrip & port**

# K92 Strategy – Realize/Maximize the Potential of the Kainantu Project

**Operate in a Socially Responsible Manner, Delivering Far-Reaching Positive Impacts For Our Communities, Stakeholders and Papua New Guinea**

**Extend the Mine Life of Kainantu By Investing in Exploration of Existing and New Deposits**

**Focus on Our People By Focusing on Hiring and Training Our Local Communities**

**Transform Kainantu Into A World Class, Tier 1 Gold Mine Through A Series of Expansions**

**Creation of a Low Cost, Highly Profitable Mine which Maximizes Returns to all Stakeholders**

# Sustainable Social Development Strategic Focuses





# Skills Development & Strong Commitment to Local Hiring

## Local Employment Highlights

- PGK 76.1 million in salaries and benefits paid in PNG in 2023
- +1,900 total workforce currently (employees plus contractors) plus +200 casuals, with workforce expected to grow to +2,400 during the Stage 4 Expansion
- **~94% of total workforce (employees plus contractors) from PNG:**
  - ~53% Eastern Highlands and preferred area
  - ~41% Other PNG National
  - ~6% Expatriate
- Female employment is now 8% of employees
- Local hiring initiatives complement local procurement and business development strategies
- Employee Share Participation Plan introduced in 2023 as long-term incentive program for PNG National employees occupying roles up to the Coordinator level



*Jamie Ovuru from the Bilimoia village is the first employee to join the two-year K92 Graduate Program. Jamie joined K92 as an employee in July 2022.*

**K92 is committed prioritizing local candidates for employment opportunities to enhance value retention for local communities**

# Investing in PNG's Future Mining & Resources Professionals

## 1. Partnering with PNG Tertiary Institutions

MOU with Universities	MOU	Date
PNG University of Technology	Yes	October 2018
University of Papua New Guinea	Yes	November 2022
Don Bosco Technological Institute	Yes	November 2023
University of Goroka	Yes	December 2023
Port Moresby Technical College	TBA	TBA

## 2. Providing tertiary and post graduate scholarships

Professional Scholarships	2021	2022	2023	2024	2025	2026
K92 Tertiary Scholarship Program	3	3	4	6	6	6
K92 Technical Scholarship Program	0	0	0	7	6	6
K92 Post Graduate Scholarship Program	0	0	0	0	1	2
Training & Development Spend		PGK 4.6M	PGK 4.8M	-	-	-

## 3. Providing formal programs for professional experience

Professional Development Programs	2021	2022	2023	2024	2025	2026
K92 Graduate Program	0 (COVID)	2	5	15	19	19
K92 Industrial Traineeship Program	0 (COVID)	19	33	22	Available	Available

## 4. Technical and Semi-Professional training and development programs

**K92** Prevocational Trainee Program  
12mth program

**K92** Apprenticeship Program  
4-year program

**K92** Technical 2 Program  
24mth program



K92 Mining meeting with representatives of Don Bosco Technological Institute to sign the Memorandum of Understanding in November 2023.



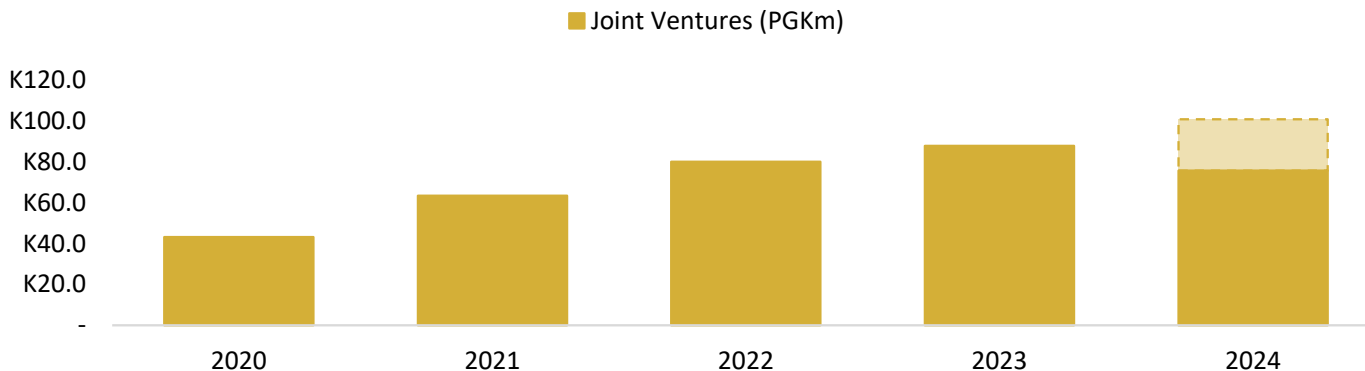
K92 Mining representatives at University of Goroka in January 2023 to award the K92 Tertiary Scholarship for Women In Mining.

# Developing Local Businesses Through Joint Ventures

## Key Highlights

- Unique Joint Ventures (“JV”) established with local communities whereby local landowners work with established supplier partners, positioning them for future growth
- K92 has created multiple JV business opportunities, including four major joint venture contracts between the communities and PNG companies for the provision of services, as well as numerous smaller contracts with local communities
- Major contracts include Catering and Camp Management, Security, Road Transportation and Ancillary Mobile

## Joint Ventures (2020 to 2024 YTD)



# K377M

in local procurement in PNG in 2023

# K88.1M

In Joint Venture payments in PNG in 2023



**We prioritize local suppliers and facilitate the creation of local landowner businesses to support the mine through joint ventures**



# Community Program Highlights



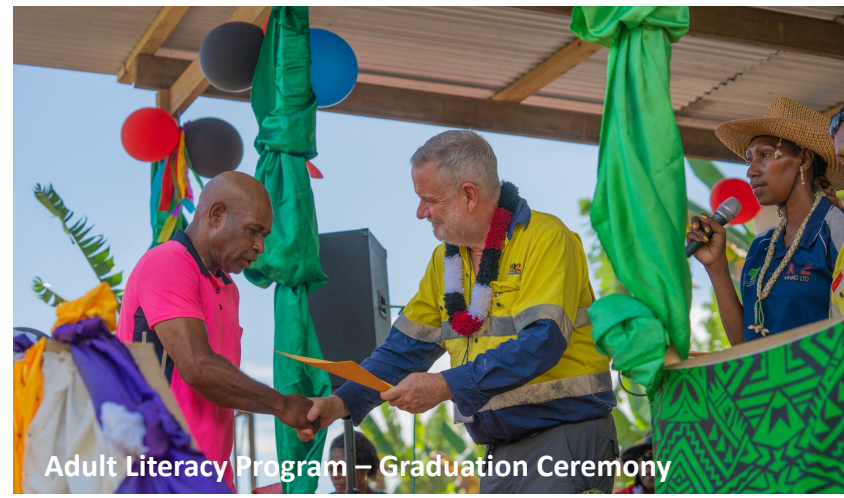
Sustainable Agriculture Livelihoods Program



Business Skills Training – JV opportunities with K92



Infrastructure Improvements



Adult Literacy Program – Graduation Ceremony



Fresh Water for Communities



Professional Training Initiatives – Scholarship Program



# Infrastructure Tax Credit Scheme Updates

## Key Updates

- Under the ITCS, up to 2% of the Company's assessable income can be allotted for community initiatives and deducted from future tax payable in PNG
- Projects are decided upon based on local community needs via extensive stakeholder consultation
- Inaugural ITCS project launched (Konkua-Bilimoia road project) in May 2024 following competitive local tender process and strong community support
  - PGK 23.7M allocated for the project
  - Road will connect local communities to regional hubs, thereby driving investment and business opportunities
- Preliminary planning underway for next phase of projects, including investing in local health and education infrastructure as well as multiple sports venues Approval process has commenced with local stakeholders and the PNG Department of National Planning
- **At the end of 2024, we expect to have allocated PGK 35 million to the ITCS. For the Life of Mine, we forecast an additional PGK 725 million to allocated<sup>(1)</sup>**



**Ongoing implementation of the ITCS is receiving strong community support despite some expected challenges related to distribution of benefits.**

# Generating Long-Term, Sustainable Value For All Our Stakeholders

## 2023 ESG Report Highlights:

**94%** of Workforce PNG Nationals

**PGK 377 million** of procurement from PNG Companies

**56% of procurement local**

**PGK 96.2 million paid** in taxes and royalties

**PGK 21.9 million tax credit scheme project launched** and PGK 2.9 million of direct community investment

**Local Skills Development Focus** with multiple MOAs signed with Tertiary Education Institutes and 43 Tertiary Scholarship Awarded

**25% Reduction GHG Emissions by 2030 Target Established<sup>(1)</sup>**

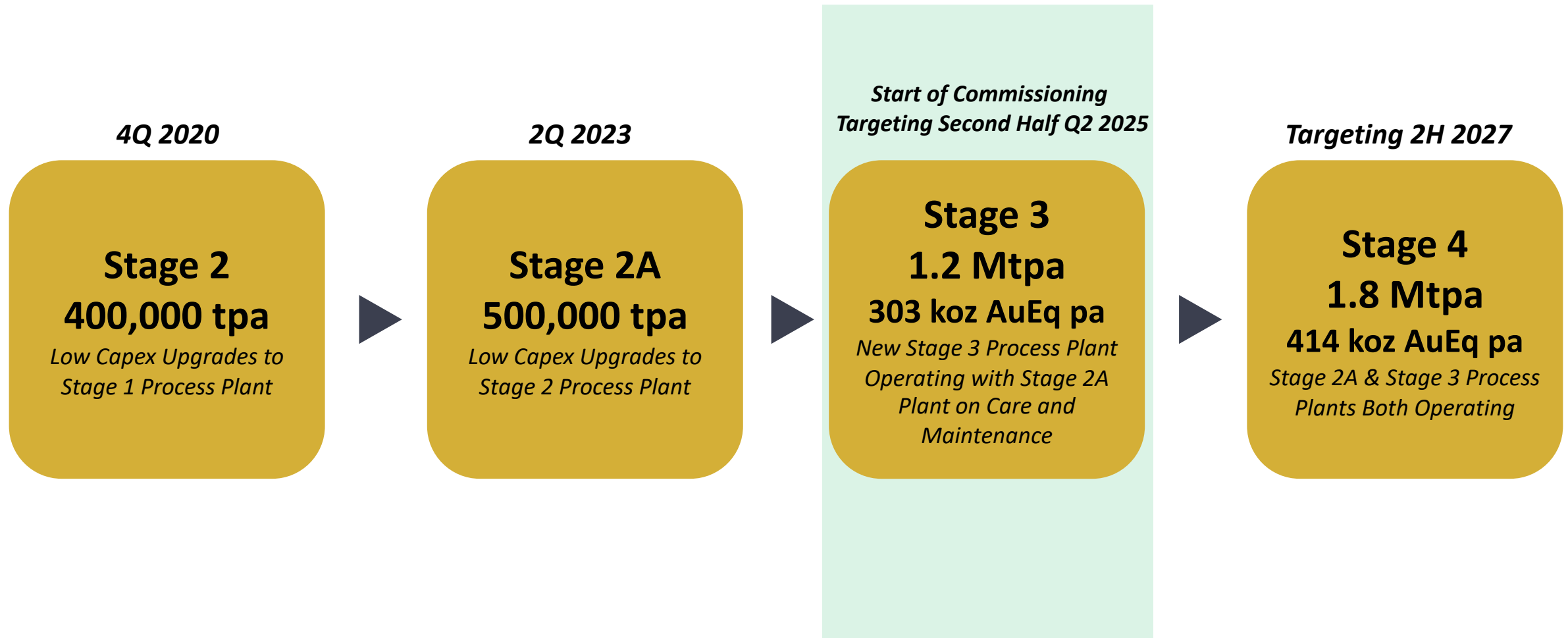
**2023 ESG Award Recipient** in recognition for Outstanding Community Humanitarian Initiative on behalf of K92's Women-in-Mining Program at the 2023 Papua New Guinea Resources & Energy Investment Conference



**As Kainantu Expands, the Benefits to Our Communities and PNG Expand**



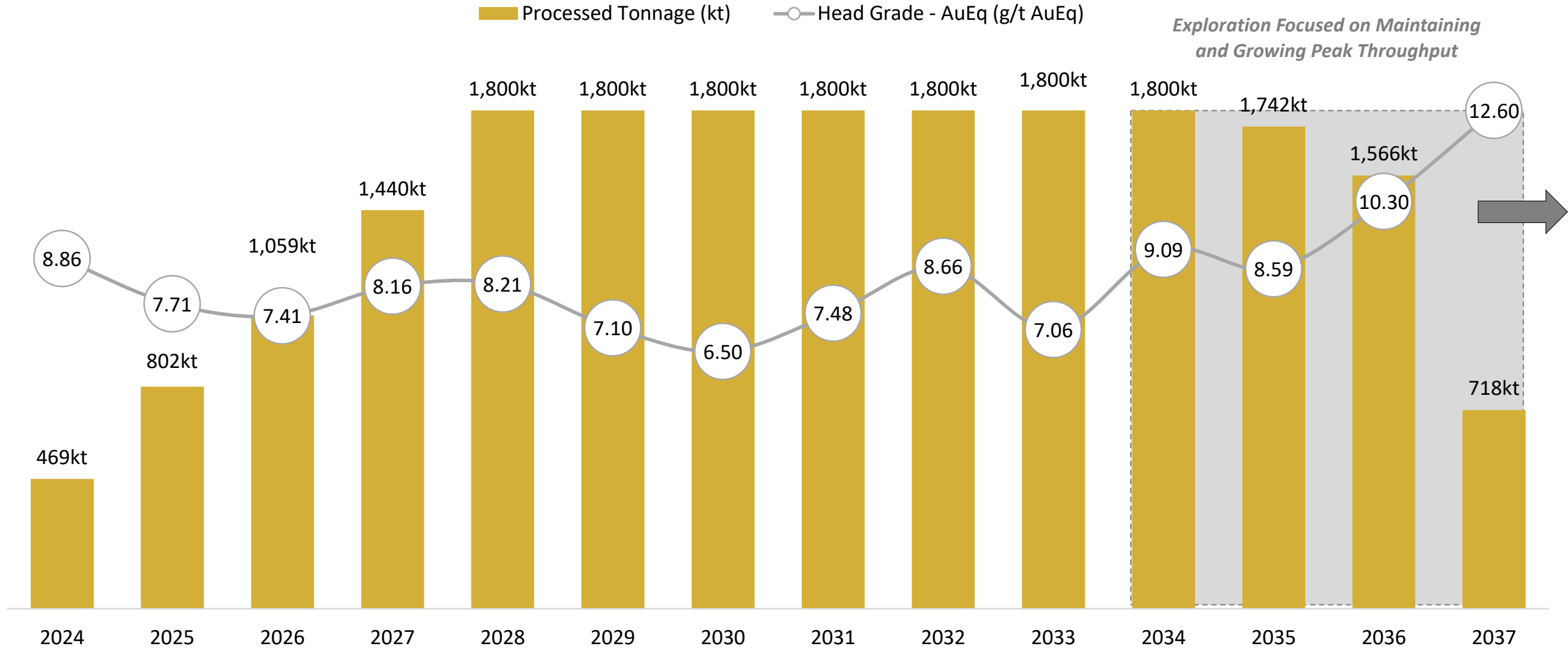
# Systematically Executing and Delivering to Become a Tier 1 Mid-Tier Producer



**The Stage 3 and 4 Expansions are Fully Financed (From Debt, Existing Cash and Cash Flow)**

# Life of Mine Plan Material Movement Schedule – Stage 4

**Mill Feed Material Movement (kt) and Head Grade (g/t AuEq)**



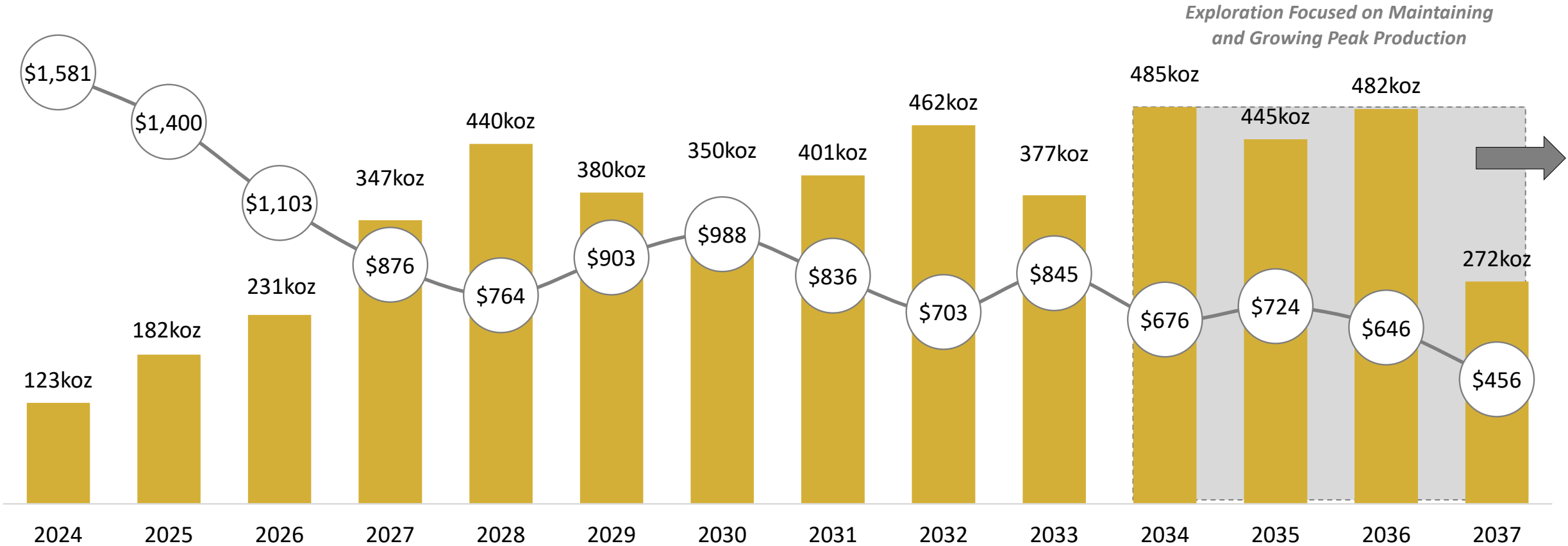
**Stage 4 PEA involves operating Stage 2A & 3 Plants Concurrently**

