Kainantu Resources Filing of Q1 2023 Results

VANCOUVER, BC, May 30, 2023 /CNW/ - Kainantu Resources Ltd. (TSXV: KRL) (FSE: 6J0) ("KRL" or the "Company"), the Asia-Pacific focused gold mining company, is pleased to report the filing of its interim results for the 3 months ending March 31, 2023, a copy of which is available for review in the "Investors" section of the Company's website.

Key aspects to report over the period include the following (with financial analysis stated in USD unless otherwise noted):

Financial Update and Highlights

- ongoing prudent management of capital resources continued in Q1 2023, during the 3 months ended March 31;
- capitalised expenditure on exploration and evaluation activities totalled $0.32 million, compared to $0.72 million for the period in 2022, with the generally less field activity for the period;
- subsequent to the reporting date on May 30, 2023, KRL announced of the placement of a Senior Convertible Debenture securing commitments of C$1.40 million, maintaining funding for the Company's projects and operations (to supplement cash and receivables reported at March 31 of $0.35 million (or C$ 0.48 million) with $0.17 million of non-trade receivables);
- cash used in operating activities was $0.32 million and $0.31 million for investing activities and net inflows from financing of $0.52 million; and
- the operating loss for the period was $0.31 million largely in line with $0.26 million in 2022 with small increases in travel costs and professional fees relating to fundraising.

Operational Update and Highlights

The focus for Q1 2023 was on priority projects at Kili Teke and Ontenu/KRL South, including:

- ongoing work to define drill targets at the Ontenu Prospect, with a high degree of consistency reported from samples, within a narrow range of up to 1.55ppm Au; 3,893ppm Cu and 20.8ppp Ag;
- issuance of an NI43-101 Technical Report for the Kili Teke project, with an estimated inferred mineral resource of 237Mt @ 0.34% Cu, 0.24g/t Au and 168ppm Mo, for a total of 802kt of Cu, 1.81Moz of Au and 40kt Mo (at a 0.2% Cu cut-off); and
- completion of a highly successful study at the Mountain Gate Prospect at the May River Project, with geochemical analysis identifying a likely shallow buried Au and Cu rich porphyry target.

Matthew Salthouse, CEO of KRL, commented:

"KRL is pleased to provide this update for Q1 2023. During the quarter, considerable focus was applied towards funding initiatives to enable the consolidation and development of our foundation assets; providing a platform to preserve and build upon our blue chip portfolio at Kainantu, May

River and Kili Teke.

The recently announced convertible debenture supports this strategy, providing funding to lock in value generating initiatives; primarily at Kili Teke and Ontenu/KRL South.

KRL looks forward to updating stakeholders on further initiatives at these projects and other locations in the near future."

About Kainantu Resources Limited (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.

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*.

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

References in this release to $ are stated in USD.

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*** *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.

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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; Corporate Advisor (Jemini Capital), Kevin Shum, Tel: +1 212 219 4670 (702), Email: kevin@jeminicapital.com

CO: Kainantu Resources Ltd.

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