

Kenorland Minerals – High-Grade Step-Outs Grow Regnault Well Beyond MRE

Rating
BUY

Unchanged

Target Price
\$4.00

Unchanged

September 29, 2026

Disseminated on Behalf of Kenorland Minerals Ltd.

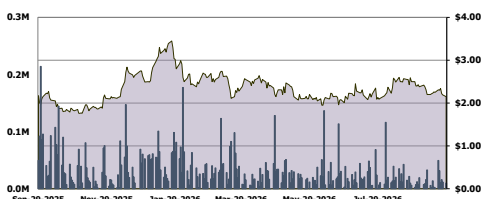
All figures in CAD unless otherwise stated

Kenorland Minerals Ltd.	KLD:TSXV
Rating	BUY
Target Price	\$4.00
Return to Target	86%

Market Data

Share Price	\$2.15
Average Daily TSXV Volume (K)	14.8
FD ITM Shares (M)	85.1
Market Cap (\$M)	\$183.0
Cash & Cash Equivalents (\$M)	\$13.8
Equity Interests (\$M)	\$11.1
Debt (\$M)	\$0.1
Enterprise Value (\$M)	\$158.2

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



Kenorland is a well-financed mineral exploration company focused on project generation and early-stage exploration in North America. Kenorland's exploration strategy is to advance greenfields projects through systematic, property-wide, phased exploration surveys financed primarily through exploration partnerships, including option to joint venture agreements. KLD holds a 4% net smelter return royalty on the Frotet Project in Quebec, which is owned by Sumitomo Metal Mining Canada Ltd. The Frotet Project hosts the Regnault gold system, a greenfields discovery made by KLD and Sumitomo Metal Mining Canada Ltd. in 2020, which contains an Inferred Mineral Resource of 14.5 Mt at 5.47 g/t Au for 2.55 Moz of gold. Kenorland is based in Vancouver, British Columbia, Canada.

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What you need to know:

- Kenorland reported assay results from 20 holes (14,980m) drilled at the Frotet Project in Quebec, where KLD holds a 4% NSR royalty.
- These are the first holes completed since the cut-off date for the maiden 2.55Moz inferred resource at the Regnault deposit.
- Six intercepts returned over 100 gram-meters, four of which were step-outs outside the current resource, highlighted by 2.24 g/t Au over 73.42m along the R11 trend.

This morning, Kenorland Minerals Ltd. (KLD:TSXV, KLDCF:OTCQX) announced complete assay results from fall 2025 and winter 2026 drill programs at the Frotet Project in Quebec, which Sumitomo wholly owns and operates, and KLD holds a 4% NSR royalty. The release covers 20 holes totalling 14,980m, the first drilling completed since the cut-off date for the maiden inferred resource of 14.5Mt at 5.47 g/t Au for 2.55Moz. **We are maintaining our BUY rating and target price of \$4.00/share on Kenorland Minerals.**

Highlights from today's release include:

- 71.89 g/t Au over 2.35m, incl. 252.00 g/t over 0.65m at R11 (step-out)
- 2.24 g/t Au over 73.42m, incl. 8.73 g/t Au over 3.42m at R11 (step-out)
- 9.72 g/t Au over 14.25m, incl. 55.24 g/t Au over 2.00m at R6 (step-out)
- 8.19 g/t Au over 15.40m, incl. 26.43 g/t Au over 4.40m at R6 (step-out)
- 175.00 g/t Au over 0.65m at R4 (within 100m crown pillar)
- 14.79 g/t Au over 7.45m, incl. 45.17 g/t Au over 2.30m at R6 (infill)
- 49.43 g/t Au over 1.62m, incl. 135.00 g/t Au over 0.57m at R10 (step-out)
- 18.26 g/t Au over 3.90m, incl. 74.40 g/t Au over 0.90m at R9 (step-out)

Project Refresher

As a reminder, KLD has a 4% NSR on the Frotet Project in Quebec owned by Sumitomo Metal Mining Corp Ltd., covering a major gold system (38,930ha), neighbouring the past-producing Troilus Au-Cu mine. Since discovery, 143,823m have been drilled across 314 drill holes in the deposit area. On December 16th, 2025, Sumitomo announced a maiden inferred resource estimate of 2.55Moz at 5.47 g/t Au, one of the best inaugural resources of the last decade in Canada. Sumitomo may purchase 0.25% NSR interest for a \$3.0M cash payment by January 2029, followed by an option to purchase an additional 0.5% NSR for \$10M within ten years. If both options are exercised, the royalty would be reduced to an uncapped 3.25% NSR across the project. Read more in our initiation [here](#).

