

K2 Gold Commences 2017 Exploration Program at the Wels Gold Property

Vancouver, B.C. – May 25, 2017 – K2 Gold Corporation (“**K2**” or the “**Company**”) (KTO:TSX-V) is pleased to announce that field preparations have commenced for a Phase 1 exploration program at the Wels Gold Property, and a diamond drilling program is anticipated to begin on or around June 6, 2017.

The Wels Property is located in west-central Yukon Territory in the Traditional Territory of White River First Nation (“WFRN”), approximately 45 kilometers east of Beaver Creek and 185 kilometers south of Dawson City (the “Wels Property”). It is a new gold discovery within the highly prolific ‘Tintina Gold Belt’ and exhibits characteristics of a reduced ‘Intrusion Related Gold System’ (“IRGS”) similar to the multi-million ounce Fort Knox (Kinross) and Dublin Creek deposits (Victoria Gold). Please [CLICK HERE](#) to view an exploration program map of the Wels Property.

As previously disclosed in August 2016, the Company entered into an agreement with Gorilla Minerals Corp. (“Gorilla”) which provides the Company with the option to acquire a 90% interest (subject to an existing 3% NSR) in the Wels Property. The Wels Property (total area 47.5km²) was staked in 2011 and to date only approximately 1km² of the prospective area has undergone any significant exploration (soil, trench-rock sampling and diamond drilling). No work was undertaken at the Wels Property during 2016.

Highlights of previous work between 2011 and 2015 at the Wels Property include:

- **Drilling** - A five-hole 442 metre diamond drill program in 2015 returned gold mineralization in all holes. Hole DDH01 recorded 0.76 g/t Au over 97.5m, including 19.50 m of 3.11 g/t Au starting at 31.5m. The holes were drilled at 90 degrees to the mineralized structure in the Saddle Zone area and the true width is estimated at 80% of intersected intervals. The five holes were drilled in an extremely limited area of approximately 100m x 100m and were located to only test the depth extent of high grade rock samples seen at surface in trenches and by no means tested the full extent of the Au-As soil anomaly which currently measures approximately 1,800m east-west by 400m north-south.
- **Trenching** – 155 metres of trenching including T14-01 4.53 g/t Au over 11.00m, T14-02 8.8 g/t Au over 45.00m and T14-03 3.04 g/t over 10.50m.
- **Soil Sampling** - 1,658 soil samples have been collected over a limited area of approximately 12km² and were the most useful exploration tool in identifying 3 prospective areas for further follow up in 2017. The most useful geochemical identifier elements besides gold were arsenic, antimony and bismuth.
- **Rock Sampling** – 28 ‘rock grab’ samples from the Saddle zone have been taken from the property to date. One sample from Trench A ran 149.5 g/t Au and a composite of nine samples from the same hand-dug trench ran 32.8 g/t Au.

The Company’s Board of Directors have approved an initial exploration budget of \$750,000 for the Phase 1 2017 exploration program. Allan Doherty, P.Geo, who has 36 years experience managing exploration projects in the Yukon, will lead the exploration crew. A comprehensive and systematic program is planned; comprised of drilling, trenching, soil sampling, and prospecting. A description of the proposed 2017 Phase 1 exploration program is outlined below.

- **Drilling** - 1200m of core drilling will be completed in 5-8 holes with the goal of extending the Saddle Zone mineralization, currently open in all directions. Core drilling to date had intersected the host granite with minor late mafic dykes. The contacts of the intrusion have not yet been cut by drilling, and are a target for this year’s program.



- **Trenching** - Additional trenching will be completed on the Southwest Spur zone and the North Ridge zones which are located 1.0 km south and 1.5 km north respectively of the Saddle Zone, the site of the drilling in 2015. View map [HERE](#).
- **Soil Sampling** - Up to 2,000 new grid auger soil samples will be collected on new claims added to the west of the original claim block. Soil sampling has proven effective on the Wels Property and led directly to the high grade sampling interval of 8.8 gm/t Au over 45.00m in Trench 2. Soil samples will be collected over the unglaciated areas primarily above the 750m elevation level contour elevation.
- **Prospecting** - Additional prospecting and mapping will be completed over the entire property.

The Company is also pleased to confirm that, once finalized, exploration programs will soon be announced at its other projects located in the Yukon Territory, including the Flume, Storck and Ladue Properties.

The company has adequate funds to complete its Wels Phase 1 exploration program.

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 2017 exploration program at the Wels Gold Property and future exploration plans at the Company's other properties located in the Yukon. 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 Property, 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.

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