KAINANTU RESOURCES EXTENDS CLOSING OF THIRD TRANCHE OF ITS PREVIOUSLY ANNOUNCED C$1.8 MILLION CONVERTIBLE DEBENTURE FINANCING

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VANCOUVER, BC, Aug. 25, 2023 /CNW/ - Kainantu Resources Ltd. (TSXV: KRL) (FSE: 6J0) ("KRL" or the "Company"), the Asia-Pacific focused gold mining company, announces an extension to close the third and final tranche of its private placement financing of C$1.8 million (the "Offering"), originally announced on May 30, 2023.

In the first tranche of the Offering, the Company has issued an aggregate of 6,289,551 senior convertible debentures (the "First Tranche Debentures") at a price of C$0.08 per First Tranche Debenture to raise gross proceeds of C$503,164.06 originally announced on June 22, 2023.

In the second tranche of the Offering, the Company has issued an aggregate of 3,710,449 senior convertible debentures (the "Second Tranche Debentures") at a price of C$0.08 per Second Tranche Debenture to raise gross proceeds of C$296,835.94 originally announced on July 18, 2023.

A final tranche of the Offering of up to an additional approximately C$1.0 million remains open and is expected to close on or before September 8, 2023.

Closing of the third tranche of the Offering remains subject to approval from the TSX Venture Exchange. The debentures issuable pursuant to thew third tranche of the Offering, the First Trance Debentures and the Second Tranche Debentures (collectively the "Debentures") and the common shares and warrants of the Company issuable upon conversion of the Debentures, and the common shares issuable upon exercise of the warrants, are subject to a statutory hold period of four months and a day ending on four months and a day after the date of issuance thereof, in accordance with applicable securities law.

Use of Proceeds

The net proceeds from the Offering are intended to be used, but are not limited to, the potential completion of the acquisition of the Kili Teke Project (which requires a further payment to Harmony Gold (PNG) Exploration Limited of US$400,000 as a condition of closing). In addition, proceeds will be used to advance exploration programmes focusing on specific high-grade potential drilling targets at KRL North (adjacent to K92), KRL South (focusing on the Ontenu target) and May River (primarily at the Mountain Gate prospect). Proceeds will also be used for general working capital purposes.

Use of Proceeds	Amount	Weighting
Completion of Kili Teke Acquisition	C$530,000	38 %
Exploration activities	C$420,000	30 %
General Working Capital & Investor Relations	C$450,000	32 %
TOTAL	**C$ 1,400,000**	**100 %**

Finder's Fees

No finders' fees are payable on funds raised in in any tranches of the Offering.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Kainantu Resources (KRL)

Kainantu Resources 'KRL' is an Asia-Pacific focused gold mining company with four highly prospective gold-copper projects, the Kili Teke Project, 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.

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: the expected closing of a third tranche of the Offering and use of proceeds from the closing of the first, second and third tranches of the Offering the Conversion Price and the potential Consolidation. 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.sedarplus.ca). 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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