



A D I S C O V E R Y G R O U P C O M P A N Y

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TSX-V: KTO

NEWS RELEASE

K2 Enters into Option Agreement to Acquire 100% of the Mojave Gold Project, California

Vancouver, B.C. – 15 July, 2019 – K2 Gold Corporation (“**K2**” or the “**Company**”) (KTO:TSX-V) is pleased to announce that it has signed an option agreement (the “**Agreement**”) to acquire a 100% interest in the Mojave Gold Project or “Mojave Project”.

The Mojave Gold Project is located 230km northwest of Las Vegas and 100km west of the Nevada-California border. It covers an area of approximately 5,780 hectares of land under the jurisdiction of the Bureau of Land Management (BLM). Mobil first discovered mineralization in the district in 1984. Since the mid 1980’s, Mojave has been worked by several senior, mid-tier and junior companies including BHP, Newmont and more recently SSR. Each subsequent company that has explored the property since discovery has endorsed the geological model and improved the overall potential by finding further distinct locations of gold bearing rocks at surface over a 7km by 5km area. Newmont, BHP and Asamara Minerals have drilled the project, and each program was successful in discovering mineralization from different locations several kilometers apart. Approximately 150 drill holes have been drilled to date covering an area of 7km by 5km covering 5 targets (Dragonfly, South Dragonfly, Newmont, Soda Ridge and Soda Canyon). Additional priority drill targets in 4 other areas (Stegosaurus Ridge, Far North, Far South and Blade zones) have yet to be fully explored and drill tested.

The Mojave Project is predominantly a surface and near-surface Carlin-type, sediment-hosted oxide gold system. In addition to 8 distinct zones of Carlin type mineralization now recognized, the eastern side of the Newmont zone and the Stegosaurus zone also host the potential for a porphyry Cu-Mo-Au and/or skarn targets.

“The Mojave Gold Project represents one of the ‘best early stage’ gold exploration camps I have ever seen in my career. The acquisition of this project represents a significant step forward for K2,” stated John Robins, Chairman of K2.

Steve Swatton, CEO of K2, commented, “I believe the Mojave Gold Project will significantly enhance our portfolio and complement our gold properties in the Yukon and Alaska by ensuring the possibility of year round exploration. The Mojave Project has delivered positive historical drilling and other exploration results from programs by several senior mining companies over the past 35 years. We believe it is an outstanding opportunity, and we look forward to working with the local communities in progressing this project through the different phases of exploration.”

Highlights of Historical drilling from BHP and Newmont:

- **BHP – Dragonfly zone**
DDH – CM 97-3 Depth 0m to 53m (53m intersection) of 0.55 g/t Au
DDH – CM97-4 Depth 0m to 99m (99m intersection) of 1.1 g/t Au
Including: 15.2m to 24.4m (9.2m intersection) of 3.46 g/t Au
And 42.6m to 54.9m (12.3m intersection) of 3.43 g/t Au
- **Newmont – Newmont zone**
DDH – CGL1 7.6m to 9.1m (1.5m intersection) of 8.23 g/t Au
DDH – CGL3 39.6m to 53.3m (17.7m intersection) of 2.5 g/t Au

Dragonfly and Newmont zones are located approximately 3km apart, South Dragonfly straddles between Dragonfly and Newmont.

Highlighted results from historical trenches

- Dragonfly zone
42.7m of 4.22 g/t Au including 12.2m of 12.69 g/t Au
4.6m of 3.6 g/t Au
- South Dragonfly zone
4.6m of 7.13 g/t Au
- Blade zone
6.1m of 1.30 g/t Au
- Newmont zone
12.2m of 5.18 g/t Au
- Far South zone
6.1m of 1.30 g/t Au

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

Exploration Plans

K2's first phase of exploration is expected to comprise confirmatory mapping, rock sampling and soil sampling in areas of known gold mineralization. This work is anticipated to be followed by exploration of alteration targets and ground follow up of the areas having potential for porphyry copper and base metals.

One of the most significant under explored base metal and gold areas, Stegosaurus Ridge, is a 3km by 500m hill of Cu-Ag base metal showings that was previously mined during the early half of the last century. This area is distinguished by a significant alteration footprint over the entire ridge, large gravity and magnetic geophysical anomaly, coupled with 700+ anomalous chip samples. Stegosaurus Ridge is located 3km north west of the Newmont zone.

Summary of the Terms of the Agreement

K2 can earn a 100% interest in the Mojave Gold Project by paying an aggregate of US\$1.4 million over a period of four years as follows: (i) US\$112,500 within 10 business days of receipt of TSX Venture Exchange (the "TSXV") approval of the Agreement and on the six month anniversary of the Agreement; (ii) US\$125,000 on the 12 and 18 month anniversaries of the Agreement; (iii) US\$150,000 on the 24 and 30 month anniversaries of the Agreement; (iv) US\$175,000 on the 36 and 42 month anniversaries of the Agreement; and (v) US\$275,000 on the 48 month anniversary of the Agreement, and by and issuing an

aggregate of 2.4 million shares, 480,000 within 10 business days of receipt of TSXV approval and 480,000 each year thereafter for four years.

In addition, following the exercise of its option, K2 has agreed to make an annual pre-production payment of US\$275,000 per year until the achievement of commercial production and to grant a 3% net smelter returns royalty with respect to all mineral produced from the Mojave Project, subject to a minimum annual royalty payment following commercial production of US\$300,000. The royalty will be subject to certain buy-down rights in K2's favour.

K2 may terminate the Agreement at any time during the option period. The Agreement is subject to the acceptance of the TSXV.

Finders Fee

In connection with the Agreement, the Company has, subject to TSXV acceptance, agreed to pay a finder's fee of C\$25,000 each to Ashworth Explorations Ltd. and Chris Taylor, to be satisfied in shares of K2.

Qualified Person

The scientific and technical information contained in this news release has been reviewed and approved Jo Price, VP Exploration P.Geo., a Qualified Person under National Instrument 43-101 — Standards of Disclosure for Mineral Projects ("NI 43-101").

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.

Forward-Looking Caution:

This news release contains forward-looking statements that are not historical facts. Forward-looking statements can generally be identified by the use of words or phrases such as "expects," "anticipates," "plans," "projects," "estimates," "assumes," "intends," "strategy," "goals," "objectives," "potential," or variations thereof or similar phrases, or stating that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions. 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: acceptance of the Agreement by the TSXV, the potential benefits to be derived from the Agreement and the Mojave Project, the timing, completion and results of exploration on the Mojave Project, the development of a mineral resource on the Mojave Project, and community acceptance of and further permitting for the Mojave Project. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to: the failure to receive or delay of TSXV acceptance of the Agreement, the Company's inability to complete exploration on the project or the results of exploration being inconsistent with expected or historical results; exchange rate and commodity price fluctuations; changes in regulations; the Company's inability to obtain any necessary permits, consents or authorizations required for its planned activities, the Company's failure to convince community members of the benefits of the Mojave Project, 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.

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.

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