Kainantu Resources Discovers 1.55 G/t Gold, 0.39% Copper, 20.8 G/t Silver At Krl South - Confirms High Grade Results At Ontenu Prospect

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VANCOUVER, March 3, 2023 - Kainantu Resources Ltd. (TSXV: KRL) (FSE: 6J0) ("KRL" or the "Company"), the Asia-focussed gold mining company, is pleased to announce encouraging initial results from the Ontenu Prospect at KRL So (including consistently high grade results of up to 1.55 g/t Au, 0.39% Cu, 20.8 g/t Ag and 460ppm Mo from surface).

The KRL South claims are located 27 km southwest of the K92 Mining (KNT:TSX) operations and are also situated on Transfer Structure.

Key Highlights:

- Geochemical analysis completed in H2 2022 identified a priority target area at Ontenu Prospect in KRL South
- Consistently high grade results of Au and Cu results from surface over a 2,300m x 900m designated soil (Au)
- Two distinct groups of contiguous
- Field work focussed on geophysical results demonstrating a high apparent conductivity target is interpreted as mineralized (Cu-Au-Ag-Mo) porphyry complex;
- historic sample results of up to 15.0g/t Au, 3.17% Cu 960g/t Ag, and 170ppm Mo have been verified; and
- Favourable geology indicative of the edges of porphyry style mineralization was mapped above and peripheral to underlying O6 anomaly.

Matthew Salthouse, CEO of KRL, commented:

"KRL is pleased to announce exceptional exploration sampling from the Ontenu prospect in our KRL South project; incl consistently high grade results of up to 1.55 g/t Au, 0/39% Cu, 20.8 g/t Ag and 460ppm Mo from surface over a 2,300m area.

This supports our view that the Ontenu area is highly prospective area for Au, Cu and Ag mineralization. Further work is move the area towards a targeted drilling programme in the near term."

Background

As previously announcement by the Company on 14th September, 2022, KRL has focused exploration activities at the Prospect in KRL South (contained within EL2660). This area was identified as a priority area of interest following analys geology, historic exploration and the Company's MobileMT survey results (with further background set out below). It is along the world renowned Kainantu Transfer Structure, in a district associated with highly successful mining projects, in Mining (KNT: TSX).

The Ontenu Prospect has emerged as a stand-out prospect and is ranked as a priority for the Company in the highly pr KRL South project (with potential to accelerate a focussed drill programme at Ontenu). Ontenu is approximately 15 kilo of the Tirokave area of interest (where KRL continues exploration activities) and 27 kilometres south-southwest of the K

Geology and Geophysical Signatures at the Ontenu Prospect

A work programme was undertaken and completed in H2 2022. Initial results have now been received and are detailed Ongoing field work and analysis has identified a cluster of interpreted mineralized porphyry and intrusion related targets Ontenu, a highly Au-Cu fertile area demonstrated by historic exploration results. Encouraging geophysical survey result support the potential of Ontenu for extensive bulk grade with attendant higher-grade mineralization, making this an area heightened focus for the Company.

- a 1,000m length averaging 1.01ppb Au and a 500m length averaging 114 ppb Au; and
- Cu (up to 733ppm) and Mo (up to 310ppm) display a close correlation with Au values;

In relation to the Company's geophysical survey, strongly anomalous areas were highlighted around the Ontenu Prospe Specifically, several discrete zones of high apparent conductivity along both NW and NE trends were apparent, as set

1 below. A central zone at the intersection of the most prominent NW and NE trending structures coincides with a stock
in a landslide exposure returning highly anomalous Au geochemistry; historically reported by Barrick. Further zones in b
NE directions appearing to be prospective and underlain by discrete magnetic highs.

Figure 1 also demonstrates the apparent conductivity anomalies from the MMT survey with historic data from past explo
with the outlines of KRL targets identified for more detailed work. Two prominent apparent conductivity anomalies (O5 a
tops of both interpreted as ~200m below surface), in addition to a curvilinear conductor (O7), all occur in the vicinity of t
prospects historically defined. While not the focus of previous operators' exploration activities, O5 is the strongest and m
depth-persistent conductor in all areas surveyed by the Company and may represent a significant under-explored shall
mineralization system.

The O6 anomaly partially underlies the most focussed and successful exploratory work undertaken by prior explorers a
associated with a coincident NW trending linear conductivity and magnetic anomaly (O2), which appears to represent a
controlling structure. Coincidentally, this is the same orientation as the high-grade Kora-Irumafimpa-Judd epithermal ve
underlaying K92's operations.

The O1 feature in the southern part of the survey area comprises broken magnetic anomalies interpreted as an intrusiv
or volcaniclastic sediments, likely the Yaveufa Formation. Shallow linear asymmetric conductivity anomalies (O3 and O
represent sediments thickening towards significant NE trending structures. Quartz-limonite stockwork veining hosted by
conglomerates immediately overlying a regional unconformity with basal Mesozoic metamorphics support the area arou
termed the Onerunka anomaly. This is a location for further field work investigation (noting artisanal miners are active h

Field work and analysis

Work focussed on implementing a planned programme over the O6 target and surrounds that included verification of pr
exploration (DDH pads and trench excavations), mapping and re-sampling selected trenches, gridded soil sampling (14
with 100m NS spacing and 50m E-W sampling interval), and 19.5km of creek traversing, mapping, and sampling, focus
identification of lithologies, alteration and mineralization styles, and controlling structures. The surface projection of the
conductivity high can be identified in Figure 2 by the pink dashed oval shape towards the bottom right of the chart area.

Intrusive lithologies, including ultramafics, microdiorite, andesite, and dacite are hosted by siltstone, likely the Omaura F
(which is hornfelsed and occasionally skarnified). Hydrothermal alteration mapped within the prospect affects all observ
lithologies to some degree.

