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**KARORA**  
RESOURCES

FIRST QUARTER 2024 | CONFERENCE CALL AND WEBCAST

## FOURTH QUARTER 2023 CONFERENCE CALL

**Chairman & CEO**

**Paul Huet**

**Managing Director,  
Australia:**

**Leigh Junk**

**Executive Vice President,  
Corporate Development:**

**Oliver Turner**

# DISCLAIMER

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This presentation contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of Karora, consolidated full year production, cost and capital guidance, and the potential of the Beta Hunt Mine, Higginsville Gold Operation, the Two Boys Mine, the Pioneer Mine, the Spargos Gold Project, the Lakewood Mill, the HGO Mill and the completion of the Beta Hunt growth plan.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Karora to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; results of exploration programs; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash operating costs, failure to obtain regulatory or shareholder approvals. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to Karora's filings with Canadian securities regulators, including the most recent Annual Information Form, available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Although Karora has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and Karora disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

## NON-IFRS MEASURES

Certain non-IFRS measures are included in this Presentation, including Working Capital, Adjusted EBITDA, Adjusted Earnings and AISC. The non-IFRS measure should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers. A definition and reconciliation of these measures is included in the Non-IFRS Measures section of Karora's news release dated May 13, 2024 and MD&A for the period ended March 31, 2024.

All currency references are in Canadian dollars unless otherwise stated.

# CAUTIONARY NOTE

## CAUTIONARY NOTES – PRODUCTION, COST AND CAPITAL GUIDANCE (2024)

- (1) 2024 guidance was announced in March 2023 (see Karora news release March 23, 2023) and updated on March 11, 2024.
- (2) The Corporation's guidance assumes targeted mining rates and costs, availability of personnel, contractors, equipment and supplies, the receipt on a timely basis of required permits and licenses, cash availability for capital investments from cash balances, cash flow from operations, or from a third-party debt financing source on terms acceptable to the Corporation, no significant events which impact operations, an A\$ to US\$ exchange rate of 0.67 and A\$ to C\$ exchange rate of 0.90. Assumptions used for the purposes of guidance may prove to be incorrect and actual results may differ from those anticipated. See below "Cautionary Statement Concerning Forward-Looking Statements".
- (3) Exploration expenditures include capital expenditures related to infill drilling for Mineral Resource conversion, capital expenditures for extension drilling outside of existing Mineral Resources and expensed exploration. Exploration expenditures also includes capital expenditures for the development of exploration drifts.
- (4) Capital expenditures exclude capitalized depreciation and leased equipment.
- (5) AISC calculations are for the Australian operations only, and exclude non-cash share-based payments expense, derivative settlements, and net realizable value adjustments to prior period stockpiles. The Company acquired the Lakewood mill in 2022 and embarked on an expansion program to grow the Beta Hunt gold mine to 2Mtpa mining rate during 2024. Mine development for projects with greater than 1 year mine life and equipment acquisition are being attributed to growth capital during this growth phase.
- (6) See "Risk Factors" and "Non-IFRS Measures" described in the Corporation's MD&A for the period end December 31, 2023.

# RECENT HIGHLIGHTS



- Merger transaction with Westgold (ASX:WGX) to create Australia's largest unhedged gold producer during a historically strong period for gold prices
  - Upfront premium to Karora shareholders and 49.9% interest in a combined +400,000 ozpa gold producer
  - Combined company offers substantial potential synergies of \$440 million

- Karora 2024 Guidance announced during March:

## PRODUCTION, COST AND CAPITAL GUIDANCE (2024)

Production & Costs		2024
Gold Production	Koz	170 – 185
All-in sustaining costs	US\$/oz	1,250 – 1,375
Payable Nickel Production	Tonnes	200 - 300
Capital Investments		
Sustaining Capital	A\$ (M)	11 - 16
Growth Capital	A\$ (M)	80 – 90
Exploration & Resource Development	A\$ (M)	18 - 23

1. See caution regarding non-IFRS measures on slide 3
2. See caution on slide 4



# Q1 HIGHLIGHTS

## Q1 2024 Operating Highlights:

- Gold production of 36,147 oz
- Gold sales of 40,343 oz
- Cash operating costs of US\$1,193/oz
- AISC<sup>1</sup> of US\$1,285/oz sold

## Q1 2024 Financial Highlights:

- Revenue: \$115.5 million
- Net earnings: \$2.1 million (\$0.01/sh)
- Adjusted earnings<sup>1</sup>: \$13.3 million (\$0.07/sh)
- Adjusted EBITDA<sup>1</sup>: \$40.5 million (\$0.23/sh)
- Cash flow from operating activities \$42.6 million

## Financial Position (millions of dollars)

For the periods ended	March 31, 2024	December 31, 2023
Cash and cash equivalents	\$87.3	\$82.5
Working capital <sup>2</sup>	58.4	53.4
PP&E & MPI	470.9	465.5
Total assets	610.5	604.6
Current liabilities <sup>3</sup>	63.4	68.2
Non-current liabilities <sup>3</sup>	111.9	105.6
Financial liabilities <sup>3</sup>	64.4	63.2
Total liabilities	239.7	237.0
Shareholder's equity	\$370.8	\$367.7

