# KAINANTU RESOURCES ADVANCES EXPLORATION AT HIGHLY PROSPECTIVE REGIONAL TARGETS

VANCOUVER, BC, Sept. 14, 2022 /CNW/ - Kainantu Resources Ltd. (TSXV: KRL) ("KRL" or the "Company"), the Asia-Pacific focused gold mining company, is pleased to provide an update on regional exploration progress at the Ontenu area of interest, KRL South project. Historic field work in combination with detailed analysis from the Company's airborne geophysical survey demonstrates the Ontenu area hosting several highly prospective Cu-Au targets (porphyry-skarn and associated epithermal Au).

**Highlights**

Key highlights include the following:

- a cluster of mineralised targets (porphyry-skarn and an associated epithermal breccia have been identified at Ontenu in the KRL South project, making this a stand-out priority for further exploration by KRL;
- Ontenu lies on the world renowned Kainantu Transfer Structure and is approximately 27 km SW of the K92 Mining Inc. ("K92") operating mine;
- exploration by prior operators reported extensive soil anomalies (Barrick Au-Cu-Mo soil geochemical anomaly: 100-375ppb Au; 300-2,300ppm Cu and 15-237ppm Mo);
- recent geophysical analysis commissioned by KRL identified several zones of high conductivity and discrete magnetic highs observed along both NW and NE trends;
    - a central anomaly coincides with a zone of high Au geochemistry at the intersection of prominent NW & NE trending structures reported by Barrick Gold Corp. ("Barrick");
    - a further anomaly associated with a coincident NW trending lineament represents a controlling structure in the same orientation as the high-grade Kora-Irumafimpa-Judd epithermal vein system underlaying K92's operations;
- three high priority targets have been identified by KRL for immediate work; with potential to move towards delineated drilling targets near term (subject to further analysis, including geochemistry and geological mapping); and
- community engagement in the area is ongoing and supportive.

**Matthew Salthouse, CEO of KRL, commented:**

*"Building on extensive exploration work at KRL South since listing, the Company has successfully expanded activities in the broader project; with the Ontenu area identified as highly prospective for gold and copper. In addition to other initiatives in Kainantu, KRL will accelerate activities around Ontenu with three targets already identified for immediate work. All are on trend and in proximity*

*to other successful high-grade miners in the region. We are confident Ontenu will yield further encouraging results, adding value to the portfolio of high quality KRL projects."*

**Background**

The Company's KRL South project is located along the world renowned Kainantu Transfer Structure, in a district associated with highly successful mining projects including K92. The Company's initial focus has been around the Tirokave area of interest, with prospects identified for further investigation (including East Avaninofi where a 40 g/t Au sample was collected). A further update will be provided on these activities in the near future.

The Company has also continued exploration activities and analysis at regional targets across KRL South, combining ongoing field work, a comprehensive review of the geophysical survey (announced June 9, 2022) and research of historic records from the PNG Mineral Resource Authority ("MRA").

From this, the Ontenu area of interest has emerged as a stand-out prospect and is ranked as a priority for the Company in the highly prospective KRL South project (with potential to accelerate a focused drill programme at Ontenu).

Please refer to Figure 1, mapping the Ontenu area of interest, relative to Tirokave (where KRL is already active, as noted above) and the broader Kainantu district. Ontenu is approximately 15 kilometres east of Tirokave, and 27 kilometres south-west of the K92 operations. Ontenu is located in EL2660, part of the KRL South project with the tenement in good standing.

