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TSX-V: KTO

NEWS RELEASE

K2 Drills 30.5 m of 7.2 g/t Gold from Surface at Mojave

Vancouver, B.C. – January 25, 2021 – K2 Gold Corporation (“K2” or the “Company”) (TSX-V: KTO; OTCQB: KTGDF; FRANKFURT: 23K) is pleased to announce that it has received assays for the final five reverse circulation (“RC”) holes drilled at the Dragonfly zone, located within its 100% owned Mojave property in Southern California. In total eight holes were drilled at Dragonfly, with results for three of these previously reported (see the Company’s November 30, 2020 news release). The eight Dragonfly zone holes were drilled from two sites 236 meters apart: holes DF20-001, through 004 were drilled at site DF1 and holes DF20-005 through 008 from site DF2.

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Dragonfly Zone Highlights:

- Hole DF20-004 intersected **30.5 metres of 7.2 g/t gold from surface**, including **15.2 meters of 11.1 g/t gold**.
- As previously reported, drill hole DF20-002 intercepted **86.9 meters of 4.0 g/t gold, including 45.7 meters of 6.7 g/t gold from surface** (see the Company’s November 30, 2020 news release).
- One hole at site DF1 (holes DF20-004) and all four holes at site DF2 (DF20-005 through 008) were successful in intersecting gold mineralization but were terminated prior to target depth due to difficult drilling conditions resulting from the highly fractured and silicified nature of the rocks.
- The Dragonfly results confirm the broad intervals of gold mineralization reported from previous drilling by BHP and demonstrates strong continuity at Dragonfly along strike.
- Assays are pending for nine additional holes from the Newmont zone 3 km to the south of Dragonfly.

Note: the spatial distribution of gold is not well understood at this time and the true width is unknown.

In total the drill program at Mojave comprised 17 reverse circulation holes (2,540-metres of chip samples) from two zones, the 8 holes now reported from Dragonfly plus an additional 9 holes at the Newmont zone located 2 km apart from Dragonfly on the same structural trend. Assay results from the nine holes drilled at the Newmont are pending.

The nature of the gold mineralization at Mojave is becoming better understood and is interpreted to be high-level and intrusive related with strong structural controls, hosted within a variety of Permian-Triassic calcareous sediments, similar to other porphyry – epithermal systems throughout the Walker Lane trend.

Stephen Swatton, President and CEO of K2 commented, “The second set of drill results from our flagship Mojave project continues to highlight the potential for near surface high-grade oxide gold resource definition. Despite being unable to reach the target depths from the second platform due to difficult drilling conditions, significant gold intercepts were encountered demonstrating the robust nature of the mineralized horizon; this is very encouraging news. We look forward to receiving the outstanding assay results from the remaining nine drill holes at the Newmont target, two kilometers south of Dragonfly.”

Drill Results

All holes at Dragonfly intersected zones of alteration and/or mineralization downhole, starting at or near surface. Assay values for individual samples ranged from trace to 19.2 g/t Au. The reported intervals are drilled widths and there is not currently enough data to accurately determine true thickness.

A summary of the intercepts is below:

Table 1: Dragonfly Intercepts in this Release

Target	Site ID	Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)
Dragonfly	DF-1	DF20-004	0	30.48	30.48	7.18
		<i>Including</i>	7.62	22.86	15.24	11.12
		<i>And</i>	59.44	76.20	16.72	1.86
		<i>And</i>	108.20	117.35	9.12	1.23
		<i>Envelope of Alt.</i>	0.00	76.20	76.20	3.27
	DF-2	DF20-005	13.72	22.86	9.12	0.65
		DF20-006	1.52	25.91	24.32	0.21
		<i>And</i>	71.63	82.30	10.64	0.58
		DF20-007	21.34	35.05	13.72	0.49
		DF20-008	NSV			

Note: Due to difficult drilling conditions Hole DF20-004 at site DF-1 and all four holes drilled at site DF-2 did not reach target depth.

Table 2: Drill hole locations

Hole ID	Drill Site	UTM_E	UTM_N	Elv (m)	Azimuth	Dip	Depth(m)
MPMDF20-004	DF-1	433014	4039153	2200	115	-65	132.59
MPMDF20-005	DF - 2	433059	4038921	2217	70	-50	22.86
MPMDF20-006		433059	4038921	2217	25	-60	89.92
MPMDF20-007		433059	4038921	2217	270	-50	74.68
MPMDF20-008		433059	4038921	2217	0	-90	36.58

DF20-004

Hole DF20-004 was drilled from the Dragonfly target (DF-1) as a fan at a 115° azimuth and -65° dip to provide additional information on the geometry of mineralization. Assay results for the hole returned 7.18 g/t Au over 30.48m from surface, including 11.12 g/t Au over 15.24m from 7.62m depth, and 1.86 g/t Au over 16.72m from 59.44m depth. Both intercepts occur within a broader envelope of alteration that averaged 3.27 g/t Au over 76.20m. An additional zone of 1.23 g/t Au over 9.12m from 108.20m depth was also intercepted and is interpreted as a subparallel zone.

Dragonfly Site DF-2

Drill site DF-2 is located 236m south of site DF-1 and 93m north of BHP's historic holes CM97-1 & 2. All four holes (DF20-005 to DF20-008) intersected strongly fractured and broken ground with multiple voids. These operational complications necessitated that all four holes drilled from site DF-2 were terminated before the targeted mineralized horizons. Despite this, all of these holes intercepted zones of strong alteration and anomalous mineralization throughout their entire length.

