



NEWS RELEASE

Karora Resources Announces Share Consolidation Effective as of Market Open on July 31, 2020 and Partial Monetization of Orford Mining Position

TORONTO, July 30, 2020 – Karora Resources Inc. (TSX: KRR) ("Karora" or the "Corporation" - <https://www.commodity-tv.com/ondemand/companies/profil/karora-resources-inc/>) is pleased to report, further to its news release dated July 22, 2020, the previously announced consolidation of the common shares in the capital of the Corporation (the "Common Shares") will come into effect as of the open of trading on July 31, 2020 on the basis of one (1) post-consolidation Common Share for every four and a half (4.5) pre-consolidation Common Shares (the "Consolidation"). Prior to the Consolidation, approximately 648,700,031 Common Shares were issued and outstanding. Following the effective date of the Consolidation, approximately 144,155,562 Common Shares will be issued and outstanding. No fractional Common Shares will be issued as a result of the Consolidation. Any fractional Common Shares resulting from the Consolidation will be rounded up to the next higher whole number if the fraction is a half (0.5) Common Share or greater, and rounded down, without compensation, to the next lower whole number if the fraction is less than a half (0.5) Common Share. As a result of the Consolidation, the Corporation's outstanding warrants will be proportionately adjusted such that four and a half (4.5) warrants are now exercisable for one post-Consolidation Common Share at an exercise price of \$2.25 per Common Share. Proportionate adjustments will also be made to the Corporation's other convertible securities.

The Consolidation has been approved by the Toronto Stock Exchange. The Corporation's symbol remains KRR. Computershare Investor Services Inc. ("Computershare") has mailed letters of transmittal to the Corporation's registered shareholders providing instructions on exchanging share certificates and DRS advices representing pre-Consolidation Common Shares for share certificates and DRS advices representing post-Consolidation Common Shares. Shareholders are encouraged to send their completed letter of transmittal, together with any share certificates representing pre-Consolidation Common Shares, to Computershare in accordance with the instructions in the letter of transmittal.

Sale of shares of Orford Mining Corporation

The Corporation also announced today that it has agreed to sell, directly and through a wholly-owned subsidiary, 11,251,456 common shares ("Shares") of Orford Mining Corporation ("Orford") at a price of \$0.09 per share for aggregate consideration of \$1,012,631. The Corporation currently owns or controls 22,502,911 common shares and warrants to purchase up to an additional 1,095,505 common shares of Orford representing an approximate 23.6% interest in Orford on an undiluted basis and 24.5% on a partially diluted basis. Immediately following the completion of this sale, the Corporation will own or control 11,251,455 common shares and warrants to purchase up to 1,095,505 common shares, representing an approximate 11.8% interest in Orford on an undiluted basis and 12.8% on a partially diluted basis. The Corporation disposed of the Shares of the Orford for investment purposes only. The Corporation intends to review, on a continuous basis, various factors related to its investment, including (but not limited to) the price and availability of the

securities of Orford, subsequent developments affecting Orford or its business, and the general market and economic conditions. Based upon these and other factors, the Corporation may decide to purchase or sell securities of Orford. For additional information, an early warning report will be filed on SEDAR under Orford's profile or may be obtained by contacting the contact person listed below for the Corporation.

About Karora Resources

Karora is focused on growing gold production and reducing costs at its integrated Beta Hunt Gold Mine and Higginsville Gold Operations ("HGO") in Western Australia. The Higginsville treatment facility is a low-cost 1.4 Mtpa processing plant which is fed at capacity from Karora's underground Beta Hunt mine and open pit Higginsville mine. At Beta Hunt, a robust gold mineral resource and reserve is hosted in multiple gold shears, with gold intersections along a 4 km strike length remaining open in multiple directions. HGO has a substantial historical gold resource and highly prospective land package totaling approximately 1,800 square kilometers. Karora has a strong Board and management team focused on delivering shareholder value. Karora's common shares trade on the TSX under the symbol KRR. Karora shares also trade on the OTCQX market under the symbol KRRGF.

Cautionary Statement Concerning Forward-Looking Statements

This release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian and U.S. securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. The forward-looking information contained herein is provided for the purpose of assisting readers in understanding management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Forward-looking statements and information include, but are not limited to, statements with respect to the closing of the private placement.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Karora to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; results of exploration programs; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash operating costs, failure to obtain regulatory or shareholder approvals. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to Karora 's filings with Canadian securities regulators, including the most recent Annual Information Form, available on SEDAR at www.sedar.com.

Although Karora has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and Karora disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

Cautionary Statement Regarding the Higginsville Mining Operations

A production decision at the Higginsville gold operations was made by previous operators of the mine, prior to the completion of the acquisition of the Higginsville gold operations by Karora and Karora made a decision to continue production subsequent to the acquisition. This decision by Karora to continue production and, to the knowledge of Karora, the prior production decision were not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, which include increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on the Corporation's cash flow and future profitability. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.

For more information, please contact:

Karora Resources Inc.

Rob Buchanan

Director, Investor Relations

T: (416) 363-0649

www.karoraresources.com

In Europe:

Swiss Resource Capital AG

Jochen Staiger

info@resource-capital.ch

www.resource-capital.ch