



TSX-V: KTO

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NEWS RELEASE

K2 Gold Stakes New Claims and Confirms Structural Interpretation with ELF Survey at Si2 Project, Nevada, USA

Vancouver, B.C. – January 4, 2023 – K2 Gold Corporation (“K2” or the “Company”) (TSX-V: KTO; OTCQB: KTGDF; FRANKFURT: 23K) today announced the results of its 2022 Extremely Low Frequency Electromagnetic (“ELF”) geophysical survey at its Si2 Gold Project (“Si2”), located 60 km northwest of Tonopah Nevada. Additionally, K2 has staked 53 new claims surrounding the project area, adding 443 hectares of prospective ground and bringing the total project size to 986 hectares.

Key Point Summary

- ELF survey validates and extends structures observed in the 2022 IP survey.
- ELF survey provides detailed resistivity data over the eastern half of the Si2 Project.
- An additional 53 contiguous unpatented claims on Bureau of Land Management (“BLM”) land have been staked, with all claims contiguous to the Si2 Property. This increases the total land position to 118 claims covering 986 hectares.

“Since acquiring the Si2 project in early 2022 our goal has been to rapidly evaluate its potential to host a significant gold deposit. With the completion of the ELF survey, we have three independent methods of geophysical survey that identified anomalies in the same locations and orientations (Magnetics, IP, and ELF). These geophysical anomalies integrated with the previously identified geological and geochemical evidence we have mapped and sampled have combined to produce numerous targets; the project is now drill ready. Based on the information we have collected over the year; we took the opportunity to increase our land position by staking

additional claims at Si2 to protect our areas of interest,” stated Anthony Margarit, President and CEO of K2 Gold.

K2 is in the process of preparing a Notice of Intent for submission to the Federal Bureau of Land Management (“BLM”) to support drilling activities in early 2023.