Our Take

As mentioned, the December 2025 inaugural resource was a highly impressive inaugural resource, and we believe there exists substantial room to grow beyond this high-grade initial resource, as shown in today's press release. These are the first results since the resource cut-off date, and notably, every highlight intercept outside the infill and crown pillar holes was outside the current MRE. This aligns well with Sumitomo's objective of stepping out along known mineralized structures while maintaining 50-100m spacing to follow inferred resource parameters. We also highlight that KLD carries no cost for this work and its 4% NSR covers the entire project, so each successful step-out grows the royalty base.

Catalysts

- Exploration Across its Assets & Development Milestones at Frotet – Ongoing
- Cash & Share Payments from Option Agreements – Ongoing

Drill Results

The programs combined step-outs along known mineralized structures with infill drilling optimized to maintain spacing to the 50-100m used for inferred classification. In addition to the six greater than 100 gram-metre intercepts, a further six returned between 50-100 gram-meters, four of which were also step-outs outside the MRE.

R10 & R11 Trends

The deeper southern portion of Regnault delivered strong results, including Hole 25RDD269 intersecting 71.89 g/t Au over 2.35m, including 252.00 g/t Au over 0.65m, a 105m step-out to the east along the R11 vein sets. Also along R11, hole 26RDD273 returned 2.24 g/t Au over 73.42m (including 8.73 g/t Au over 3.42m) as a 60m step-out east of hole 23RDD172 (2.56 g/t Au over 41.85m). The same hole also intersected R10, returning 49.43 g/t Au over 1.62m, including 135.00 g/t Au over 0.57m, an 85m step-out to the east. As a reminder, R10 and R11 were excluded from the maiden MRE because they did not meet the drill spacing criteria for inferred classification.