1. All-in Sustaining Costs (AISC), Earnings before interest, taxes, depreciation and amortization ("EBITDA") and adjusted earnings are non-IFRS measures. A definition and reconciliation of these measures is included in the Non-IFRS Measures section of Karora's news release dated May 13, 2024.
2. Working capital surplus (deficit) is a measure of current assets (including cash and cash equivalents) less current liabilities.
3. Financial liabilities include current and non-current (long-term) debt and lease obligations

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# CONSOLIDATED OPERATIONAL HIGHLIGHTS

## ○ Q1 2024 consolidated production:

- Gold produced - 36,147 oz
- 436 kt milled @ 2.75 g/t
- Recoveries: 94%
- Cash operating costs:  
US\$1,193/oz sold
- AISC<sup>1</sup> of US\$1,285/oz sold



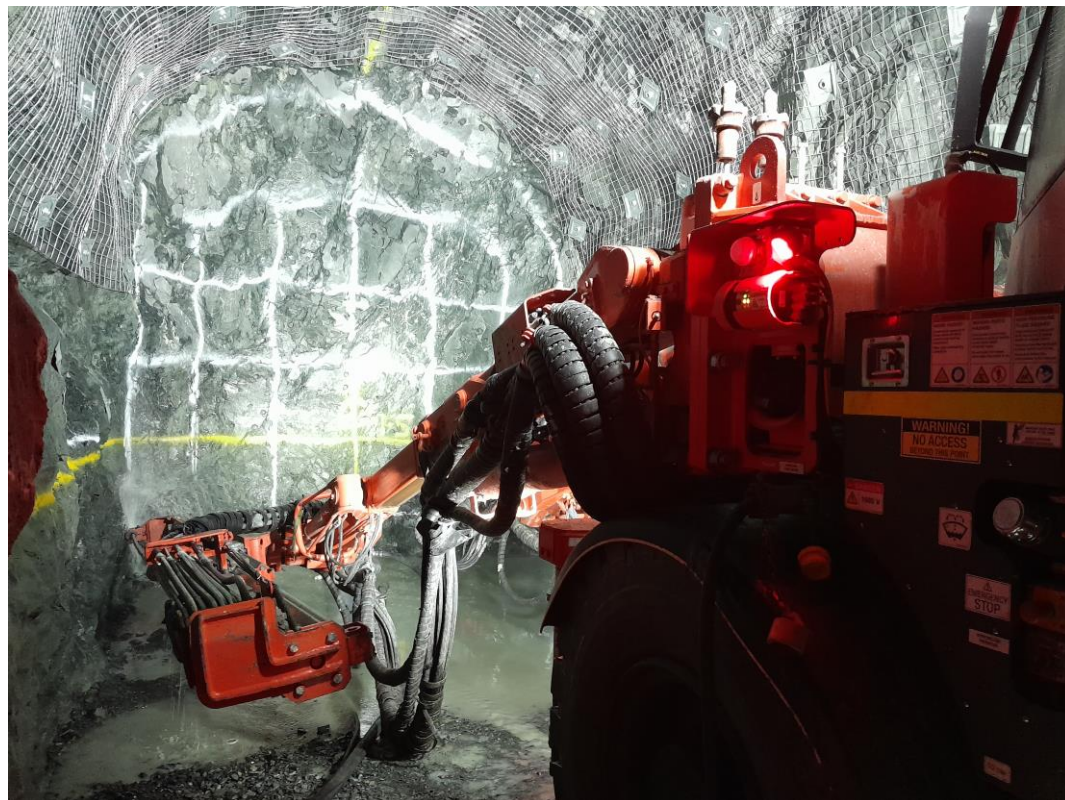
*Beta Hunt Mine Coarse Gold*



# OPERATIONAL HIGHLIGHTS – BETA HUNT

## ○ Q1 2024 Beta Hunt:

- Gold produced – 31,249 oz
- 271 kt milled @ 3.81 g/t
- Cash operating costs:  
US\$869/oz sold
- Nickel mined – 4,337 t @ 2.5%



# OPERATIONAL HIGHLIGHTS – HGO

## ○ Q1 2024 HGO mines production:

- Gold produced - 4,898 oz
- 165 kt milled @ 1.00 g/t
- Cash operating costs: US\$3,031 /oz sold



*HGO Processing Plant*

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# CREATING AUSTRALIA'S LARGEST UNHEDGED GOLD PRODUCER

## Merger with Westgold

### Combined Karora and Westgold

- +400,000 ozpa mid-tier gold producer and largest unhedged Australian gold producer in a historically strong bull gold market
- Highly complementary work cultures with vast underground mining experience
- Significant organic growth and exploration potential with a highly prospective combined land package of ~3,200 sqkm in Western Australia
- Strong synergy potential targeting ~\$440 million in savings
- Increased scale of mining and processing facilities drives new operational optimization potential
- Strengthened capital market profile and increased scale provide re-rating and index inclusion potential

### Consideration to Karora Shareholders (subject to Karora shareholder approval)

- Pro forma ownership of 50.1% Westgold shareholders and 49.9% Karora shareholders
- Karora shareholders to receive 2.5241 Westgold shares equating to A\$5.755 (C\$5.145), plus A\$0.680 (C\$0.608) in cash and 0.30 of a share in SpinCo with an implied value of A\$0.164 (C\$0.147) per Karora share held







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## **HEAD OFFICE**

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