**Resource Expansion to Maintain Peak Throughput = Major Opportunity**

# Life of Mine Plan Production Schedule – Stage 4

## Production Profile (koz AuEq) and AISC Co-Product (US\$/oz AuEq)

■ Production (koz AuEq)    ○ AISC (US\$/oz AuEq) - Co-Product



**Kainantu Is A Tier-1 Asset With Large and Low Cost Production Profile**





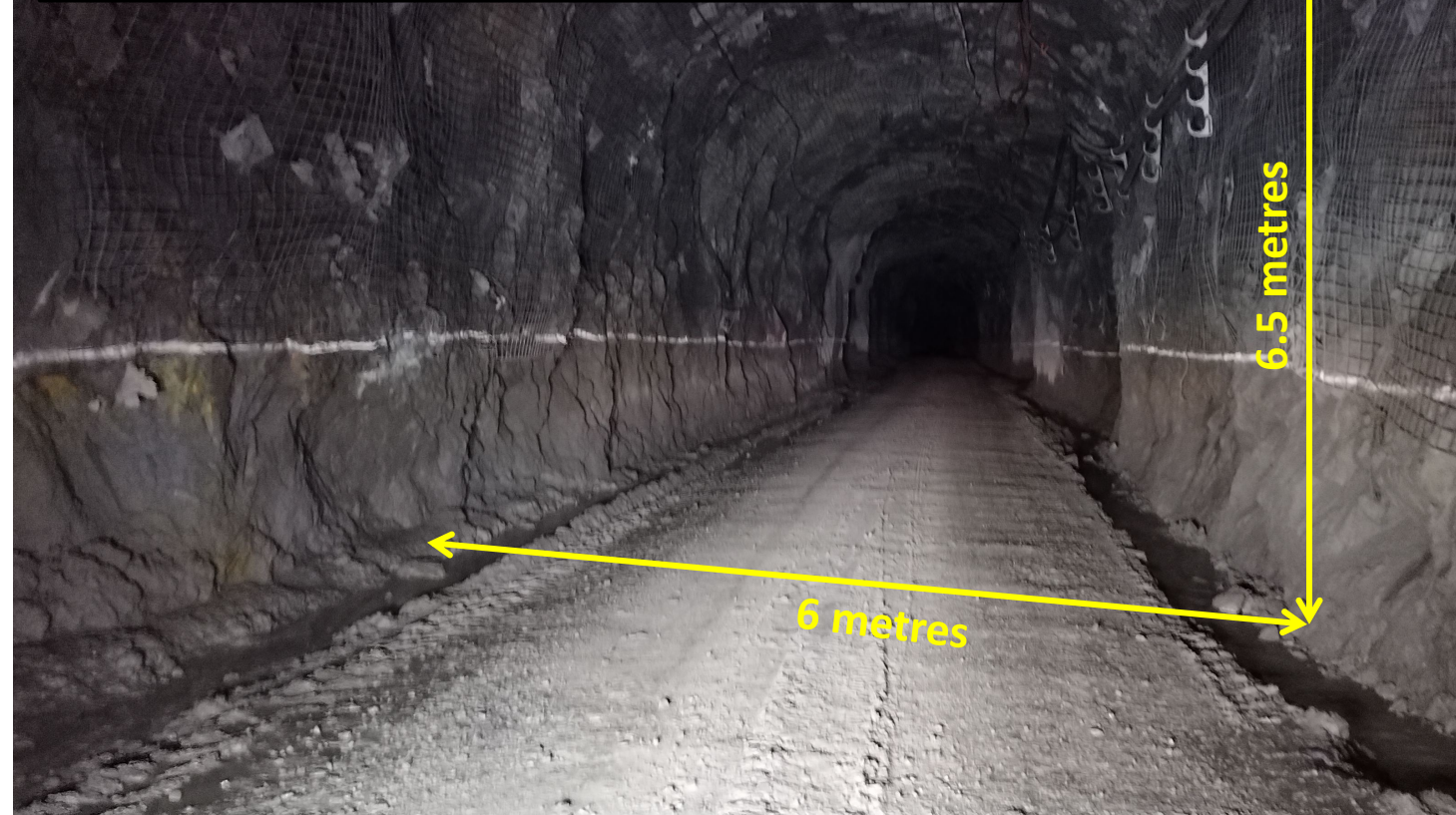


# Rapid Ore Transport - Twin Incline Effectively Complete

**Existing Incline to Main Mine**  
Transported 1 mt (waste & ore) in 2022



**New Twin Incline (#2) Under Development**  
High Speed, Large Travel way, Gradual Gradient



**The Twin Inclines Are Effectively An Underground Expressway**  
**Capable of Throughput Over 5 mtpa with Conveyors and is**  
**Significantly Greater than Stage 4 Expansion Requirements**



# Ore Pass System – Raise Bore Rigs Operational

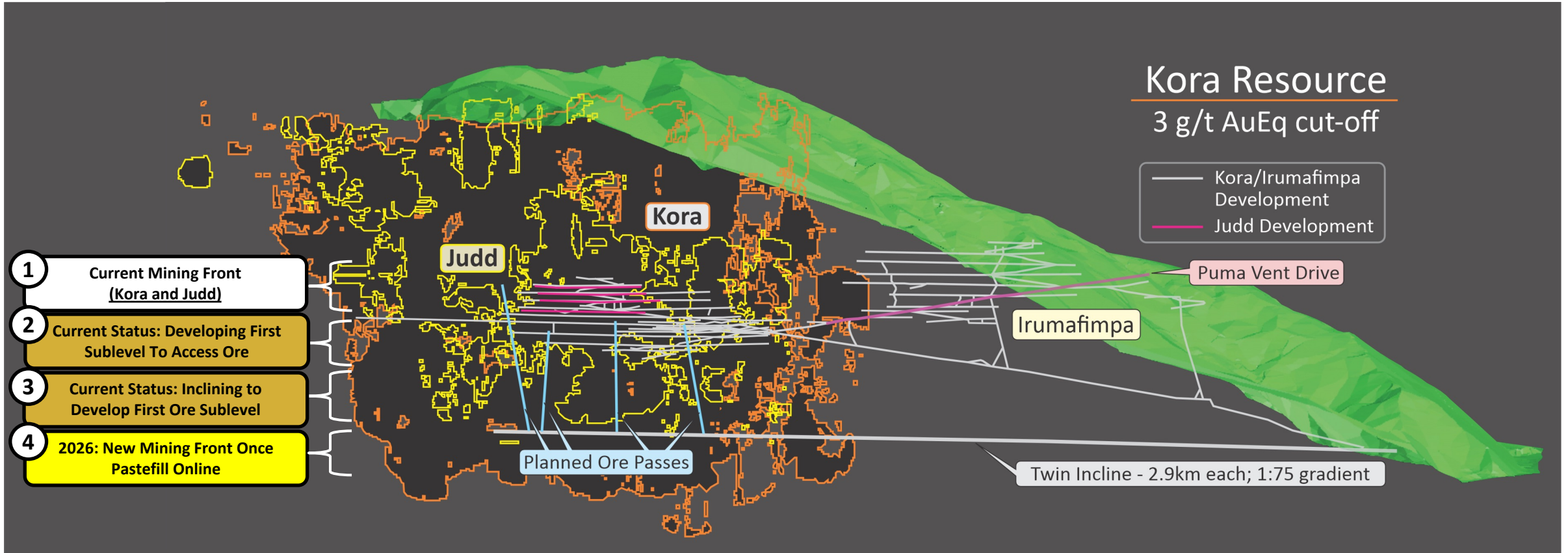


**Reaming of First Raise (5m diameter) completed to upgrade Ventilation to Main Mine**  
**Raise Bore Currently Developing First Waste/Ore Pass Connecting Main Mine to Twin Incline to drive significant productivity increase in material handling**



# Near-Term Mine Transformation

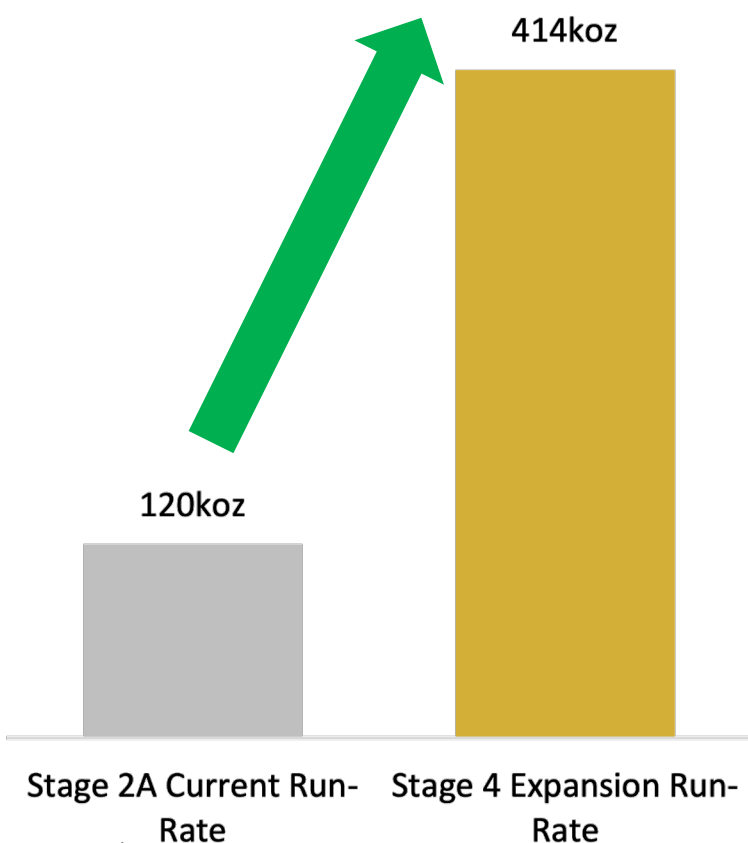
## Kora-Irumafimpa Planned Twin Incline and Development Long Section (Looking West)



**There was Effectively One Mining Front Producing Ore in 2023/2024  
Triples to Three Fronts Producing Ore in 2025 And Increases to Four Fronts in 2026**

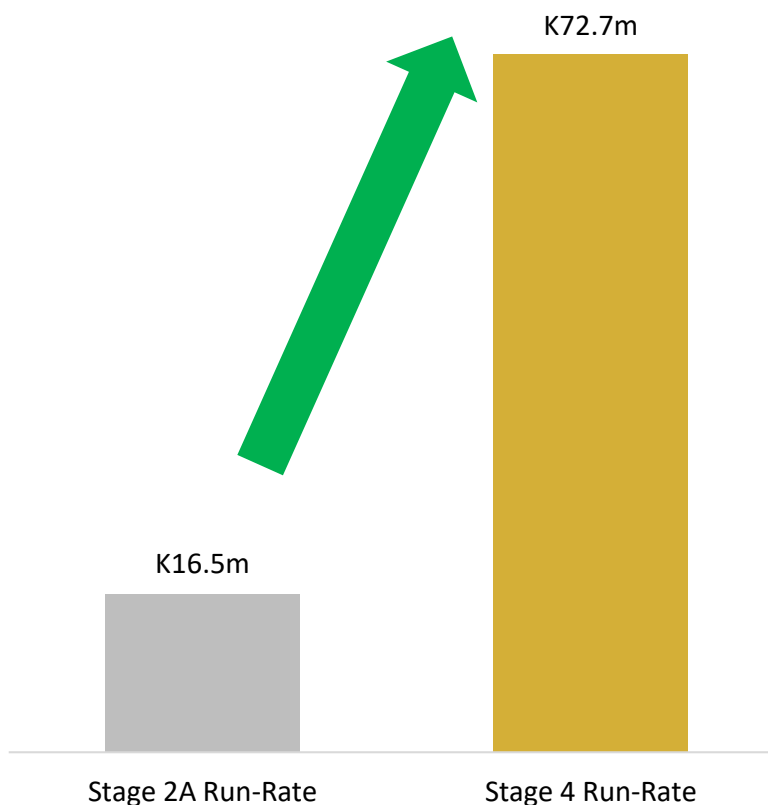
# Stage 4 Has A Major Positive Impact At \$2,500/oz Au