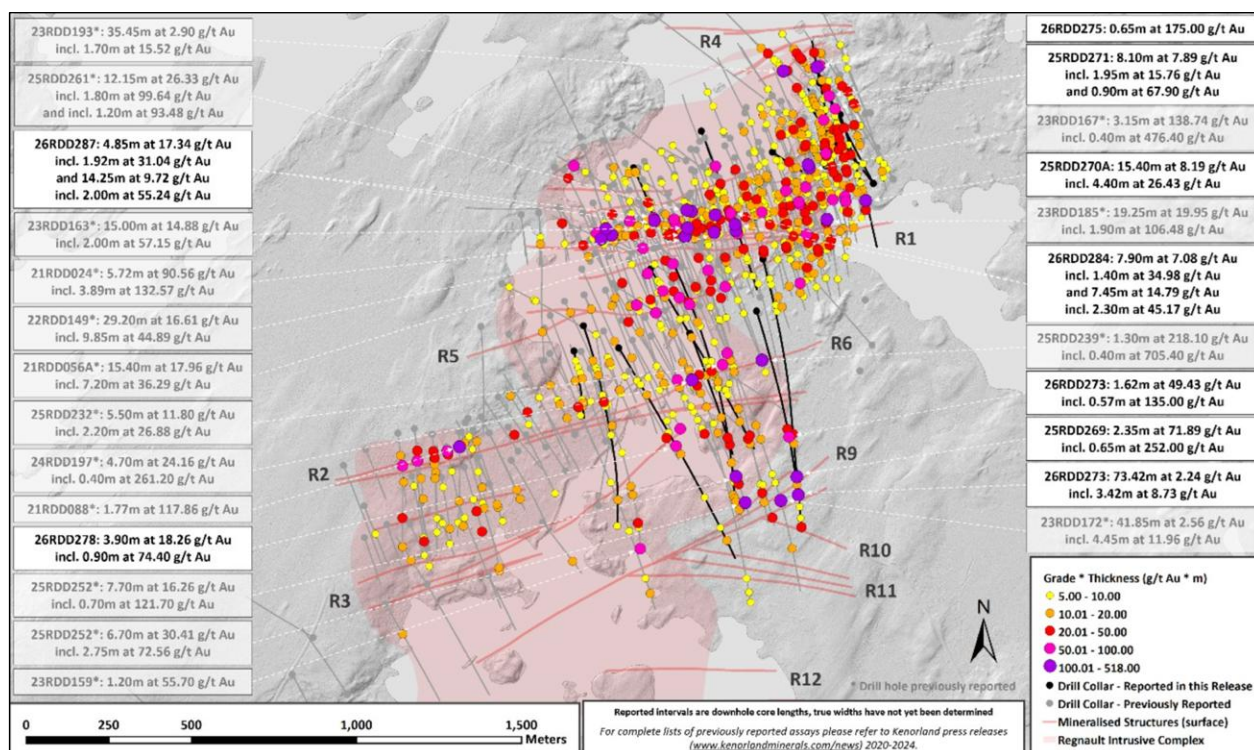


Figure 1: Plan Map of Regnault Drilling Including Highlights from Today's Press Release
(Source: Company Documents)

R6 & R4 Trends

Multiple step-outs along the R6 trend also returned strong results, with hole 26RDD287 intersecting 9.72 g/t Au over 14.25m, including 55.24 g/t Au over 2.00m, as well as 17.34 g/t Au over 4.85m, including 31.04 g/t Au over 1.92m. These intercepts sit 115m west of hole 25RDD261 (26.33 g/t Au over 12.15m) and 100m north of and below hole 23RDD176 (5.67 g/t Au over 10.70m). Hole 25RDD270A returned 8.19 g/t Au over 15.40m (including 26.43 g/t Au over 4.40m), a 65m step-out east along R6. Infill hole 26RDD284 intersected 14.79 g/t Au over 7.45m (including 45.17 g/t Au over 2.30m), confirming continuity of high-grade mineralization 20m north of hole 22RDD133 (19.50 g/t Au over 6.65m).

Along R4, hole 25RDD271 returned 7.89 g/t Au over 8.10m as infill within the MRE, and 67.90 g/t Au over 0.90m in a 70m step-out to the west. Hole 26RDD275 intersected 175.00 g/t Au over 0.65m within the 100m crown used for the MRE.

