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K2 Gold Provides Exploration and Business Update

Vancouver, B.C., Canada – January 13, 2020, K2 Gold Corporation (“K2” or the “Company”) (TSXV:KTO) is a North American mineral exploration company with projects in California, the Yukon and Alaska.

K2 is pleased to provide the following summary of the progress made by the Company over the past year and an overview of the planned exploration programs for 2020.

Highlights of the Past Year

- Yukon and Alaska - During the past year, the Company completed exploration fieldwork programs in the Yukon and Alaska on the GDR, Wels and McArthur properties.
- California - In early July K2 announced an option to acquire 100% of the Mojave gold project in California.
- At the end of August the Company closed an oversubscribed C\$3.5M private placement.
- In October, Jodie Gibson was appointed VP Exploration and commenced working for K2 in December.
- Fieldwork at Mojave commenced in December. The results of Phase 1 of the field program, which included rock and trench sampling are expected in Q1.
- In conjunction with the exploration program, the land package at Mojave was increased from 4,569 ha to 5,145 ha to acquire some prospective ground not covered by the original claims.

Mojave

Mineralization was first discovered at Mojave in the 1980's in the north west of the property and subsequently at least eight other gold rich areas have been discovered by various companies including Newmont and BHP. To date 145 diamond drill holes have been drilled by three companies: Asamera (113), Newmont (22) and BHP (10). These programs focused on three different target areas on the property. Highlights of historical drill results include 13.7m of 2.4 g/t Au, 53m of 0.55 g/t Au and 99m of 1.1 g/t Au. The best trench result to date is an undrilled section of the Dragonfly area where 42.7m of 4.2 g/t was reported by Great Bear Resources in 2013. All gold mineralization discovered to date is either at surface or close to surface.

The qualified person has not verified the drilling data disclosed in this release, including sampling data and assay results. These data come from historical reports made between 1984 and 2013 by various parties.

A three-month, two-phase, US\$350,000 exploration program was initiated at Mojave by K2 in December 2019. Phase 1 is complete with results pending. Phase 2 will start in mid-January. The two-phase exploration program comprises hand trenching/channel sampling, rock and soil sampling, ground magnetics, LiDAR, and a remote sensing spectral study, which will map rock lithology and alteration. The focus of the exploration is the Newmont and Dragonfly zones that were previously drilled by Newmont and BHP in the 1980's and 1990's. The mineralization is predominantly surface and near-surface structurally related sediment-hosted oxide gold. The style of mineralization suggests some zones may have Carlin-type affinities.

To date 384 soil samples, 48 grab/chip samples and 242 channel samples over 29 lines have been collected and sent to MSALABS, Vancouver, for gold and multi-element analysis. In addition to prospecting and sampling, the Company has initiated a ground magnetic survey of which 46.6 line-kilometres has been completed to date. The Company has also staked a further 576 hectares of ground over 69 claims. A Phase 2 program will comprise additional sampling, geologic mapping and prospecting, an additional 100 line-km of ground magnetic surveys and completion of a LiDAR and remote sensing surveys.

Yukon and Alaska Projects

Over the summer, exploration was completed at the GDR silver property and the Wels gold property in the Yukon. Results for GDR were announced on November 25th. Rock sampling recovered values up to 936 g/t Ag and 20m of 5.05% Zn in trenching from the MR license block.

Results are still pending for Wels while the Company completes an in-depth compilation study and review of data collected from the past 6 years which includes soils, trenching and drilling (1,800m of diamond drilling to date) over a large 3km by 2km target. The Company is still extremely encouraged by the prospectivity of the Wels gold project and anticipates further exploration work in 2020 pending the results of the ongoing compilation study.

A 184 sample soil sampling program at McArthur, Alaska returned negative results and the property will probably be relinquished.

Personnel

Jodie Gibson, MSc, a US citizen and Canadian resident, started with the Company as Vice President, Exploration in December. Jodie is an experienced geoscientist and a specialist in Cordilleran terrains. He most recently managed a C\$13 million drilling and exploration program in the Yukon as Vice President of a mid-sized Yukon based exploration company.

In December, the Company also hired Alex Heath as Manager, Corporate Development and Strategy to assist with Corporate, CSR and marketing requirements as the Company presses

ahead in California. Alex has extensive capital markets and M&A experience focused on the mining industry, and is a CFA charterholder.

Summary

K2 is well financed with approximately C\$2.8M in cash (January 2020) and is more than sufficiently funded to undertake the second phase of exploration at Mojave.

Stephen Swatton, CEO of K2 noted: “The acquisition of the Mojave gold project is a significant strategic shift for the Company, complementing our Yukon projects. We believe Mojave has great potential to develop into a significant oxide gold resource and we look forward to reporting the results of the progress over the coming months. The Mojave gold project affords K2 the opportunity to report news throughout the year on a regular basis as results are received.

The successful raise of C\$3.5M ensures the Company can carry out the necessary exploratory work in California and also has the opportunity to continue in the Yukon as dictated by the outcome of the Wels data review. I am grateful for your continued interest and support, and look forward to delivering exploration success in 2020.”

Qualified Person

Jodie Gibson, P.Geo. Vice President Exploration of K2 and 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 focussed on North America. The Company has projects in Alaska, Yukon and the SW USA. The most recent addition, the Mojave gold property in California, is a 5,145 hectare oxide gold project. 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 the property also includes undrilled historical trench results including 4.2 g/t gold over 42.7m.

For additional information please contact Stephen Swatton at 604-331-5093.

On behalf of the Board of Directors,

“Stephen Swatton”

President and CEO

K2 Gold Corporation

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