Stage 2A vs Stage 4 Production Run-Rate



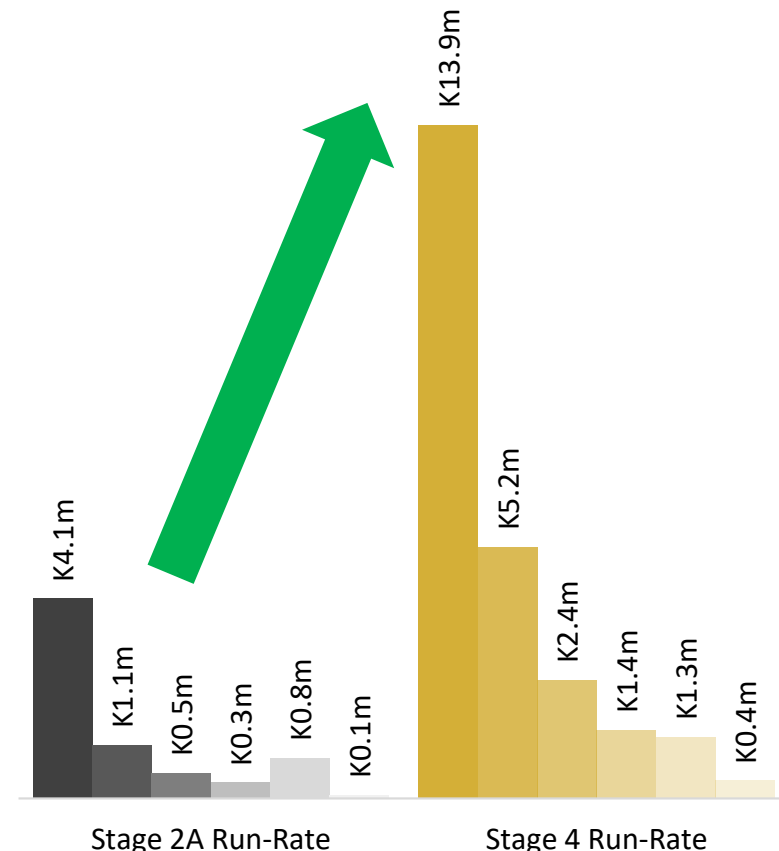
Economic Impact Per Week – US\$2,500/oz Gold

Stage 2A vs Stage 4 Export Value Run-Rate



Stage 2A vs Stage 4 Govt Take Run-Rate

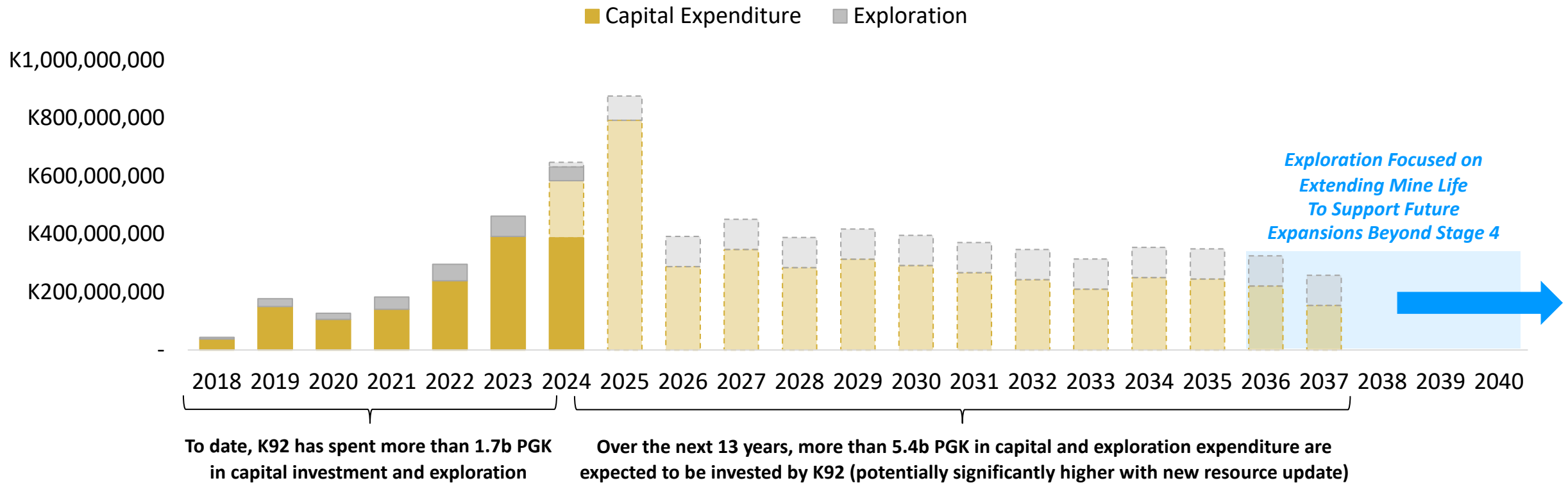
- Corporate Taxes per Week
- Dividend Withholding Tax per Week
- 5% Distribution to Landowners per Week
- Royalties per Week
- Payroll Taxes per Week
- MRA Levy per Week



**At US\$2,500/oz Au, each week Stage 4 results in ~PGK 25 million in taxes, distributions, royalties and levies**

# Capital Investment & Exploration – Investing in PNG’s Long Term Future

## Expansion and Exploration Capital Spent



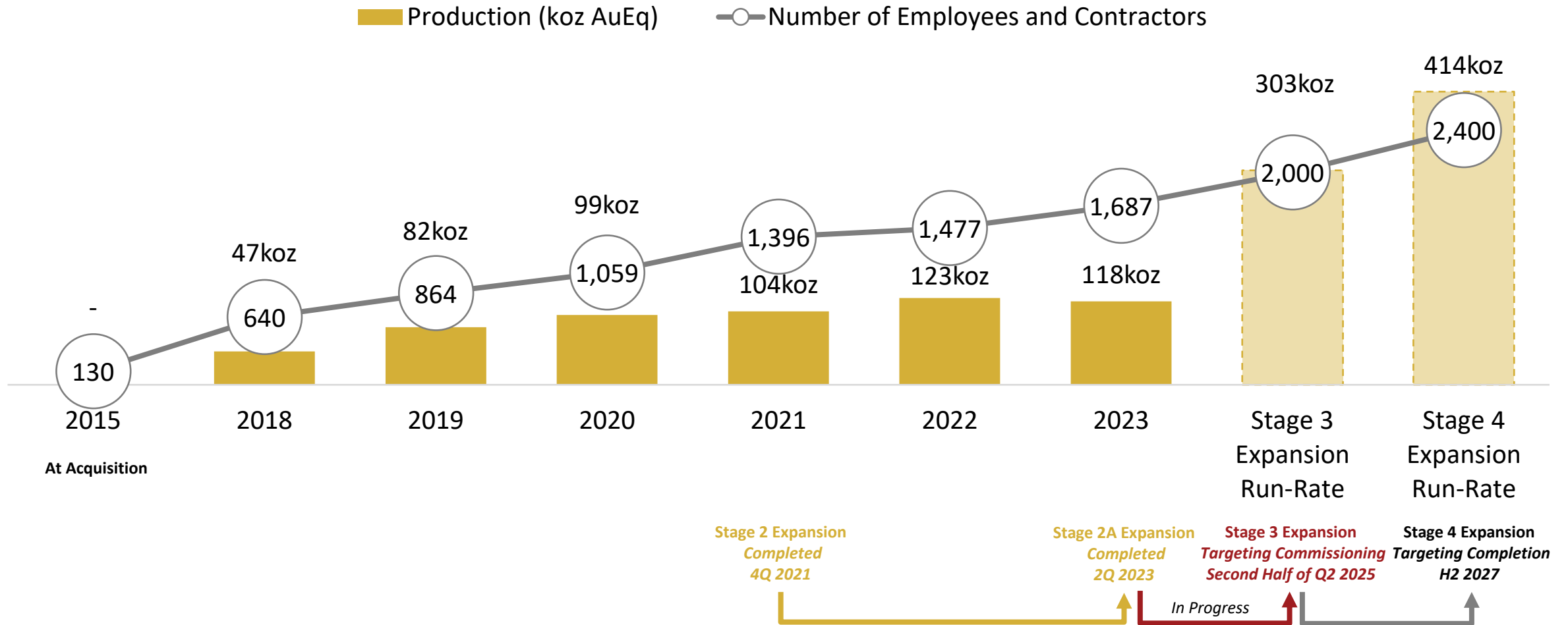
**A total of more than PGK 1.7 billion has been invested into Kainantu since 2018. Capital investment has significantly ramped up, with PGK 5.4 billion of additional investment projected to 2037**

**K92 has been the largest explorer in terms of expenditure for several years and this is projected to continue going forward**

Note: Dotted portion indicates remaining of forecasted values. 2024 YTD values as of Sept 30, 2024.

# Employment - Creating Jobs and Growing Production

Since Commercial Production - AuEq Production (koz) and Total Number of Employees and Contractors

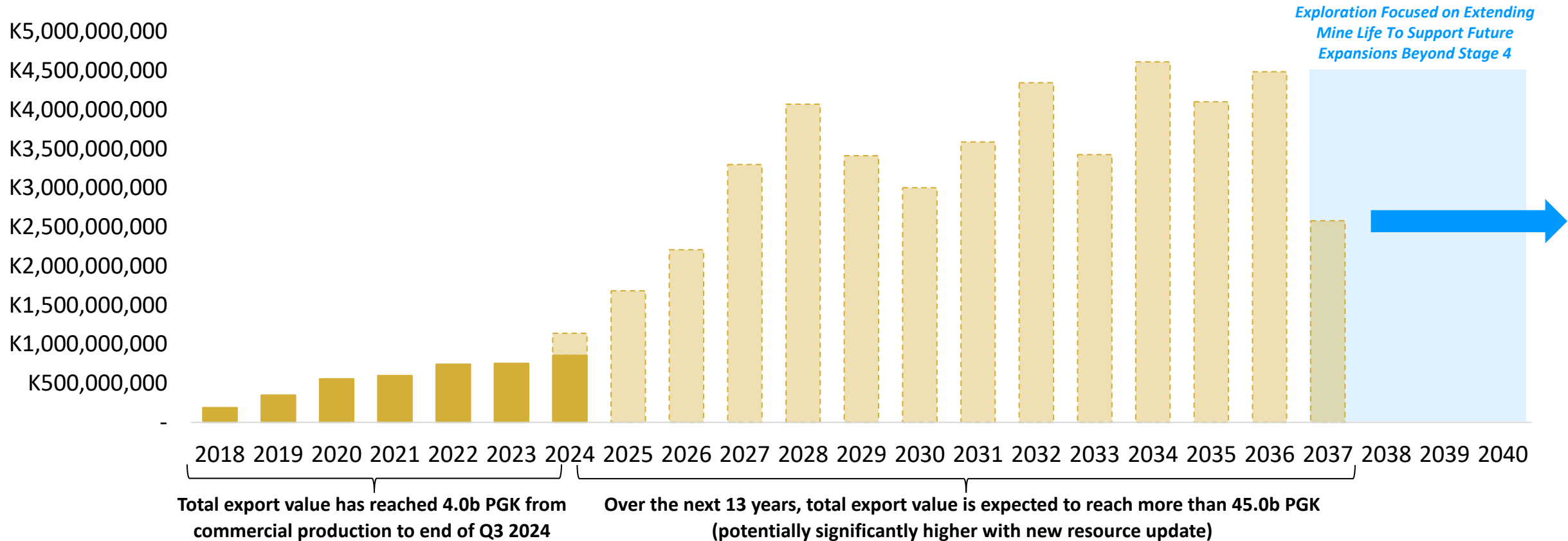


Since Commercial Production – Kainantu has increased its workforce by 265% Direct Jobs with **~94% PNG Nationals and Majority from Local Landowners**



