

## KORE MINING COMPLETES ADDITIONAL ENGINEERING AND ECONOMIC ASSESSMENT OF IMPERIAL PROJECT SCENARIOS

### Project Economics Remain Strong Across All Project Scenarios

Vancouver, BC, April 19, 2022 - KORE Mining Ltd. (TSXV: KORE | OTCQX: KOREF) (“KORE” or the “Company”) is pleased to announce positive results from additional engineering and economic assessment work for the Company’s 100% owned Imperial Oxide Gold Deposit (“Imperial” or “Project”), located in California, USA. The work assessed various scenarios in response to the position by the Bureau of Land Management (“BLM”) of the possible need to move project infrastructure as announced [August 20, 2021](#). Economic modelling results for all scenarios were within the sensitivities of the [April 6, 2020](#) positive Preliminary Economic Assessment (“PEA”). The work demonstrates that, regardless of the ultimate location of Imperial’s processing infrastructure, Imperial has the potential to be a mid-tier gold mine with compelling project economics.

#### 2020 PEA HIGHLIGHTS:

- Base economics: US\$ 343 million NPV<sub>5%</sub> post-tax with 44% IRR at US\$1,450 /oz gold
- Alternate scenarios could increase effective operating costs an estimated 5-15% from PEA
  - US\$ 263 to 317 million NPV<sub>5%</sub> post-tax at US\$1,450 / oz gold from PEA sensitivities
  - Project remains highly economic in all scenarios evaluated
- Significant gold leverage: >US\$ 600 million PEA NPV<sub>5%</sub> at recent spot US\$1,900 /oz gold
- Unchanged 146,000 ounces gold per year and over 1.2 million ounces total production
- Additional value enhancement through Mesquite-Imperial-Picacho District exploration and resource expansion remains untapped

The PEA is preliminary in nature and 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, and there is no certainty that the preliminary economic assessment will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

KORE’s CEO Scott Trebilcock stated: “The alternate infrastructure locations assessed in our recent work shows robust project economics across all scenarios in-range of our 2020 PEA economic sensitivities. Imperial remains a technically simple, high-return gold project in a safe, politically stable jurisdiction with a long tradition of gold mining. All scenarios use conventional open pit mining techniques, proven processing technology and existing infrastructure.”

Mr. Trebilcock continued: “With our ACES initiative – A Clean Environment for the Salton Sea – the Imperial Project aims to deliver positive social and environmental impacts for local stakeholders – cleaner air from ACES, generational job creation and training, respect for land heritage and complete land restoration post-mining including backfilling open pits. All KORE’s development plans meet or exceed California’s stringent reclamation and environmental laws while delivering meaningful positive local stakeholder impact.”

## CORPORATE UPDATE

Marc Leduc, KORE's COO since late 2019, has advised the Company he will be retiring in May of 2022. Mr. Leduc is looking forward to spending more time with his wife and family. The Board would like to thank Mr. Leduc for his service over the last several years. A replacement, who is expected to focus on delivering exploration permits and drilling, is being actively recruited.

## 2020 PEA SUMMARY

The PEA was prepared in accordance with National Instrument 43-101 ("NI 43-101") by Global Resource Engineering (Denver) ("GRE") and supported by Geo-Logic Associates. The team was led by Marc Leduc, P.Eng., the COO of KORE Mining. The results were announced [April 6, 2020](#) and the technical report is available on KORE's website at [www.koremining.com](http://www.koremining.com) or on our SEDAR profile at [www.sedar.com](http://www.sedar.com).

Unless otherwise stated, all dollar figures are in United States dollars ("\$\$") and masses are in short tons.

Economics		Pre-Tax	Post-Tax
Net present value (NPV <sub>5%</sub> ) at C\$1.00/US\$0.75	<i>C\$ millions</i>	\$583	\$457
Net present value (NPV <sub>5%</sub> )	<i>US\$ millions</i>	\$437	\$343
Internal rate of return (IRR)	<i>%</i>	52%	44%
LOM avg. annual cash flow after tax & capital	<i>US\$ millions</i>	\$104	\$90
LOM cumulative cash flow (undiscounted)	<i>US\$ millions</i>	\$694	\$577
Gold price assumption	<i>per ounce</i>	\$1,450	
Mine life	<i>years</i>	8	
Average annual gold production	<i>thousand ounces/yr</i>	146	
Total LOM recovered gold	<i>million ounces</i>	1.17	
Initial capital costs	<i>US\$ millions</i>	\$142	

Life-of-mine ("LOM") calculation and "Mine Life" is defined as the duration of mining operations, is eight (8) years. There are additional years of site work for residual leaching, washing, back-filling and reclamation modelled.