DF20-005

Hole DF20-005 was drilled at a 70° azimuth, -50° dip, and reached a depth of 22.86m. The hole returned 0.65 g/t Au over 9.12m from 13.72m depth and ended in alteration/mineralization.

DF20-006

Hole DF20-006 was drilled at a 25° azimuth, -60° dip, and reached a depth of 89.92m. The hole returned 0.21 g/t Au over 24.32m from 1.52 m depth and 0.58 g/t Au over 10.64m from 71.63m depth.

DF20-007

Hole DF20-007 was drilled at a 270° azimuth, -50° dip, and reached a depth of 74.68m. The hole returned 0.49 g/t Au over 13.72m from 21.34m depth.

DF20-008

Hole DF20-008 was drilled vertically and reached a depth of 36.58m. The hole returned no significant intercepts, with values ranging from trace to 0.16 g/t Au.

The mineralization occurs within zones of strong quartz-sericite alteration within a sequence of calcareous conglomerate, siltstone, and sandstone and is associated with elevated As, Hg, Pb, Sb, Se, Te, & Tl (+/- Cu & Zn). The strongest intervals are associated with decalcification, silicification, quartz veining, and strong iron oxide development (limonite-hematite), and the current interpretation is that the mineralization occurs along a series north-northwest trending, west dipping, extensional fault-fracture zones between the East and West Conglomerate Mesa faults.

The drilling confirms the historic mineralization reported by BHP; demonstrates strong continuity of the mineralization along strike; and confirms the potential for high-grade (>5 g/t Au) mineralization on the target. It should be noted, that this interpretation indicates that mineralization intersected in historic drilling on CM97-1 & 2 to the south of Site DF-1 and in rock samples to the north of CM97-3 & 4 are along, separate, en echelon, extensional zones.

Regional Context

The drill results reported in this news release and those that will be reported in subsequent releases will be from an area of known high grade mineralization that was partially drilled (35 RC holes) by BHP and Newmont in the 1980's and 1990's. The area of interest in this drill program is approximately 3km by 1km. The geology and geochemistry of the area indicate gold mineralization developed in a high-level setting and displays characteristics of intrusion-related, sediment-hosted gold systems throughout the Walker Lane trend.

Next Steps

K2 expects to release further news in the coming weeks on the Mojave project, including:

- Assay results from remaining 9 RC holes from the Newmont target area
- Assay results from 422 rock samples collected on the recently identified Upland Valley and Gold Valley target areas
- Results from additional prospecting samples and geologic mapping on Gold Valley, Dragonfly, Newmont, and Broken Hill target areas
- Awaiting timeline from Bureau of Land Management regarding public commentary period for a second phase of drilling which contemplates at least an additional 30 platform sites.

Assay Methodology & QA/QC

The analytical work on the Mojave project is being performed by MSALABS an internationally recognized analytical services provider, at its laboratory in Langley, British Columbia. All rock and drilling samples will be prepared using procedure PRP-910 (dry, crush to 70% passing 2mm, riffle split off 250g, pulverize split to better than 85% passing 75 microns) and analyzed by method FAS-111 (30g fire assay with AAS finish) and IMS-130 (0.5g, aqua regia digestion and ICP-AES/MS analysis). Any samples containing >10g/t Au will be reanalyzed using method FAS-415 (30g Fire Assay with gravimetric finish). Samples containing >100 ppm Ag and/or >1% Cu, Pb, & Zn will be reanalyzed using method ICF-6 (0.2g, 4-acid digest and ore grade ICP-AES analysis).

The reported work was completed using industry standard procedures, including a quality assurance/quality control ("QA/QC") program consisting of the insertion of certified standard, blanks and duplicates into the sample stream.

Qualified Person

Jodie Gibson, Vice President of Exploration and a Qualified Person under National Instrument 43-101, has reviewed and approved the technical information in this release.

About K2

K2 is a well-financed gold exploration company with approximately C\$7.5M and projects in SW USA and the Yukon. In the USA, the Company is represented by its 100% subsidiary, Mojave Precious Metals Inc. The Company is focused on the Mojave property in California, a 5,830-hectare oxide gold project with base metal targets. The location of Mojave enables the Company to have year-round news flow on multiple previously recognized surface gold targets that have been successfully drilled in the past by majors BHP and Newmont. Besides affording immediate drill targets based on the Company's soil data integrated with LiDAR and Worldview-3 data, the property also has undrilled locations with gold enriched historical trench results including one at

the East zone which recorded 8.4 g/t gold over 25.6m (see October 30, 2013 news release from Great Bear Resources Ltd.).

On behalf of the Board of Directors,

“Stephen Swatton”

President and CEO

K2 Gold Corporation.

For further information about K2 Gold Corporation or this news release, please visit our website at k2gold.com or contact Investor Relations Offices in Canada 604-653-9464, or in the USA at Lone Pine, California +1 (760) 614-5605 or by email at info@k2gold.com.

K2 Gold Corporation is a member of Discovery Group based in Vancouver, Canada. For more information please visit: discoverygroup.ca.

Cautionary Statement on Forward-Looking Statements

This news release contains forward-looking statements that are not historical facts. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements, including statements regarding the exploration program at Mojave, including results of drilling, and future exploration plans at Mojave. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, variations in the nature, quality and quantity of any mineral deposits that may be located, the Company's inability to obtain any necessary permits, consents or authorizations required for its planned activities, and the Company's inability to raise the necessary capital or to be fully able to implement its business strategies. The reader is referred to the Company's public disclosure record which is available on SEDAR (www.sedar.com). Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except as required by securities laws and the policies of the TSX Venture Exchange, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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