# Large Contributor of Export for Papua New Guinea

Total Export Value (Revenue) – US\$2,500/oz Gold Price

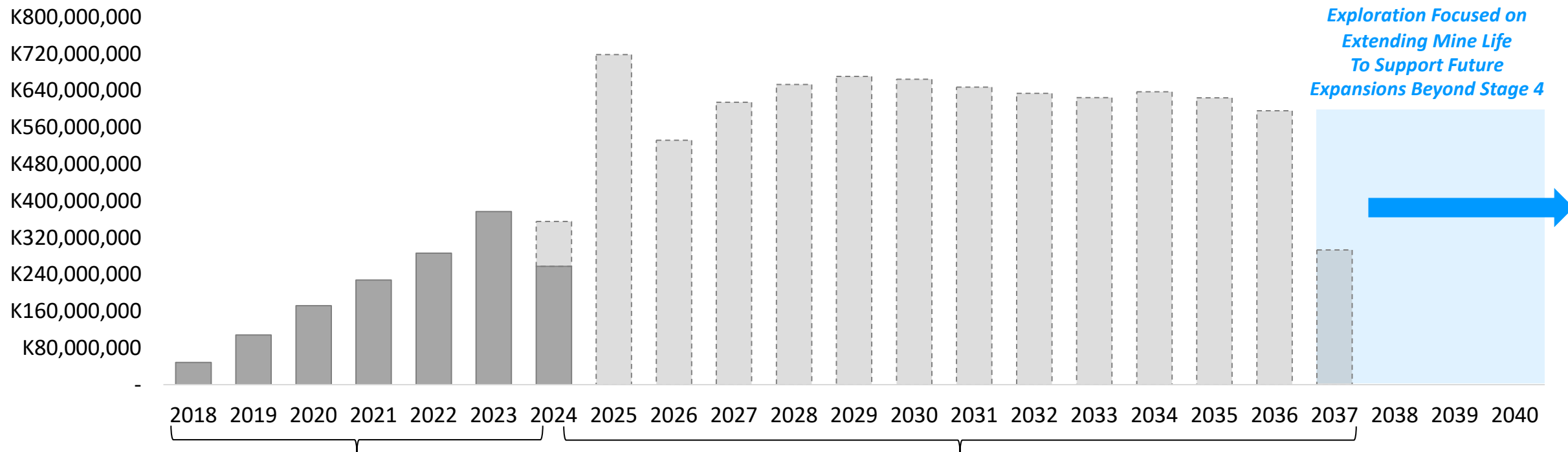


**K92 is poised to become a significant contributor to the economic well-being of PNG**

**Integrated Development Plan Updated to Incorporate December 2023 Resource Update**

# Major Contributor to the Local Economy

## Total Local Expenditures



Since 2018, K92 has contributed over 1.4b PGK to the local economy through expenditures and contracts

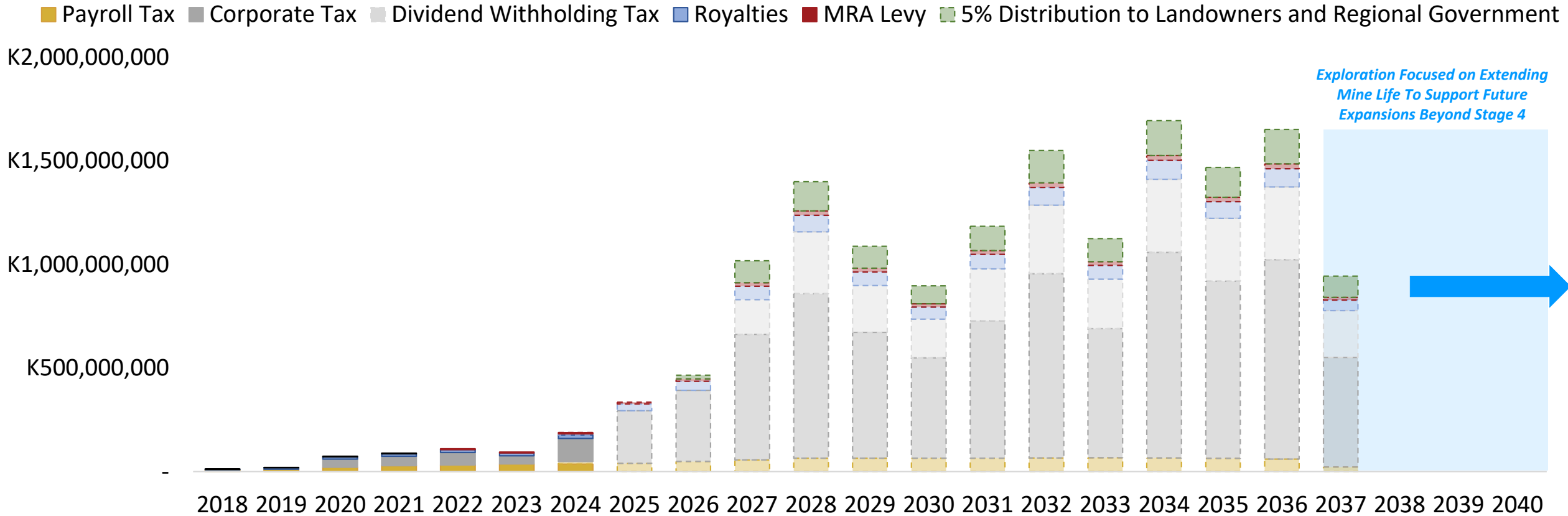
Over the next 13 years, the approval of the Expansions will result in more than 8.0b PGK in local expenditures (potentially significantly higher with new resource update)

**K92 Is Committed To Supporting The Economic Growth Of Our Local Communities**

**Integrated Development Plan Updated to Incorporate December 2023 Resource Update**

# And... Significant Government & Landowner Benefits

## Total Economic Benefits – US\$2,500/oz Gold Price



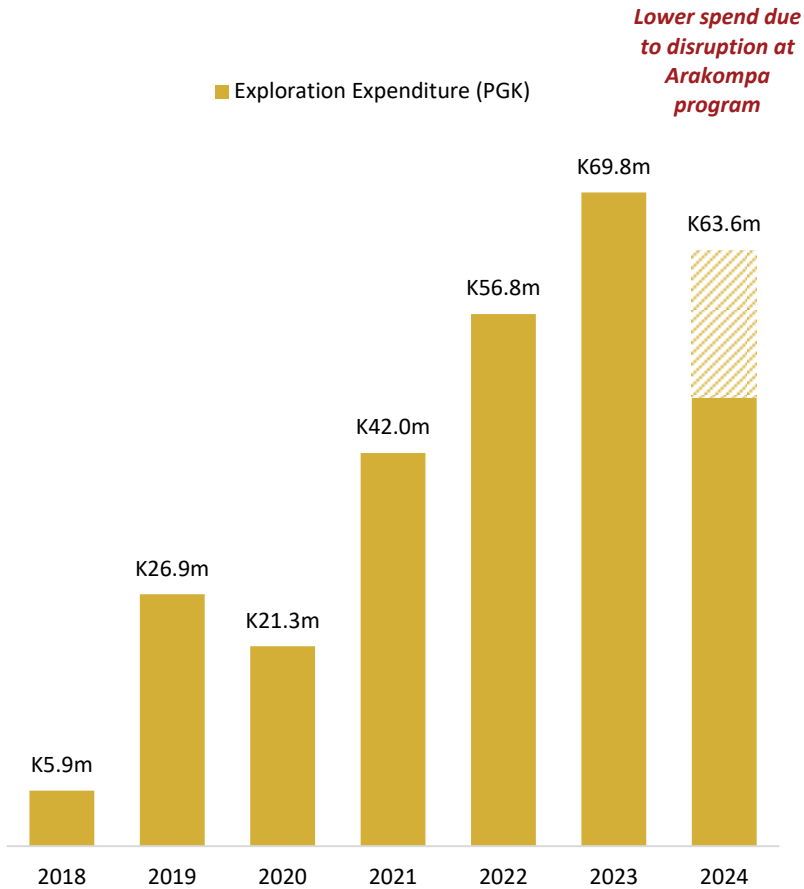
Exploration Focused on Extending Mine Life To Support Future Expansions Beyond Stage 4

**Kainantu is a very significant mine in Papua New Guinea for the next decade and beyond**  
**Government and landowners returns reaching more than 1.6 billion PGK per year**