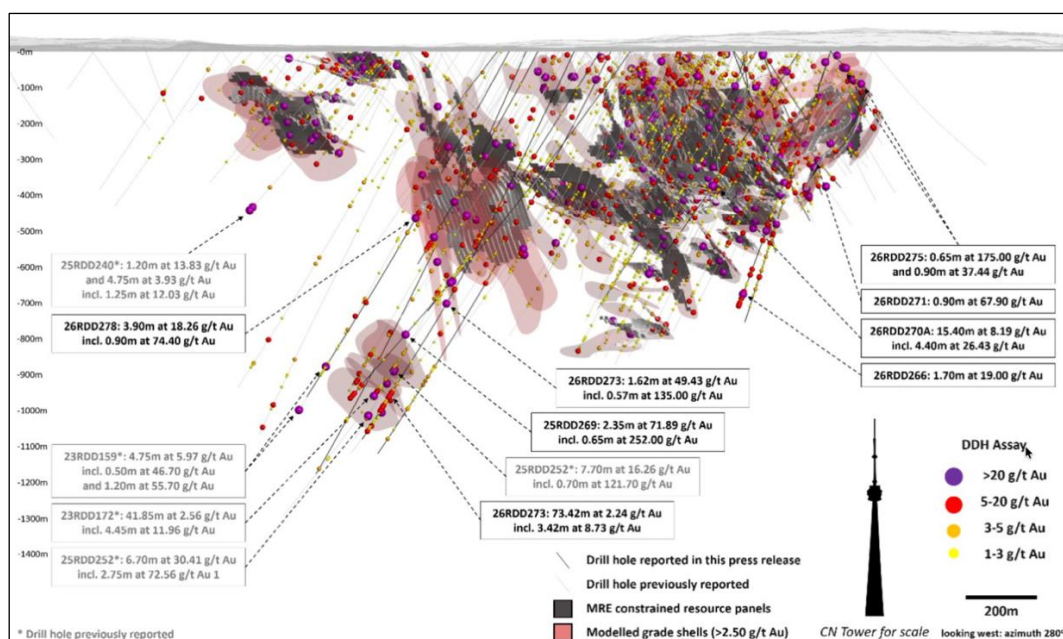


Figure 2: Drill Hole Assays – MRE Constrained Model (Grey) & Modelled High-Grade Shells (Red) (Source: Company Documents)

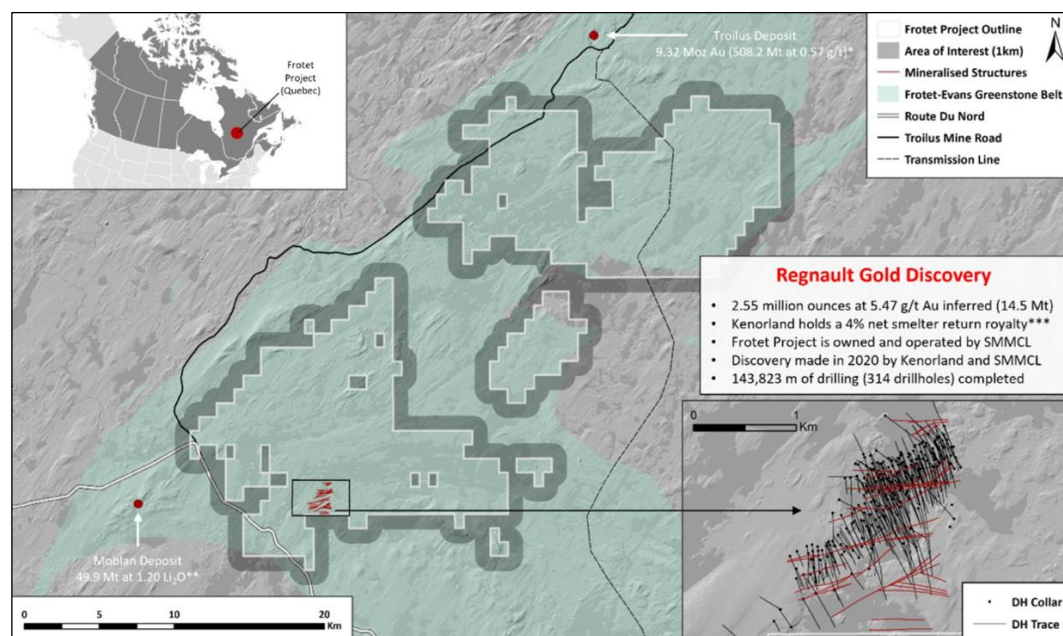


Figure 3: Frotet Project – 4% NSR Royalty (Source: Company Documents)

Why We Like KLD

- Kenorland holds a 4% NSR royalty (buyable down to an uncapped 3.25%) on the Frotet Project in Quebec, operated by well-capitalized Sumitomo Metal Mining. The deposit hosts a maiden Inferred resource of 2.55Moz at a high-grade 5.47 g/t Au, at a cost of only ~\$20/oz.
- KLD's project-generator model provides multiple shots at discovery while retaining equity, royalty, and management-fee interests. Partners funded \$35.8M of exploration in 2025, and \$11.4M was solely funded by KLD.
- The model has repeatedly delivered grassroots discoveries, including Frotet, South Uchi, and Opinaca and management fees, and the partner-funded model largely covers corporate G&A, providing a long runway and minimal dilution risk, a rarity among junior explorers.
- Ownership is exceptionally strong, with ~24% held by management and insiders, strategic stakes from Sumitomo (10.1%) and Centerra Gold (9.9%), and notable individuals including John Tognetti and Rick Rule.

Disclosures

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NOT RATED (N/R): Atrium does not provide research coverage on the respective company.

COVERED COMPANIES

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