## 2020 PEA OPERATING COST SENSITIVITIES

The following table demonstrates the post-tax sensitivities of NPV and IRR to operating cost changes. Recent assessment of alternate mill sites following BLM challenge to the mill sites used in the PEA base case showed potential effective operating cost increases of 5-15% (**bold**):

Sensitivity to Operating Cost (post-tax US\$) at \$1,450 per ounce gold		
<i>% of Base Case Operating Cost</i>	<b>(NPV<sub>5%</sub>) millions</b>	<b>IRR%</b>
-20%	446	53%
-15%	420	51%
-10%	395	48%
-5%	370	46%
BASE CASE	343	44%
<b>+5%</b>	<b>317</b>	<b>41%</b>
<b>+10%</b>	<b>290</b>	<b>39%</b>
<b>+15%</b>	<b>263</b>	<b>36%</b>
+20%	236	34%

## 2020 PEA GOLD PRICE SENSITIVITIES

At current gold spot price of ~\$1,900 per ounce gold, NPV is US\$610 million with a 70% IRR. The following table presents the post-tax sensitivities of NPV and IRR to gold price per ounce:

<b>Economic Sensitivities to Gold Prices (post-tax)</b>		
<i>Per ounce of gold</i>	<b>(NPV<sub>5%</sub>) millions</b>	<b>IRR%</b>
US\$1,200	US\$195	22%
US\$1,300	US\$234	34%
US\$1,450 BASE CASE	US\$343	44%
US\$1,600	US\$450	52%
US\$1,800	US\$590	64%
<b>US\$1,900</b>	<b>US\$610</b>	<b>70%</b>
US\$2,000	US\$729	75%

## RECENT ALTERNATE MINE SCENARIO ENGINEERING WORK

In response to the BLM's position as set out in KORE's press release issued [August 20, 2021](#), KORE re-engaged the 2020 PEA engineering team to assess the potential impact of moving Imperial infrastructure from locations south of the open pits assumed in the PEA to east of the open pits. The alternate infrastructure locations, outside of the Indian Pass mineral entry withdrawal, would avoid the matters raised by the BLM. The alternate infrastructure locations would only be used if the PEA base case south infrastructure options were not available in the future as KORE has the right to challenge the BLM views.

The engineering work developed eight mine plans and supporting economic scenarios that looked at alternate infrastructure configurations and trade-offs including conveying and crushing scenarios. Crushing and conveying were further investigated to offset the longer haul distances to the alternate infrastructure locations. The work was conducted to the same standard as the previous PEA work.

The results were all positive economically with ranges from an equivalent of 5-15% increases in operating cost from the PEA mine plan economic sensitivities at \$1,450/oz gold. At higher gold prices, the crushing and conveying cases become more attractive due to higher recoveries post-crushing. Whichever infrastructure locations are ultimately used to permit the Imperial Project, the work shows potential for a robust mid-tier gold mine with compelling project economics.

KORE considers the results of these studies as demonstrating the flexibility of the mine plan to changes to location of infrastructure within the cost sensitivities of the PEA study, and not a material change to the results of the PEA study.

## About the Imperial Gold Project

KORE owns 100% of the Mesquite-Imperial-Picacho District ("District") which consists approximately 31,000 acres of claims capturing the entire 28-kilometer trend from the operating Mesquite mine (Equinox Gold – TSX:EQX) to the closed Picacho mine and including KORE's Imperial project. In the District, gold is hosted in local fault structures related to a series of regional faults connecting the known District deposits. Those three District deposits (Mesquite, Imperial and Picacho) were discovered in exposed outcrops and



from placer workings. The rest of the District is covered by alluvium and has never been systematically explored.

The Mesquite-Imperial-Picacho District centers on KORE's Imperial project. Imperial is a structurally controlled intermediate sulfidation epithermal gold deposit. The 100% oxide gold deposit is currently defined at 2.44 kilometer long and up to 0.75 kilometer wide and is open both along strike and down-dip. It is hosted in a shallowly southwest dipping, amphibolite grade metamorphic rock suite along a west-northwest trending low-angle regional thrust fault system which controls the regional geometry of mineralization. East-west striking, post-mineralization normal faults control the property scale geometry of mineralization. Geophysical characterization of the deposit and regional controlling structures is an essential component of exploration for additional resources.

The Company's mineral resource estimate is prepared in accordance with NI 43-101 and the preliminary economic assessment is summarized in the report titled "Preliminary Economic Assessment – Technical Report Imperial Gold Project" effective as of April 6, 2020 and revised and amended on June 10, 2021, prepared by Terre Lane and Todd Harvey of Global Resource Engineering and Glen Cole of SRK Consulting (Canada) Inc.

