



KORE Mining Completes Spin Out Transaction Creating Karus Gold, A Leading British Columbia Gold Explorer

Vancouver, BC January 25, 2021 - KORE Mining Ltd. (TSXV: KORE | OTCQX: KOREF) (“**KORE**” or the “**Company**”) and Karus Gold Corp. (“**Karus Gold**”) are pleased to announce that they have closed the plan of arrangement (the “**Arrangement**”) previously announced on December 16, 2020, pursuant to which KORE has spun-out its Canadian assets to Karus Gold effective as of 12:01 a.m. (Vancouver time) (the “**Effective Time**”) on January 25, 2021 (the “**Effective Date**”).

KORE CEO and Karus Gold Director, Scott Trebilcock commented, “Karus Gold is well positioned with a large 1,000 kilometer square land position in the re-emerging Cariboo Gold District of BC. With two advanced exploration projects, including FG Gold and Gold Creek, and supported by news flow from 19 drill holes at the lab, Karus Gold is strongly positioned to attract capital and generate value for shareholders. We are excited to see Karus Gold’s assets exposed to the valuation forces of a pure play explorer.”

Mr. Trebilcock continued, “Karus Gold will now raise seed capital in a rights offering. This is a rare opportunity for shareholders to access seed round financing usually reserved for industry insiders. Karus Gold then plans to list its shares on the TSX Venture Exchange later in the first half of 2021, subject to regulatory approvals.”

Pursuant to the Arrangement, the owners of common shares of KORE will receive: (i) one-half of a common share of Karus Gold; and (ii) one new common share of KORE, for every common share of KORE held at the close of business on January 22, 2021.

The KORE shares will continue trading under the existing CUSIP (50066W105) until markets close today and will then be delisted. Effective at the opening on Tuesday, January 26, 2021, the new KORE shares will begin trading under the new CUSIP number 50067K100. There is no change in the Company’s trading symbol on the TSX Venture Exchange or on the OTCQX in the United States.

To be clear, there is no change to a shareholder’s ownership of KORE as a result of the completion of the Arrangement. The majority of shareholders (those who hold their shares through their broker) will receive their Karus shares with no further action. Please contact the Company if you do not get your Karus shares by mid-February.

Early Warning

As a result of the Arrangement, Mr. Sprott through 2176423 Ontario Ltd. (“2176423”), will receive 13,659,222 common shares of Karus Gold and 1,750,000 Karus Gold common share purchase warrants representing approximately 25.7% of the issued and outstanding common shares of Karus Gold on a non-diluted basis and approximately 28.1% of the issued and outstanding common shares of Karus Gold on a partially diluted basis assuming exercise of such Karus Gold warrants. Prior to the Arrangement, Mr. Sprott did not beneficially own or control any securities of Karus Gold.

The securities above are held by Mr. Sprott for investment purposes. Mr. Sprott has a long-term view of

the investment and may acquire additional securities of Karus Gold including on the open market or through private acquisitions, or sell securities of Karus Gold including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other factors that Mr. Sprott considers relevant from time to time.

A copy of 2176423's early warning report will appear on Karus Gold's profile on SEDAR and may also be obtained by calling Mr. Sprott's office at (416) 945-3294 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J1).

About KORE Mining

KORE is 100% owner of the Imperial and Long Valley gold projects assets in California. Both projects have positive economic assessments put KORE on the path to over 250,000 ounces of gold production. KORE is supported by strategic investor Eric Sprott who owns 26% of KORE's basic shares. KORE management and Board are aligned with shareholders, owning an additional 38% of the basic shares outstanding. KORE is actively developing its Imperial Gold project and is aggressively exploring across its portfolio of assets.

Further information on KORE can be found on the Company's website at www.koremining.com

About Karus Gold

Karus Gold controls 1,000 kilometers square of the Cariboo Gold District ("District") in British Columbia. The FG Gold and Gold Creek projects are set for growth and the District is wide open for additional discovery. Karus Gold is supported by strategic investor Eric Sprott who owns 26% of Karus's basic shares. Management and the Board are aligned with shareholders, owning an additional 27% of the basic shares outstanding. Karus Gold has drill results from 2020 pending and has plans to continue aggressive exploration in 2021.

Further information on Karus Gold can be found on the Company's website at www.karusgold.com

On behalf of KORE Mining Ltd

"Scott Trebilcock"
Chief Executive Officer

On behalf of Karus Gold Corp

"James Hynes"
Executive Chairman and Interim Chief Executive Officer

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Neither the 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.

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward-looking statements relating to the future operations of the Company and Karus and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "plan", "should", "anticipate", "expects", "intends", "indicates" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the future plans and objectives of the Company and Karus are forward-looking statements. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Such factors include, among others: the future potential of both KORE and Karus Gold and expectations related to the trading price of KORE and the future listing of Karus Gold, and other expectations and assumptions concerning the outcome of the Arrangement.

In addition to the above summary, additional risks and uncertainties inherent to the Company and its operations are described in the "Risk Factors" section of the Company's management discussion and analysis for the year ended December 31, 2019, prepared as of April 27, 2020, available under the Company's issuer profile on www.sedar.com. Other risks and uncertainties include, among other things: the possibility of adverse reactions or changes in business relationships resulting from the completion of the Arrangement; the failure to realize the expected benefits of the Arrangement; and other risks inherent to both KORE and Karus' current business and/or factors beyond their control which could have a material adverse effect on KORE or Karus.

Forward-looking statements contained herein are made as of the date of this news release and the Company and Karus disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.