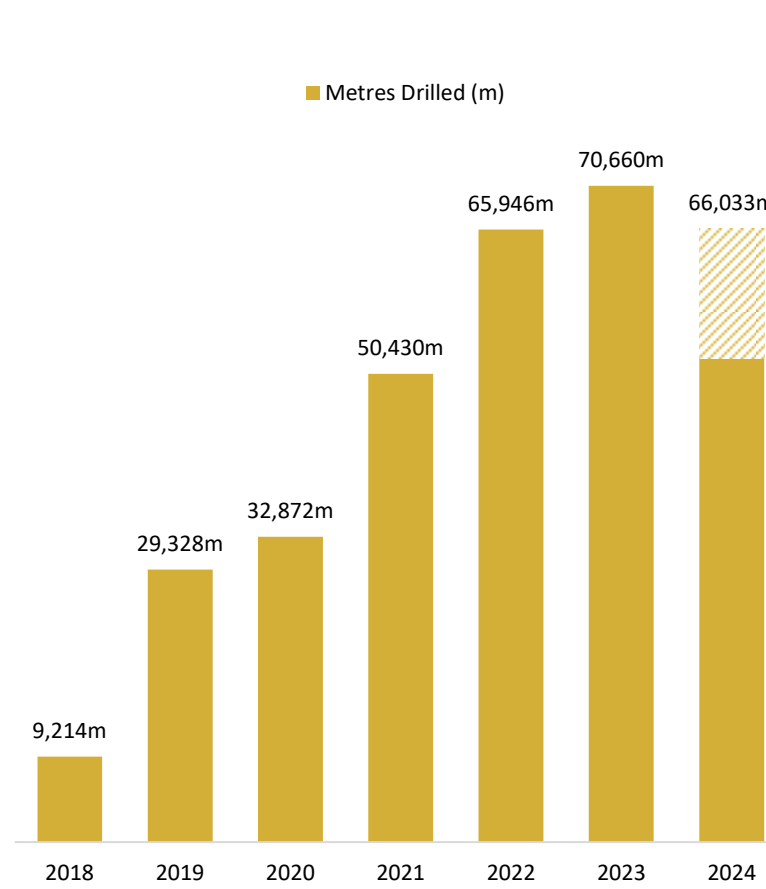
**Integrated Development Plan Updated to Incorporate December 2023 Resource Update**

# Proud to Be the Largest Mineral Explorer in PNG

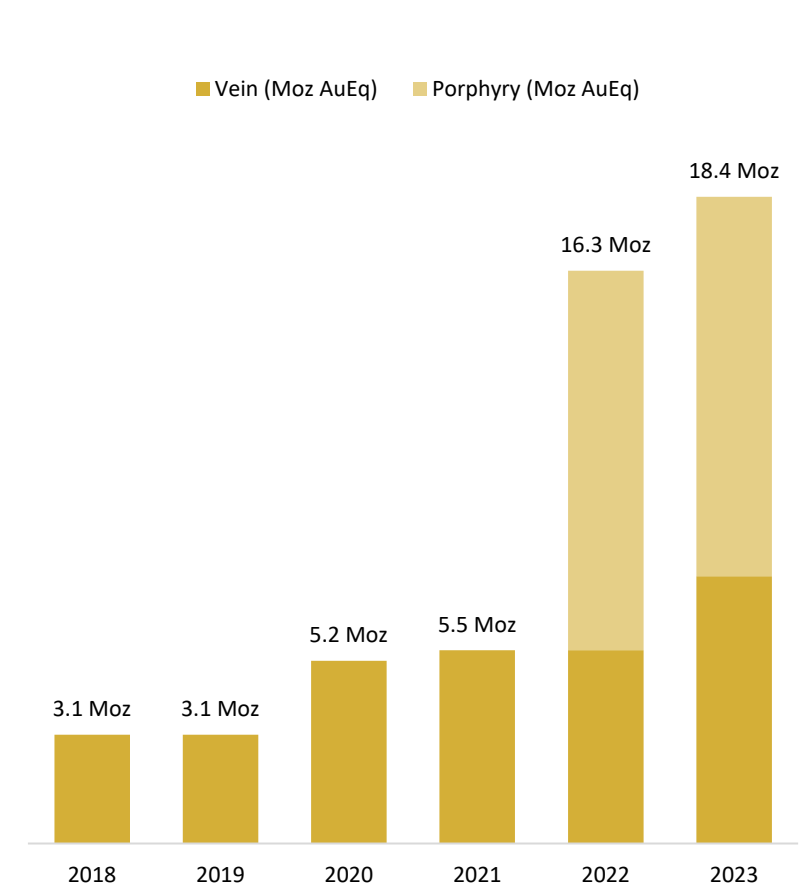
## Exploration Expenditure (PGK)



## Metres Drilled (m)



## Ounces Discovered (moz AuEq)



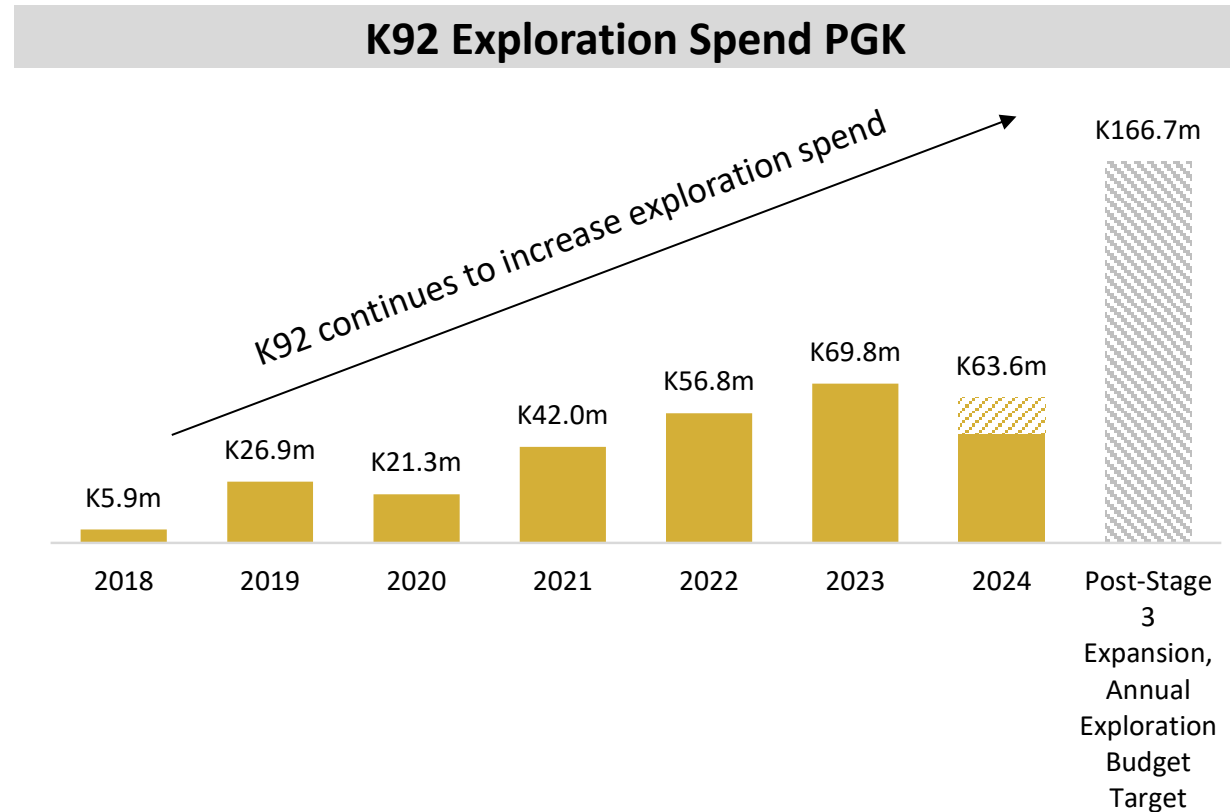
**K92 is proud to be the Largest Explorer in the Mining Industry in Papua New Guinea**

**Over the years our investment in exploration has increased**

**This investment is in the long term potential of Papua New Guinea**



# Proud to Be the Largest Mineral Explorer in PNG



**K92 is a standout in Papua New Guinea as the largest explorer in the country**

**Expeditious approvals & renewals of Exploration Licenses = More Exploration**

**K92 Invested Heavily in Exploration During Expansions And Plans to Invest Even More Post Stage 3**

# Multiple High Priority Near-Mine Targets

## Multiple High Priority Near-Mine Vein and Porphyry Targets

1

### Kora & Kora Deeps (Vein)

- Kora open to depth and along strike

2

### Kora South & Judd South (Vein)

- Structure extends +1km beyond mining lease
- Outcrop and historical mining, previously undrilled

3

### Judd & Judd Deeps (Vein)

- Subparallel to Kora, high-grade historical & recent intersections
- ~150-200m from existing mine infrastructure

4

### Karempa (Vein)

- Artisanal workings, presumed porphyry below high-grade veins
- ~400-450m from existing mine infrastructure

5

### Maniape and Arakompa (Vein)

- Arakompa: +1.7km strike, +500m vertical, 150-225m wide mineralized corridor
- Maniape: +1km strike, +200m vertical

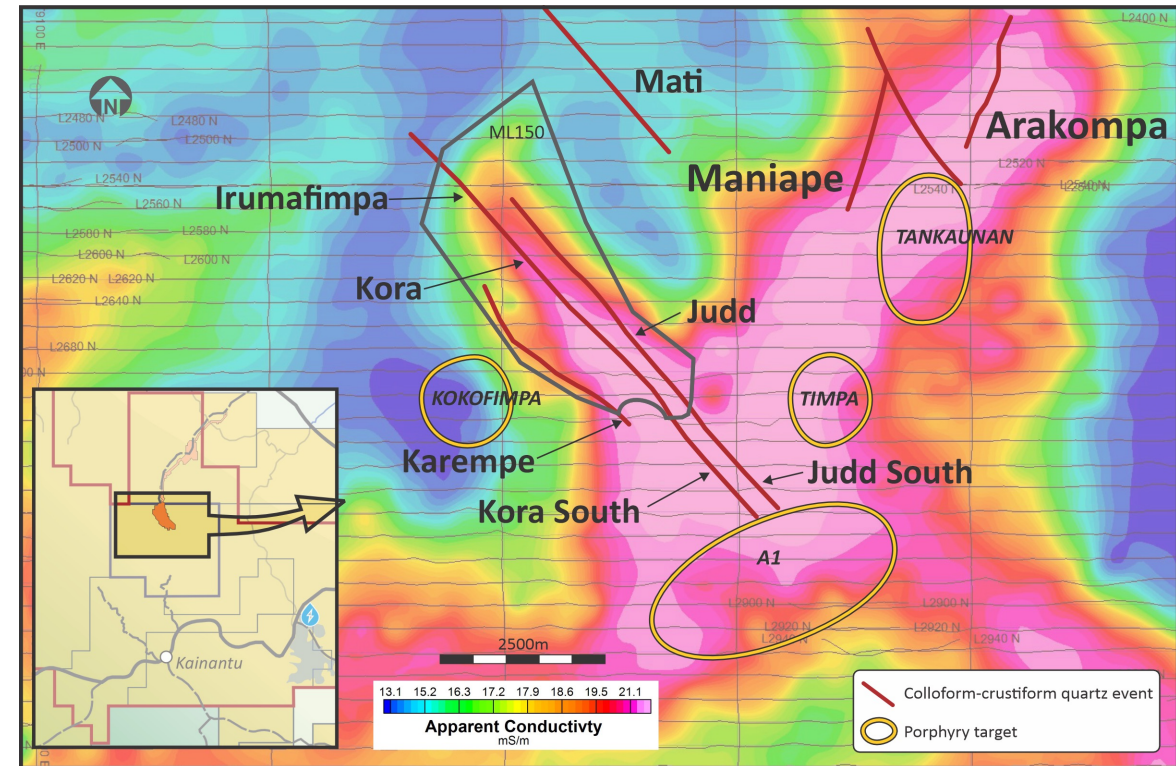
6

### A1 (Porphyry)

- Latest advanced mobile MT geophysics confirms A1 as our #1 porphyry target

 = Drilling Underway

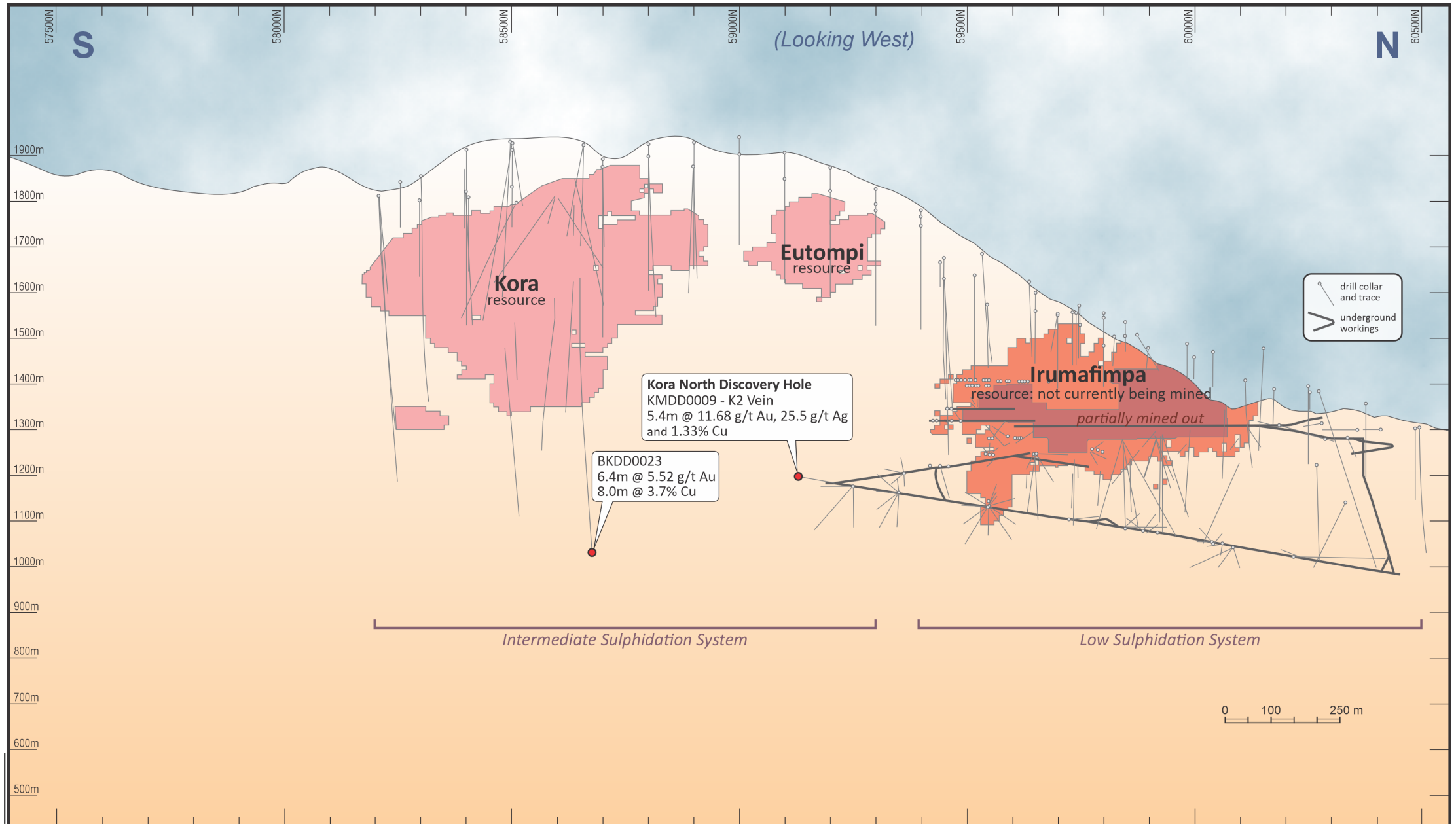
## Airborne Geophysics and Target Locations



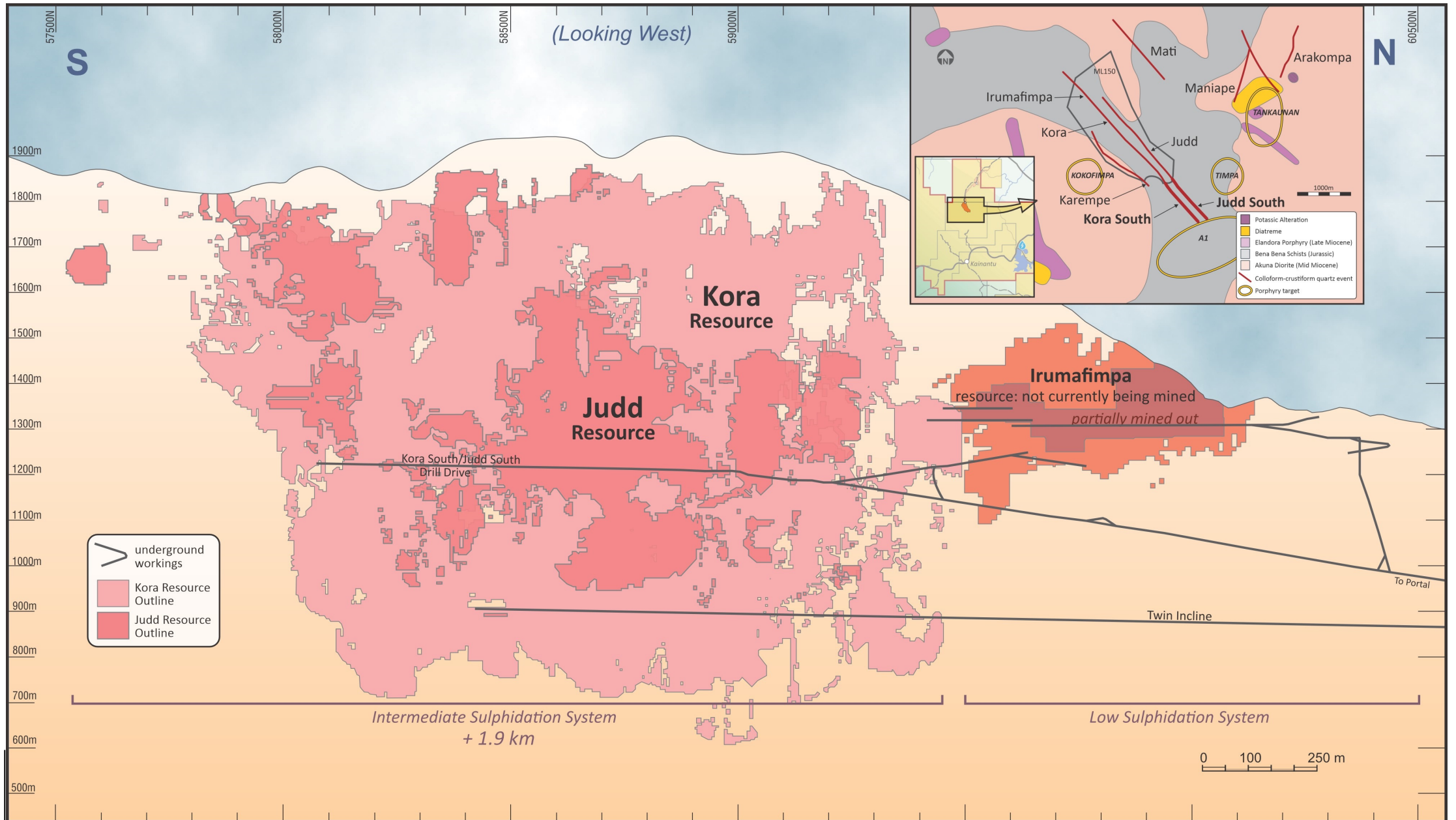
**Significant Resource Expansion at Highly Prospective Near-Mine Vein Field  
Established Infrastructure = Rapid Transition from Discovery to Mining**