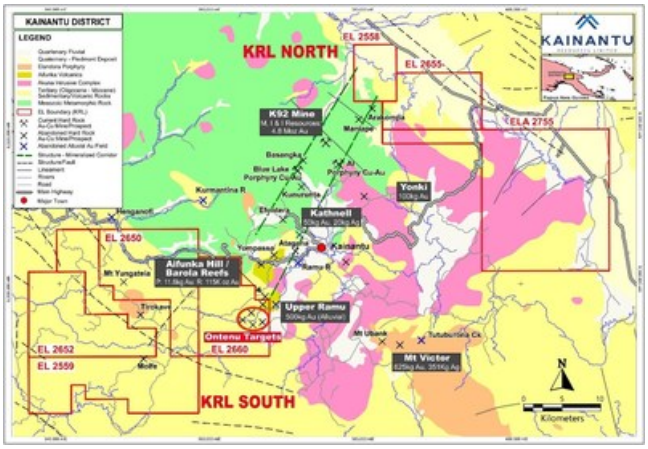



Figure 1: KRL South: Ontenu Area of Interest in Relation to KRL Tenements, Regional Geology, Structural Trends, and Historic & Current Mines/Prospects (CNW Group/Kainantu Resources Ltd.)

**Ontenu Area of Interest**

Ongoing field work and analysis by the Company has identified a cluster of mineralised porphyry and intrusion related targets around Ontenu, a highly fertile area, centred on the north-east trending Kainantu Transfer Structure. Encouraging geophysical survey results also support the potential of Ontenu for extensive bulk grade with attendant higher-grade mineralisation, making this an area of heightened focus for the Company.

*Geology and past exploration efforts*

Research of historic records held by the MRA confirms Ontenu was first identified by Renison Gold Corp. ("RGC") in the 1980s, with 3 holes drilled (including 100m @ 0.32 g/t Au and 0.1% Cu from 14m downhole). Highlands Pacific and Barrick conducted further exploration activities at Ontenu. Barrick defined a 1.0x0.4km Au-Cu-Mo soil geochemical anomaly (100-375ppb Au; 300-2,300ppm Cu and 15-237ppm Mo) within a soil grid area of more than 15km$^2$ and completed 7km$^2$ of surface mapping.

Intrusive lithologies, including diorite, feldspar porphyry and pyroxene porphyry were observed to be hosted by siltstone (which is hornfelsed and occasionally skarnified). The most extensive alteration reported was a moderate to strong phyllic assemblage. Remnants of potassic alteration and a broad propylitic halo were also observed. Prior to ceasing activities across the Kainantu district, Barrick drilled a single hole (to 530m) to test the prospect; with the best intercept reported of 37.5m @ 0.15g/t Au and 0.11% Cu from 79.5m downhole.

*Geophysical survey*

Conducted in H1 2022, the Company's geophysical survey highlighted the strongly anomalous central areas around Ontenu. Specifically, several discrete zones of high conductivity have been observed along both NW and NE trends: see Figure 2. A central zone at the intersection of the most prominent NW and NW trending structures coincides with a zone of highly anomalous Au geochemistry reported by Barrick (see above), but not drilled as yet; with further zones in both NW and NE directions appearing to be prospective and underlain by discrete magnetic highs.

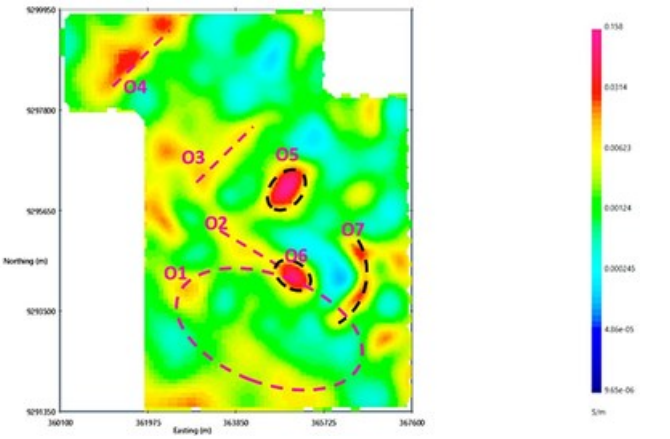



Figure 2: Conductivity model of the Ontenu Block interpreted from the MT Mobile survey data (CNW Group/Kainantu Resources Ltd.)

Please also refer to Figure 3, relating the conductivity anomalies from the MMT survey with historic data from RGC and Barrick – also noted and KRL targets identified. Two prominent conductivity anomalies (O5 and O6), in addition to a curvilinear conductor (O7) all occur in the vicinity of the prospects defined by both RGC and Barrick. While not recognised by the previous operators, O5 is the strongest and deepest conductor in all areas surveyed by the Company and may represent a significant shallowly buried mineralisation system for further field investigation.

