



Kainantu Resources Reports Filing of Q2 2021 Results

Vancouver, B.C. – August 30, 2021 - Kainantu Resources Ltd. (TSX-V: KRL, FSE: 6J0) (“KRL” or the “Company”), the Asia-Pacific focused gold mining company, is pleased to report the filing of its second interim results for the period ending June 30, 2021, a copy of which is available for review on the Company’s [website](#).

Given the Company’s transition to a calendar reporting cycle, the interim results are presented for a 7 month period on this occasion.

Key aspects to report over the period include:

- Ongoing exploration success at the Company’s projects in Kainantu:
 - KRL South: successful outcomes from ridge-and-spur auger sampling in the Tirokave area, leading to the definition of three gold prospects (East Avanihofi Prospect, Yaoro Ridge Prospect and Kerefa Prospect) and a series of encouraging sampling results (including the high-grade 40.13 g/t Au rock sample result at the East Avanihofi Prospect);
 - KRL North: commencement of a comprehensive mapping and sampling programme to build on historic evidence of porphyry related alteration and mineralisation in the area; and
 - the collection of 2,628 samples over the period, in addition to earlier analysis (with results currently being processed).
- Execution of a value accretive corporate initiative for the May River Copper-Gold Project, with KRL entered into two definitive agreements to acquire mineral concessions in highly prospective ground:
 - previous drilling has demonstrated significant gold potential: 54m at 1.83g/t Au; 109m at 1.53g/t Au and 96m at 0.89g/t Au; and
 - copper-in-soil anomalies of > 2,500ppm have been reported from several areas.
- Commencement of trading on the FSE, in addition to the TSX-V, providing increased exposure to European capital markets.
- The appointment of Mr Graeme Duncan as Chief Operating Officer, bringing 45 years of experience leading mining project development in the Asia-Pacific region.
- Ongoing community support as evidenced by the signing of a long-term access agreement with key stakeholders at KRL North, in addition to continued engagement with the national level government (with the expansion and consolidation of exploration tenements at Kainantu reported during the period).
- A net loss for the 7 months of \$0.94 million (inclusive of listing and equity compensation costs) and a significantly lower loss for the 4 months to 30 June, 2021 of \$0.15 million.
- Exploration and evaluation activities for the 7 months to June 30, 2021 of \$0.76 million (which has been capitalised).



- A sound closing cash position of \$1.64 million: during the 7 month period to June 30, 2021 after raising \$2.94 million, cash used in operating activities was \$0.68 million (inclusive of transaction costs and the repayment of earlier working capital loans) and net investing cash outflows (inclusive of exploration expenditure) were \$0.61 million.

Matthew Salthouse, CEO of KRL, commented:

“KRL is pleased to report further progress during the period and has delivered against the early stage milestones set on listing in December 2021; with the consolidation of rights to explore in the world renowned Kainantu region and definition of three clear gold prospects at KRL South (with high-grade gold sample results reported at East Avaninofi).

The signing of definitive agreements to acquire the highly prospective May River Copper-Gold Project also demonstrated KRL’s ability to develop and execute value accretive corporate initiatives.

The Company expects to provide further updates on exploration efforts in the near future.”

About KRL

KRL is an Asia-Pacific focused gold mining company with two highly prospective gold projects, KRL South and KRL North, in a premier mining region, the high-grade Kainantu Gold District of PNG. Both of KRL’s projects show potential to host high-grade epithermal and porphyry mineralisation, as seen elsewhere in the district. 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.

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

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