# Kainantu Mine Geology – May 2017 (Kora North Discovery)

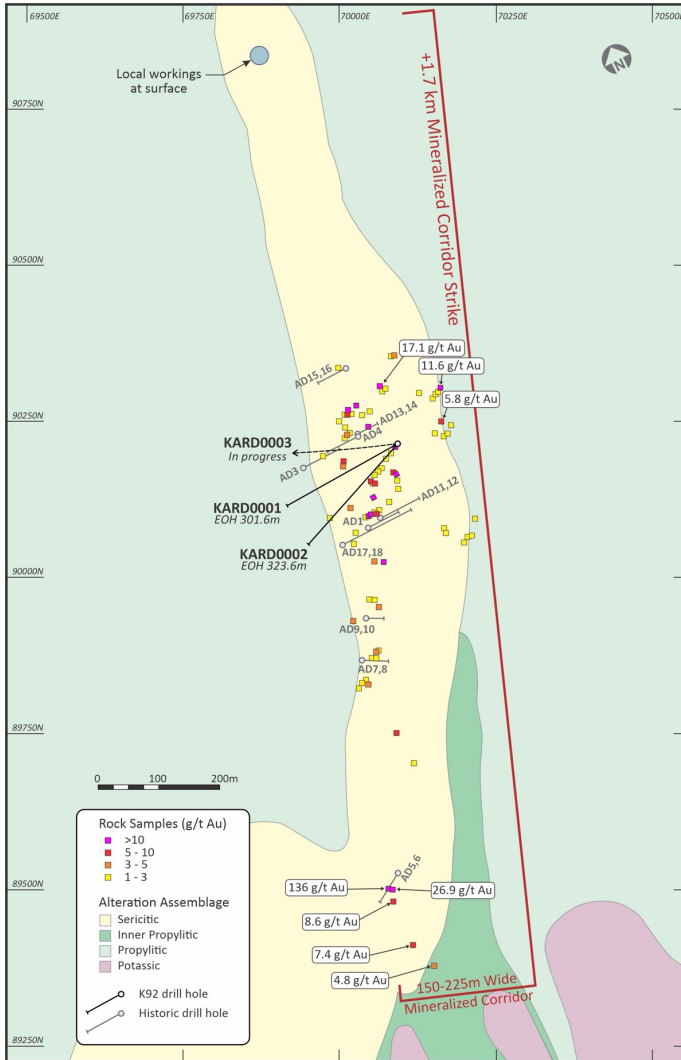


# Kora, Judd and Irumafimpa Deposit Long Section – September 2023

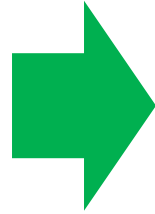


# Arakompa is a Growing Very Rapidly

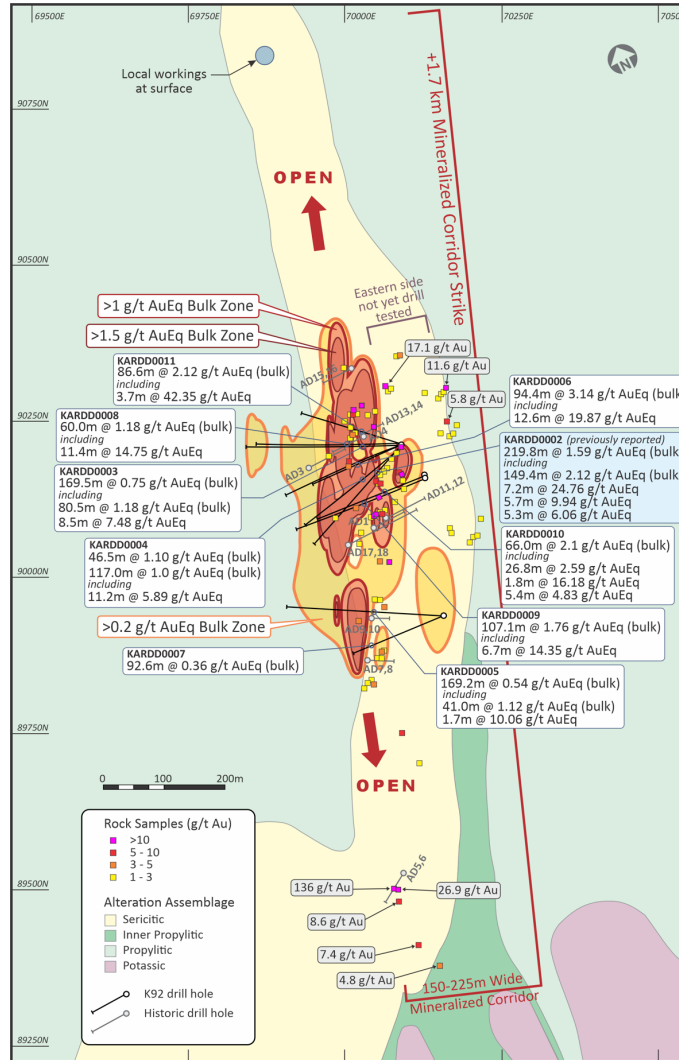
## Feb 2022 (2 Holes Reported)



9 New Holes Reported



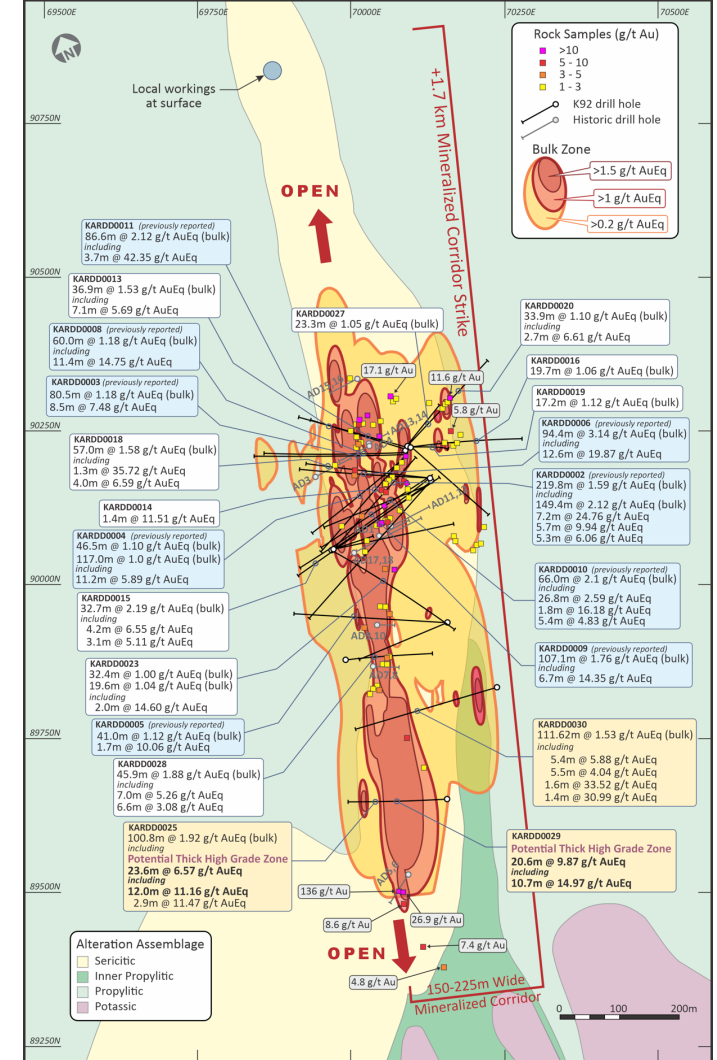
## June 2024 (11 Holes Reported)



19 New Holes Reported



## Oct 2024 (30 Holes Reported)



Arakompa is rapidly & efficiently growing. Only ~40% of strike has been tested



# Exploration Targets Summary

## Porphyry Targets / Deposits

- Tankaunan
- Kokofimpa
- Timpa
- **A1 (Headwaters)**
- **Blue Lake**
- Efontera
- Kathnell
- Yompossa (Yanabo)
- Aifunka
- **Yonki (skarn & porphyry)**
- **Yar Tree**

## High Grade Vein System Targets / Deposits

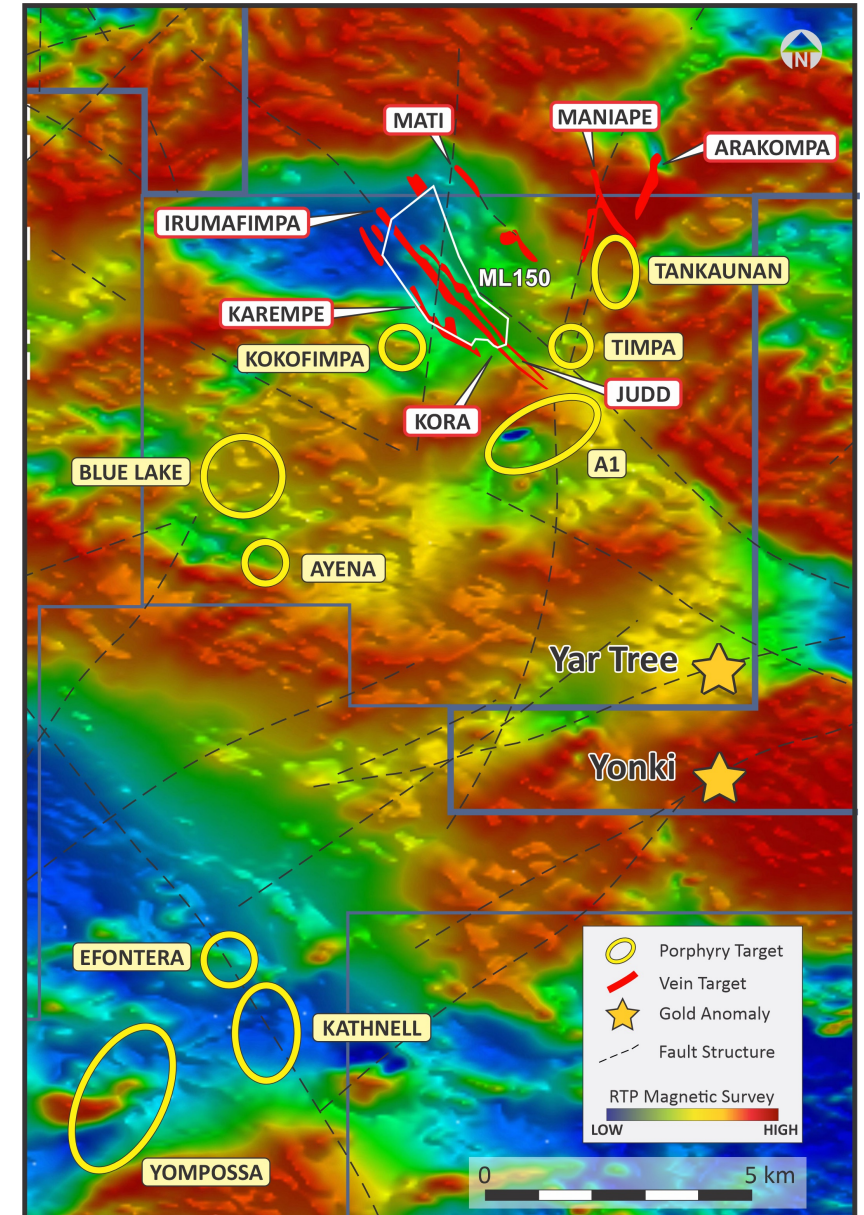
- Irumafimpa Extension (Kokomo)
- **Kora**
- **Kora South**
- **Judd**
- **Judd South**
- **Karempe**
- Maniape
- **Arakompa**
- **Mati / Mesoan**

Blue = Drill testing underway or recently completed

Red = Surface sampling program recently completed or underway

Large ~830km<sup>2</sup> land package

Prospective for multiple deposit types  
with many high priority targets







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17t Bucket Loader  
Sandvik LH517i LHD  
Kainantu Gold Mine  
Papua New Guinea