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K2 Gold Corporation Announces Proposed Private Placement of Up to \$1.0 Million

Vancouver, BC – June 5, 2017 – K2 Gold Corporation (“**K2**” or the “**Company**”) (TSX-V: KTO) is pleased to announce that it will undertake a non-brokered private placement financing of up to \$1,000,000. The proceeds will be raised by the issuance of units at a price of \$0.35 per unit (the “Units”) for gross proceeds of up to \$500,000, and flow-through shares of K2 at a price of \$0.40 per flow-through share for gross proceeds of up to \$500,000, for aggregate gross proceeds of up to \$1,000,000 (the “Offering”).

Each Unit will consist of one common share and one half of one share purchase warrant exercisable for a term of eighteen months (the “Warrants”). Each Warrant will entitle the holder thereof to purchase one additional common share of K2 at an exercise price of \$0.55 per common share during the term of the Warrants. All units and shares purchased are subject to a four month hold period.

The proceeds of the Offering will be used towards the Company’s exploration program at the Wels Property, west-central Yukon Territory, as well as future exploration plans at the Flume, Storck and Ladue Properties (see news release dated May 25, 2017). Drilling is set to commence at the Wels Property on or around June 7, 2017. In addition funds will also be used to fulfil the option payments under the Option Agreement for Wels and for general working capital purposes.

All securities issued in connection with the private placement will be subject to a hold period expiring four months and one day following the closing date. Closing of the private placement is subject to the receipt of all necessary regulatory approvals including that of the TSX Venture Exchange.

The terms of the Offering are subject to acceptance by the TSX Venture Exchange.

About K2 Gold Corporation

K2 Gold Corporation is a mineral exploration company focused on building a portfolio of gold exploration projects in the Yukon, including the Wels Property located approximately 185 km south of Dawson City, Yukon. The Company has assembled an experienced management team and board of directors with a track record of discovery success.

For additional information please contact Stephen Swatton at 604-331-5090.

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 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 proposed use of proceeds received from the Offering. 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 reach satisfactory agreements with First Nations to facilitate its exploration and development plans for the Wels, Flume, Storck and Ladue properties, 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.

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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