#### **About KORE Mining**

KORE Mining is focused on responsibly creating value from its portfolio of gold assets in California, USA. The Company is advancing the Imperial project towards development while continuing to explore across both district-scale gold assets. Management and Board, along with strategic investor, Eric Sprott (26% owner), are aligned with all KORE shareholders with the goal of creating per share value.

Further information on Imperial and KORE can be found on the Company's website at [www.koremining.com](http://www.koremining.com) or by contacting us as [info@koremining.com](mailto:info@koremining.com) or by telephone at (888) 407-5450.

#### **On behalf of KORE Mining Ltd**

*"Scott Trebilcock"*

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Technical information with respect to the District and Imperial Gold Project contained in this news release has been reviewed and approved by Marc Leduc, P.Eng., who is KORE's COO and is the qualified person under National Instrument 43-101 responsible for the technical matters of this news release.

**Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**

**ALTERNATIVE PERFORMANCE MEASURES (NON-IFRS MEASURES)**

Items marked with a \* in this news release are alternative performance measures. Alternative performance measures are furnished to provide additional information. These non-IFRS performance measures are included in this news release because the Company believes these statistics are key performance measures that provide investors, analysts and other stakeholders with additional information to understand the costs associated with the Project. These performance measures do not have a standard meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

“Cash Costs” and “Cash Costs (LOM)” are a non-IFRS measure reported by KORE on an ounces of gold sold basis. Cash costs include mining, processing, refining, general and administration costs and royalties but excludes depreciation, reclamation, income taxes, capital and exploration costs for the life of the mine, defined above as 8 years.

“All-In-Sustaining-Costs” (“ASIC”) is a non-IFRS measure reported by KORE on a per ounce of gold sold basis that includes all cash costs noted above (mining, processing refining, general and administration and royalties), as well as sustaining capital and closure costs, but excludes depreciation, capital costs and income taxes.

**Cautionary Statement Regarding Forward-Looking Information**

This news release contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects", "intends", "indicates" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the future plans and objectives of the Company are forward-looking statements.

Forward-looking statements in this news release include, but are not limited to, statements with respect to: the strategy, timing and implementation of permit regional exploration drilling in the 28-kilometer Mesquite-Imperial-Picacho District (“**Regional Exploration Drilling**”) and permit drilling to advance the existing Imperial gold deposit (“**Imperial Zone**”) toward feasibility and mine permitting at the Imperial project; the timing of submitting Environmental Assessment report(s) for one or more areas of the Imperial project; potential actions, behavior or position of the BLM; the underexplored and prospective nature of the Imperial Regional Exploration Drilling area; the results of the preliminary economic assessments for the Imperial Project, including future project opportunities, the projected NPV, permit timelines, the current mineral resource estimate, and the ability to obtain the requisite permits; the market and future price of and demand for gold; the opportunities of expansion at the Imperial Project; and the ability to work cooperatively with stakeholders, including all levels of government. Such forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business. In connection with the forward-looking information contained in this presentation, the Company has made numerous assumptions, including, among others: there being no significant change to current geotechnical, metallurgical, hydrological and other physical conditions at the Imperial Project; exploration, permitting, and development of the Imperial Project being consistent with current expectations and planning; the geological, permitting and economic advice that the Company has received is reliable and is based upon practices and methodologies

which are consistent with industry standards; and other planning assumptions. While the Company considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Known risk factors include, among others: the outcome of BLM's review processes for permitting, including the final outcome(s) of BLM's mineral claim validity examination(s) and administrative review process(es) with respect to the Imperial Zone, including a change to the findings from the mineral claim validity examination conducted in 2002 for the mill sites at the Imperial Zone, resulting in the Company having to move its future Imperial Zone project support facilities to areas that are not within the Indian Pass mineral withdrawal area; the possibility that BLM may require and/or conduct further mineral claim validity examinations with respect to the Imperial project, and the outcome and final determination of such examination could, among other things, invalidate one or more mining claims; the possibility that BLM or other governmental authority review of the Regional Exploration Drilling program, delays or changes the Company's plan for Regional Exploration Drilling permitting, which could result, among other things, in delays, additional project requirements, additional costs and uncertainty of meeting anticipated program milestones; the exploration drill program may not be completed as planned; the need to obtain additional financing; uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other government approvals.

Additional risks and uncertainties are described in the "Risks" sections of (i) the Company's Annual Information Form for the year ended December 31, 2020 prepared as of April 29, 2021, and (ii) the Company's Management's Discussion and Analysis for the nine months ended September 30, 2021, both available under the Company's issuer profile on [www.sedar.com](http://www.sedar.com).

Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.