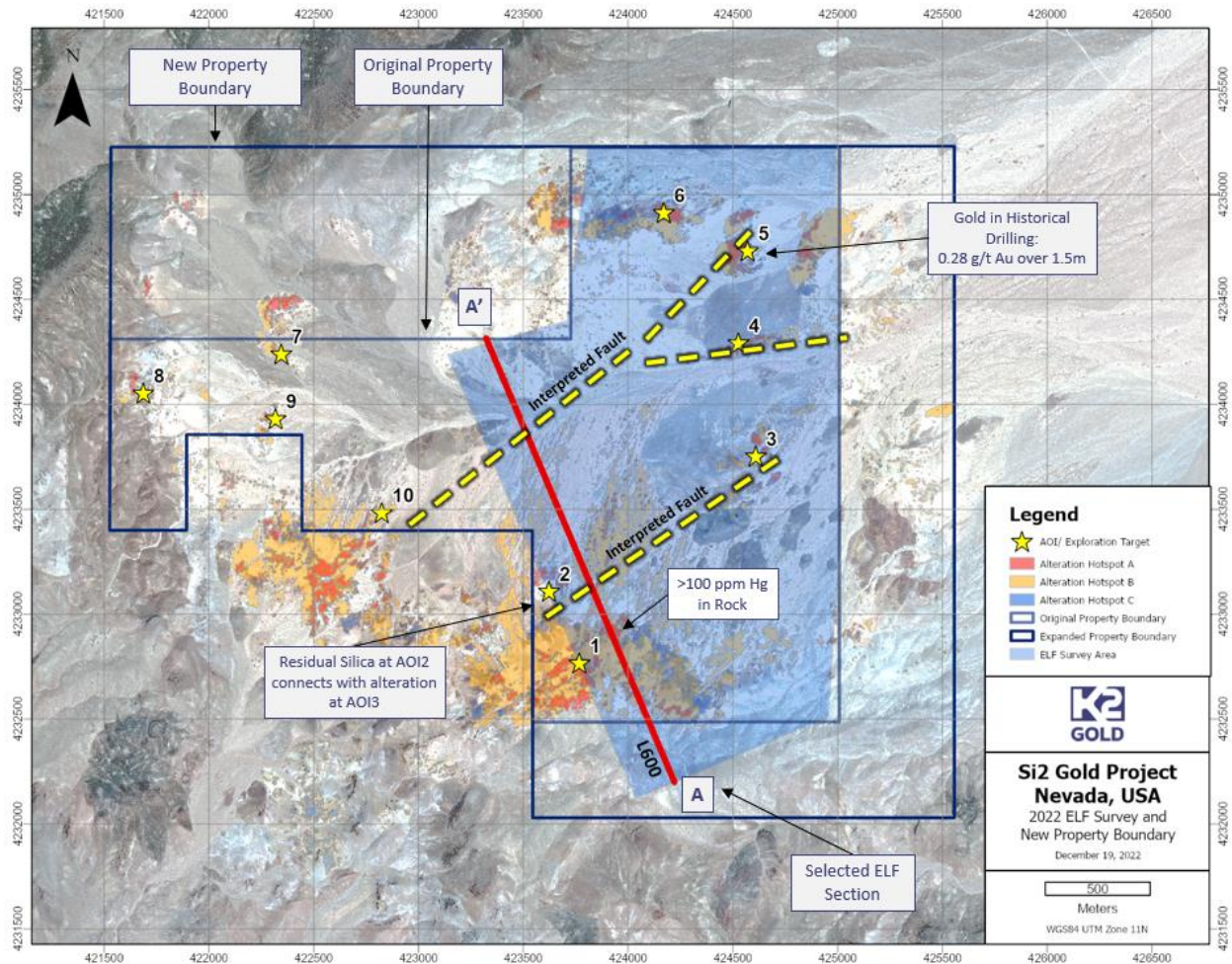


Figure 1: Map of Si2 Property boundaries, domain surveyed by ELF, and selected ELF cross section.

Si2 hosts a large, 8 km² steam heated alteration cell interpreted to represent the upper levels of a buried gold-bearing epithermal system. Extensive exploration work completed by the Company since acquiring the property has identified a network of predominately northeast-trending and northwest dipping faults observable at surface coincident with strong advanced argillic steam-heated alteration, highly anomalous mercury, and residual silica. These faults are now confirmed to project under cover through interpretation of the Company’s ground magnetic, IP, and ELF surveys, which demonstrate that several key alteration zones at surface appear to be linked beneath shallow alluvial cover over more than a kilometre of strike length.

ELF Survey Confirms Structural Continuity

K2 engaged Aurora Geosciences to execute the ELF survey at the Si2 Property. A total of 24.8 line-km was surveyed, with lines-oriented northwest-southeast and spaced at 200m intervals. Two of the survey lines effectively twinned the previously announced IP lines at L400 and L1600, allowing for the higher-resolution IP data to act as a reference point.

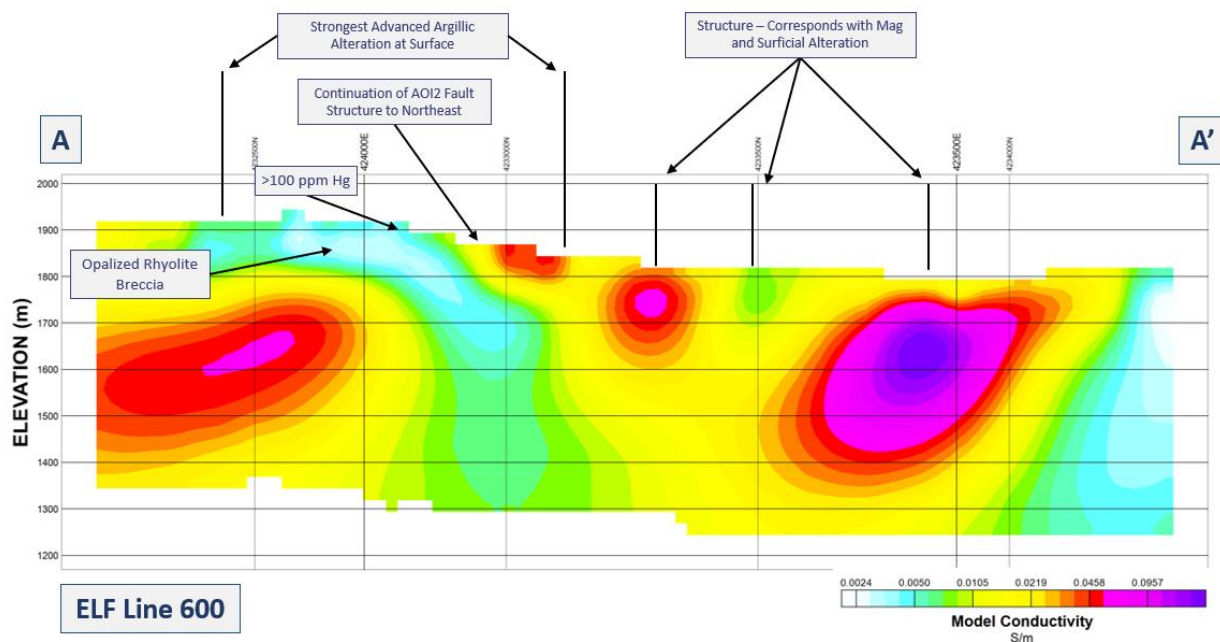


Figure 2: ELF Line 600, cross section looking to southwest.

