

Kainantu Resources Filing of Q3 2022 Results

VANCOUVER, BC, Nov. 29, 2022 /CNW/ - Kainantu Resources Ltd. (TSXV: KRL) (FSE: 6J0) ("KRL" or the "Company"), the Asia-Pacific focused gold mining company, is pleased to report the filing of its interim results for the nine months ending September 30, 2022, a copy of which is available for review in the "Investors" section of the Company's [website](#).

Key aspects to report over the period include the following (with financial analysis stated in USD unless otherwise noted):

Financial Update

- Prudent management of capital resources continued in Q3 2022, during the 9 months ended September 30:
 - capitalised expenditure on exploration and evaluation activities totalled \$1.78 million, compared to \$1.16 million for the period in 2021, primarily due to expanded exploration activities, including a significant airborne geophysical survey over our properties adjacent to K92 Mining;
 - as at September 30 cash and receivables totalled \$0.32 million (or C\$ 0.44 million) with \$0.18 million of non-trade receivables. Subsequent to the reporting date on [November 3, 2022](#), the Company completed the first tranche of the placement, securing C\$1.70 million in funding significantly increasing the cash balance.
 - cash used in operating activities was \$0.71 million and \$1.65 million for investing activities and net inflows from financing of \$1.90 million; and
 - the loss through for the period was \$0.78 million a reduction of \$0.33 million compared to 2021 which included non-recurring one-off listing expense and non-cash share-based payments.

Business Update

- At the Ontenu prospect at KRL South, three high priority targets were identified, based on structural, geochemical and geophysical signatures, with a focussed, grided soil sampling programme underway;
- The Tirokave area of interest has been expanded to include an additional prospect at Mt. Yungateia (with further analysis being finalised from the sampling at East Avaniofi and Yaoro Ridge prospects);
- At KRL North a cluster of soil samples around the ring feature in the southern corner of EL2558 support the potential for continuity of high grade mineralisation from the Bilimoia gold field within K92;
- At May River, field work at the Mountain Gate prospect has identified a number of potential targets for further studies to define epithermal and porphyry styles of mineralisation; and
- Closing events are continuing in relation to the acquisition of the Kili Teke project, including preparation of an NI 43-101 Technical Report to verify the existing SAMREC resource (237 Mt @ 0.34% Copper (=0.8Mt Cu), 0.24g/t Gold (=1.8Moz Au) and 168ppm Molybdenum (=0.04Mt Mo)).

Matthew Salthouse, CEO of KRL, commented:

"KRL is pleased to provide this update for Q3 2022, with a number of initiatives being pursued at

high grade targets inclusive of KRL North, Ontenu and May River/Mountain Gate; in addition to progress towards closing the Kili Teke acquisition. The recent private placement provides ongoing funding for KRL to pursue our value accretive projects."

Private Placement

KRL wishes to advise the non-brokered private placement (the "Offering") for up to 22,727,273 units of the Company (each, a "Unit") at a price of C\$0.11 per Unit for aggregate gross proceeds of up to C\$2.5 million announced on [October 19, 2022](#) is to be extended.

After closing the first tranche of the Offering on [November 3, 2022](#), the Company has issued an aggregate of 15,635,790 Units at a price of C\$0.11 per Unit to raise gross proceeds of C\$1,719,937.

The second and final tranche of the Offering of up to an additional approximately C\$0.8 million is progressing and is expected to close on or about January 12, 2023 and the Company will provide an update on the Offering in due course.

Each Unit is comprised of one common share of the Company (each, a "Common Share") and one common share purchase warrant (each, a "Warrant"), with each Warrant being exercisable for one Common Share at an exercise price of C\$0.22 per Common Share at any time up to 36 months following the closing date of the Offering, with each Warrant being subject to acceleration in certain circumstances.

Qualified Person

The scientific and technical information disclosed in this release has been reviewed and approved by Graeme Fleming, B. App. Sc., MAIG, an independent "qualified person" as defined under National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

About Kainantu Resources Limited (KRL)

Kainantu Resources 'KRL' is an Asia-Pacific focused gold mining company with three highly prospective gold-copper projects, KRL South, KRL North and the May River Project. All projects are located in premier mining regions in PNG. Both KRL North and KRL South show potential to host high-grade epithermal and porphyry mineralisation, as seen elsewhere in the high-grade Kainantu Gold District. The May River project is in close proximity to the world-renowned Frieda River Copper-Gold Project, with historical drilling indicating the potential for significant copper-gold projects. KRL has a highly experienced board and management team with a proven track record of working together in the region; and an established in-country partner. KRL recently executed an agreement to acquire the Kili Teke project in the western highlands of PNG.


For further information please visit <https://kainanturesources.com/>

References in this release to \$ are stated in USD.

*Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release. **Disclaimer and Forward-Looking Information** This release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. All statements, other than statements of historical fact, are forward-looking statements or information. Forward-looking statements or information in this news release relate to, among other things: formulation of plans*

for drill testing; and the success related to any future exploration or development programs. These forward-looking statements and information reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include; success of the Company's projects; prices for gold remaining as estimated; currency exchange rates remaining as estimated; availability of funds for the Company's projects; capital, decommissioning and reclamation estimates; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions; no unplanned delays or interruptions in scheduled construction and production; all necessary permits, licenses and regulatory approvals are received in a timely manner; and the ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive. The Company cautions the reader that forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this news release and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in gold prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets (such as the Canadian dollar versus the U.S. dollar); operational risks and hazards inherent with the business of mineral exploration; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; our ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner; changes in laws, regulations and government practices, including environmental, export and import laws and regulations; legal restrictions relating to mineral exploration; increased competition in the mining industry for equipment and qualified personnel; the availability of additional capital; title matters and the additional risks identified in our filings with Canadian securities regulators on SEDAR in Canada (available at www.sedar.com). Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described, or intended. Investors are cautioned against undue reliance on forward-looking statements or information. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances.

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