Mineralization is present in all lithologies, but found to be more prevalent in the intrusives, particularly within the microd
andesite, as moderately disseminated pyrite-chalcocite±bornite±covellite and occasional sheeted and stockwork quartz
veins/veinlets. Of particular interest is one rock float sample (interpreted close to source and assaying 1.06ppm Au) exh
vuggy residual quartz hosting enargite mineralization, suggesting the remnants of a mineralized lithocap remaining in s

The structures identified within the prospect indicate a complex regime comprising NW trending (fault breccias and faul
trending (faults, shear zones) and late NNW-N and NNE-E trending displacement faults. These faults act as major cont
structures to alteration and mineralization and as openings for the emplacement of younger intermediate and mafic por
intrusions and associated contact brecciation.

During the mapping and sampling programme, a total of two E-W grid soil lines across the center of the Priority 1 area
were completed with 95 soil samples taken from the C horizon, varying from 0.8m to 2.1m depth. Outcrop, trench, and
traverse mapping and sampling saw a total of 63 largely mineralized rock chip samples taken.

Rock Geochemistry

Gold results from fire assay, along with ICP results of 52 elements recently became available for the 63 rock chip samp
The Au results of these samples taken over the Priority 1 target area (3.8km², Figure 1 above) are remarkably consisten
narrow range up to 1.55ppm Au, with only 2 of the samples falling below the detection limit of 0.005ppm Au; of these, 2
above an arbitrary limit of 0.2ppm Au average 0.45ppm Au.

The highest Cu value is 3,893ppm with 17 out of the 63 samples submitted returning >800ppm Cu; The highest Mo is 4
27 samples from the 63 returning >10ppm Mo; highest Ag values, up to 20.8ppm, are mainly associated with the highes

A 1.2km² area within the middle of the Priority 1 target, designated "P1 Central", Figure 2, encompasses the western po

surface projection of the O6 apparent conductivity target and exhibits moderate to strong Au-Ag-Cu-Mo anomalism thro
Most of these samples represent channel/continuous chip samples taken by past explorers over mainly stockwork veine
exposures and/or within trenches with the multi-element tenor confirmed by KRL's sampling programme, as set out in F
below. The area is largely underlain by strong to extremely weathered bedrock and residual soil cover.

Descriptions of sampling and assay procedures by prior explorers' annual reports of Ontenu and other areas in the Kair
appear to follow industry standards. Based on this, together with the initial favourable comparison of the geological des
and geochemical results from the P1 area, lead KRL to view the prior explorers' geochemical results as reliable for the
further work.

The top 10 rock sample results by key commodity are displayed in Figure 3 below. The table contains results from both
2022 program (samples numbers prefixed by "E") and the prior explorer's historic sampling programs.

Sample No	Au (g/t)	Sample No	Cu (%)	Sample No	Ag (g/t)	Sample No	Mo (ppm)
19479	15.00	19509	3.17	19479	960	E00031	460
19586	4.38	19503	1.89	19481	167	19507	170
19595	3.18	19527	0.92	19503	75	19534	154
19488	2.40	19514	0.43	19488	50	19484	143
19560	2.15	E00030	0.39	19586	36	E00036	127
19220	1.91	E00016	0.35	19511	27	19526	117
19591	1.90	19484	0.29	19487	26	19643	114
19481	1.88	E00049	0.27	19658	24	E00046	112
19216	1.81	19488	0.27	19218	22	E00030	99
E00010	1.55	19568	0.25	E00047	20.8	19479	99

Figure 3: KRL and RGS Rock Sample Multi-element Result Highlights

Soil Geochemistry

Although representing a relatively limited area within P1, the results from the brief gridded soil sampling programme are
highly encouraging.

From a total of 95 samples at 50m spacing from 2 E-W lines 100m apart transecting the center of the Priority 1 area, 2
groups of contiguous strongly anomalous Au (max 369ppb) are revealed: a 1,000m length averaging 101ppb Au and a
averaging 114ppb Au, Figure 2, above. Cu (max 733ppm) and Mo (max 310ppm) display a close correlation with Au va

The distribution of multi-element anomalous soils samples indicates at an early stage an association with the altered an
mineralized microdiorite exposed along the northern edge of the surface projection of the O6 conductivity target, and ex
further WNW, likely influenced by the O2 structural target. Clearly, further soil sampling may increase confidence on thi
observation; in addition to highlighting other prospective targets in the P1 area.

Interpretation

Based on the results set out above, a preliminary interpretation incorporating observed geology with the geochemical re
spatially relating them to the conductivity model generated by the MobileMT survey) are set out in Figure 4 above.

The model suggests a large depth-persistent highly conductive body shallowly underlying widespread relatively consist
Au-Cu-Ag-Mo mineralization associated with a largely hydrothermally altered intrusive complex, accompanied by periph
and evidence of remnant mineralized lithocap. KRL is of the view that the O6 anomaly represents the core of a substan

shallowly buried gold-rich porphyry copper body.

Next Steps

The high priority O6 target has been identified as a possible mineralized porphyry based on integrated geological, geoc and geophysical signatures discussed above. The intention is to produce zoned geochemical and alteration maps to aid vectoring towards drill targets (with potential to move towards a focussed drill programme in the near term).

The highly promising O5 target (very similar in character to O6), along with others identified in the Ontenu area, will als detailed exploration during 2023. The Company views the Ontenu area as extremely encouraging for potential econom Cu-Au-Ag-Mo mineralization at KRL South.

KRL will regularly conduct social awareness and community engagement to support field work at Ontenu from H1 2023

Qualified Person

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

About Kainantu Resources (KRL)

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

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