



Karus and Kenadyr Mutually Agree to Terminate Arrangement Agreement

Vancouver, BC, July 11, 2023 – Karus Gold Corp. (“**Karus**” or the “**Company**”), a gold exploration company focused on the South Cariboo Gold District in British Columbia, announces the mutual termination of the arrangement agreement (the “**Arrangement Agreement**”) entered into with Kenadyr Metals Corp. (TSX-V: KEN; OTC-MKTS: KNDYF) (“**Kenadyr**”) on December 28, 2022 in respect of the proposed transaction with Kenadyr previously announced on December 30, 2022 (the “**Proposed Transaction**”).

Kenadyr was unable to raise sufficient capital to meet the closing conditions and complete the transaction. As a result, Kenadyr and Karus have agreed to mutually terminate the Arrangement Agreement.

Scott Trebilcock, CEO & Director, stated “We wish the Kenadyr team well in their future endeavors. We will now be pursuing alternative options to capitalize and advance the South Caribou Gold District projects.”

About Karus

Karus is the 100% owner of the 1,000 km² South Caribou Gold District that includes the drill-stage FG Gold and Gold Creek projects in British Columbia. Further information on Karus and its assets can be found on the Company’s website at www.karusgold.com and at www.sedar.com, or by contacting us as info@karusgold.com or by telephone at (888) 455-7620.

On behalf of Karus

“*Scott Trebilcock*”

Lead Independent Director

Karus Investor Relations

(888) 455-7620

info@karusgold.com

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects”, “suggests” and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the ability to close the Proposed Transaction and the pursuit of alternative options for advancing the Company. Such forward-

looking statements, and any assumptions upon which they are based, are made in good faith, and reflect our current judgment regarding the direction of our business. Management believes that these assumptions are reasonable. 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 state of equity capital markets, the ability to raise funds, the gold price, the ability to obtain, in a timely manner, all necessary, corporate, regulatory, stock exchange, shareholder and other third-party approvals to consummate any alternate options and the ability source any alternate options for the Company, and the ability to advance the South Caribou Gold District projects.

Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims 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.