

K2 provides 2020 review and plans for 2021

To Our Shareholders:

Unfortunately, the influence of COVID-19 hit all of us one way or another but, despite this backdrop, 2020 was an exceptional year for K2 Gold Corporation. The Company delivered on the goals that it had been working towards for the past 18 months. We would like to summarize a few key highlights for the year and provide some information on what to look forward to in 2021.

The Company received its [permit](#) for a modified drill program at Mojave, California, the first drill program at the site since 1997. President and CEO, Steve Swatton, spent three months on the ground in Lone Pine to open an office, communicate with local stakeholders including tribal groups, local and county governments, and environmental groups. During the three months, he discussed the details of the program, the Company's plans, and the potential benefits of exploration to the local economy.

Office in Lone Pine – Chamber of Commerce



The preliminary results from the first 3 drill holes from K2's first drilling program (Phase 1) were reported in late November and were spectacular – among the best oxide gold results in the SW

USA over the past several years. Drill hole DF20-002 included 86.9m of 4.0 g/t from surface, including 45.7m of 6.7 g/t (also from surface). The balance of the results will be received from the laboratory in January 2021. Leading the exploration efforts at K2 Gold was Jodie Gibson, VP Exploration. Jodie, a US citizen and Canadian resident, is an experienced geoscientist and specialist in Cordilleran terrain and was the recipient of the “2020 Yukon Prospector of the Year” award.

Drilling from the Dragonfly – Hole DF20-002 intercepted 86.9 meters of 4.0 g/t from surface



On the CSR front, the Company added Carolyn Clark Loder to the Board of Directors, an expert in Tribal law and land use planning, most recently with Freeport McMoRan Inc. and 2020 recipient of the “100 Global Inspirational Women in Mining”. With her assistance, the Company made significant inroads in CSR, building relationships with local Tribal groups and building political support at the local, county, and state level.

Environmental stewardship is a core value at K2 Gold, and important aspect of responsible exploration. During the development and implementation of the Phase 1 program, special effort was taken to minimize environmental impact, while balancing the rational use and conservation of resources. The Phase 1 program, which originally contemplated drilling from seven sites, was reduced to four sites – decreasing our environmental footprint by nearly 50%, while preserving the total drilling data collected. Our team was able to complete the drilling within the disturbance threshold and reclaim the sites upon completion of the Phase 1 program without incident.

On the back of the preliminary Phase 1 results, the Company announced a \$3.5 million ‘Bought

K2 Gold Corporation

Deal' with Haywood, and including PI Financial, Canaccord, and Cormark. The deal was subsequently [upsized to \\$7 million](#) due to significant demand. The Company successfully raised a total of \$9.5 million in 2020 (including the proceeds from [warrants exercised in August](#)). K2 is therefore fully financed for 2021.

Based on the exceptional drill results from the first three holes of the Phase 1 program, the Company submitted its Plan of Operations (“PO”) for a Phase 2 drill program – a 30-site, approximately 120-hole program that will potentially lead to a preliminary mineral resource estimate.

2021 will be a pivotal year for K2 Gold. The Company is well positioned to expand on the efforts and achievements made in 2020. The drill permitting for Phase 2 is advancing well and the Company is fully financed to execute the drill program. The Company is contemplating continuing exploration efforts at Wels, Yukon and/or add another project to the portfolio which is currently under review.

I would like to personally thank you for your support and wish you a healthy and prosperous 2021. We are always available by phone at 604-354-2491 should you have any questions, or by email at info@k2gold.com.

Sincerely,

Stephen Swatton

President and CEO
K2 Gold Corporation

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 and silver exploration company with 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.).

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, the timing for closing of the Offering, the receipt of regulatory approvals, and the use of proceeds from the Offering. 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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