The O6 anomaly is associated with a coincident NW trending linear conductivity and magnetic anomaly (O2), which appears to represent a significant controlling structure. Coincidentally, this is the same orientation as the high-grade Kora-Irumafimpa-Judd epithermal vein system underlaying K92's operations.

Shallow asymmetric conductivity anomalies (O3 and O4) may represent sediments thickening towards the NE trending structures. Quartz-limonite stockwork veining hosted by tertiary conglomerates immediately overlying a regional unconformity with basal Mesozoic metamorphics support the area around O4, termed the Onerunka anomaly. This is a location for further field work investigation (noting artisanal miners are active).

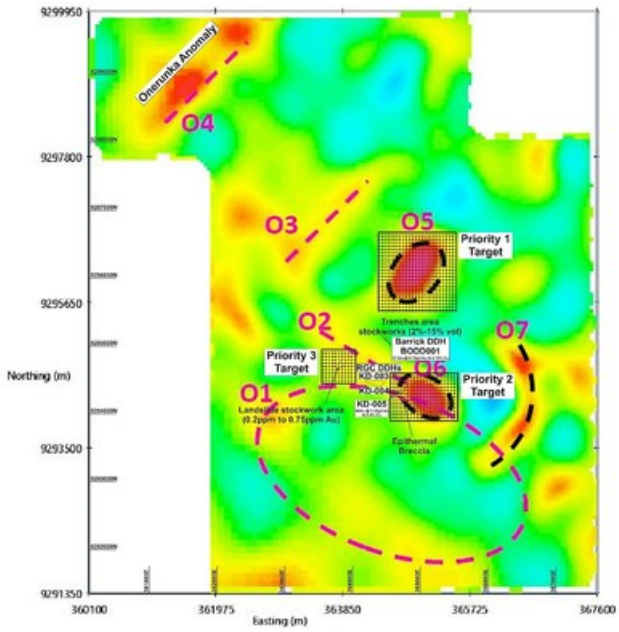



Figure 3: Ontenu area conductivity model also displaying previous operators' exploration highlights and initial KRL work programme (CNW Group/Kainantu Resources Ltd.)

**Next steps**

KRL is currently conducting social awareness and community engagement to support field work at Ontenu from H2 2022 onwards. Discussions to date have indicated community support.

Three high priority targets have been identified (see Figure 3), based on structural, geochemical and geophysical signatures discussed above. Over the coming months, a focussed grided soil sampling programme (circa 1,000 samples in total) will take place at these targets, in addition to further mapping and rock sampling.

The intention is to produce zoned geochemical and alteration mapping to aid in vectoring towards drill targets (with potential to move towards a focused drill programme in the near term).

The Company views the Ontenu area as extremely encouraging for potential economic Cu-Au-Ag±Mo mineralisation at KRL South.

**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 (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/](https://kainanturesources.com/)**

*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*** *Mineralisation hosted on adjacent and/or nearby properties is not necessarily indicative of mineralisation hosted on the Company's property. The data disclosed in this release relating to drilling results is historical in nature. Neither the Company nor a qualified person has yet verified this data and therefore investors should not place undue reliance on such data, and no representation or warranty, express or implied, is made by the Company, its affiliated companies, or any other person as to its fairness, accuracy, completeness, or correctness. 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.*

SOURCE Kainantu Resources Ltd.

View original content to download multimedia:
http://www.newswire.ca/en/releases/archive/September2022/14/c6790.html

%SEDAR: 00046178E

**For further information:** Enquiries: Kainantu Resources, Matthew Salthouse, Chief Executive Officer (Tel: + 65 8318 8125); Callum Jones, Corporate Development Co-ordinator (Tel: + 61 450 969 697), Email: info@krl.com.sg; Investor Relations (Jemini Capital): Kevin Shum, Tel: +1 212 219 4670 (702), Email: kevin@jeminicapital.com

CO: Kainantu Resources Ltd.

CNW 05:56e 14-SEP-22