At Si2, northeast trending structures observed at surface and in multiple geophysical surveys are coincident with prominent areas of advanced argillic alteration and mercury anomalism in rock where exposed. Exploration work completed to date supports the concept that these northeast trending fault structures acted as the conduits for a hydrothermal fluid that created an extensive zone of steam-heated alteration at present day surface. At depth, these structures may have controlled the emplacement of precious metal mineralization beneath the water table within the boiling zone.

The ELF survey collected data between the two previously announced high resolution IP lines (see December 6, 2022 News Release [here](#)), to infill the lines and allow for broader interpretation of structure and lithology in the subsurface, especially where obscured by shallow alluvial cover in the central portion of the property. The survey provides resistivity and conductivity data, which can be compared to the adjacent higher resolution resistivity data collected by the IP survey.

Through the collection of multiple ground based geophysical surveys K2 has now determined the overriding structural architecture of the project. All priority AOI's which host strong mercury

in rock anomalies coincident with strong advanced argillic alteration appear to be structurally connected and represent high-priority targets which will be tested by the company in early 2023.

New Claims Staked

The Company is also pleased to announce that a total of 53 new claims have been staked at the project, adding 443 hectares of prospective ground to the Si2 project. The claims were staked contiguously with the existing land position under option to K2 from Orogen Royalties Inc. and were selected to cover the potential extension of structures identified during the 2022 season. The total land position at Si2 now consists of 118 claims, covering 986 hectares.

Next Steps

The Si2 Project is now drill-ready. K2 is preparing a Notice of Intent for submission to the Federal Bureau of Land Management (“BLM”) to support drilling activities and intends to drill test key targets in early 2023.

About the Si2 Project

The Si2 Gold Project is located in Esmeralda County, Nevada, approximately 60km northwest of Tonopah, Nevada, and 20km northwest of Allegiant Gold’s Eastside deposit (1.4Moz Au, 8.8 Moz Ag). The project is road accessible and consists of 118 BLM lode claims covering 986 Ha, under option from Orogen Royalties Inc. (TSXV: OGN). The claims cover an 8 km² area of steam heated alunite-kaolinite-buddingtonite alteration within a sequence of felsic to intermediate volcanic rocks with brecciation and strongly anomalous mercury. The alteration is interpreted to represent a high-level setting within a low-sulfidation epithermal gold-silver system. In this type of geologic setting there is typically minimal anomalous gold mineralization at surface, however, gold grades may increase at depth along controlling structures at critical locations in the hydrothermal system (i.e., boiling zones). The Si2 Gold Project was initially identified by the same exploration team that identified AngloGold Ashanti’s Silicon project near Beatty, Nevada, and was staked based on its strong geological similarities to Silicon.

Qualified Person (“QP”)

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements set out in NI 43-101 and reviewed and approved by Eric Buitenhuis, M.Sc., P.Geo., K2’s QP and Vice President of Exploration.

About K2 Gold

K2 is a proud member of Discovery Group and currently has projects in Southwest USA and the Yukon.

The Wels Project is located in Western Yukon, approximately 40km east of the community of Beaver Creek and 60km south of Newmont Goldcorp’s 4Moz Coffee deposit, within the traditional territory of White River First Nation. The land position consists of 350 contiguous Quartz Claims covering 7,200 hectares. Wels is underlain by metasedimentary and

metavolcanic rocks of the White River Formation that have been intruded by a series of Triassic gabbroic sills and Cretaceous granitic plugs. This package has been cut by a series of WNW trending high-angle structures that host alteration and gold mineralization. Mineralization is noted in all rock types observed on the property to date and is associated with quartz veining, brecciation, and sericite alteration with anomalous As, Sb, and, locally, visible gold. Four discrete mineralized trends are currently known, with only one trend drilled to date, delivering encouraging assay results of 2.37 g/t Au over 28.5m and 10.38 g/t Au over 6.0m. All mineralized trends remain open along strike and approximately 80% of the property is currently unexplored.

The Mojave project is a 5,830-hectare oxide gold project with base metal targets located in California. Multiple previously recognized surface gold targets have been successfully drilled in the past, most notably by Newmont and BHP. Since acquiring the property, K2 has completed geochemical and geophysical surveys, geologic mapping, LiDAR, a WorldView 3 alteration survey, and successfully completed a 17-hole RC drill program focused on the Dragonfly and Newmont Zones. Highlights from K2's drilling program include 6.68 g/t Au over 45.72m from surface at the Dragonfly Zone, and 1.69 g/t Au over 41.15m from 44.20m depth at the Newmont Zone.

K2 is committed to transparency, accountability, environmental stewardship, safety, diversity, inclusion, and community engagement.

On behalf of the Board of Directors,

"Anthony Margarit"
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 our Office in Canada at 778-266-1456 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 Si2, Wels, and Mojave, including results of drilling, and future exploration plans at Si2, Wels, and 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 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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