



Suite 1020 – 800 West Pender Street, Vancouver, BC V6C 2V6

TSX-V: KTO

NEWS RELEASE

K2 Closes C\$7 Million Bought Deal Private Placement

NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Vancouver, British Columbia – December 30, 2020 – K2 Gold Corporation (“**K2**” or the “**Company**”) (TSXV: KTO; OTCQB: KTGDF; FRANKFURT: 23K) is pleased to announce that it has closed its previously announced over-subscribed bought deal private placement financing by issuing a total of 12.5 million units (“**Units**”) at a price of C\$0.56 per Unit, for aggregate gross proceeds of C\$7.0 million (the “**Offering**”).

Haywood Securities Inc., acted as lead underwriter on behalf of a syndicate of underwriters including PI Financial Corp., Canaccord Genuity Corp., and Cormark Securities Inc (the “**Underwriters**”).

Each Unit consists of one common share of the Company (a “**Common Share**”) and one half of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”). Each whole Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of C\$0.75 until December 30, 2022, provided that if, at any time prior to December 30, 2022, the volume weighted average trading price of the Common Shares on the TSX Venture Exchange (the “**Exchange**”) is equal to or greater than C\$1.00 for 20 consecutive trading days, the Company may, within 15 days of the occurrence of such event, deliver a notice to the holders of Warrants accelerating the expiry date of the Warrants to the date that is 30 days following the date of such notice (the “**Accelerated Exercise Period**”). Any unexercised Warrants shall automatically expire at the end of the Accelerated Exercise Period.

In connection with the Offering, the Underwriters received: (i) a cash commission of 6.0% of the gross proceeds of the Offering, excluding a \$400,120 in gross proceeds from the issuance of the Units on a president's list agreed upon by the Company and the Underwriters (the “**President's List**”) for which a commission of 3.0% of such gross proceeds was paid by the Company to the Underwriters; and (ii) that number of non-transferable compensation options (“**Compensation Options**”) equal to (a) 6.0% of the aggregate number of Units sold under the Offering, excluding those Units sold to subscribers on the President's List, and (b) 3.0% of the aggregate number of Units sold under the Offering to participants on the President's List. Each Compensation Option is exercisable into one common share (a “**Compensation Option Share**”) of the Company at a price of \$0.56 per Compensation Option Share until December 30, 2022. The Compensation Options are subject to the same acceleration provisions as the Warrants described above.

The Company plans to use the net proceeds from the Offering for the exploration and advancement of the Company's Mojave Project, working capital, and for general corporate purposes. The securities issued under the Offering will be subject to a statutory hold period expiring May 1, 2021.

The securities offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and were not offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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.).

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 604-354-2491, 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 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.

This news release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. No securities of the Company have been or will, in the foreseeable future, be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE