

K2 Gold Defines Intact Epithermal System at Si2 Project

Vancouver, British Columbia--(Newsfile Corp. - July 20, 2023) - K2 Gold Corporation (TSXV: KTO) (OTCQB: KTGDF) (FSE: 23K) ("**K2**" or the "**Company**") is pleased to provide an update for its 2023 exploration program at the Si2 Project. The Company has completed approximately 1,700m of diamond drilling over 4 drill holes within the southern target area, one of 10 target areas at the project identified through geological mapping, surficial geochemistry, and geophysical surveys. Drilling is ongoing at hole SD-23-004, which has been extended beyond the planned depth to test the limits of the alteration system.

Highlights

- The first 3 holes spaced more than 170m apart have successfully defined a preserved epithermal system with significant scale potential.
- Broad intervals exhibiting multiple styles of veining and brecciation, with associated sulphides were intersected at all 4 drill holes. These intervals are also associated with elevated arsenic and antimony in spot XRF analysis.
- A new style of hydrothermal brecciation was intersected at >475m below surface at hole SD-23-003. The system is open along interpreted strike and at depth.
- Hole SD-23-004 (ongoing) has been extended to test the deep hydrothermal breccia intercepted in hole SD-23-003, which intersected approximately 25m of breccia with a silicified matrix composed of up to 10% sulphide, at 100m below surface.
- Assay results from the completed drill holes are expected in the coming weeks.

"K2 has confirmed the presence of a strong epithermal alteration system at Si2. We have successfully sampled broad intervals hosting multiple styles of strong sulphide mineralization, which could potentially host gold. This suggests that several faults within the southern target area have acted as 'hydrothermal superhighways', leading to intense alteration and sulphidation of the host rock. Essentially, we have drilled multiple phases of a newsystem, we have found the rocks we were hoping to find, and we are now waiting for assay results," stated Anthony Margarit, CEO of K2 Gold.

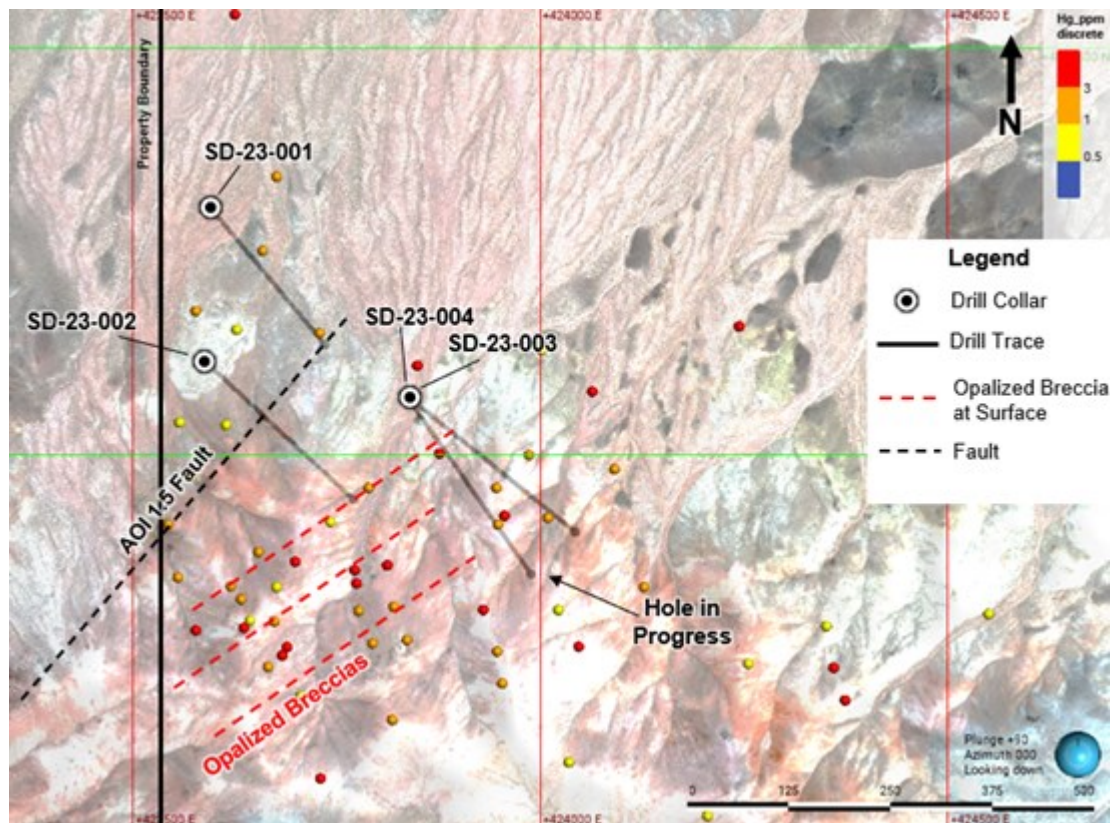


Figure 1: Plan view of drilling at the southern target area at the Si2 Project. Hole SD-23-004 is in progress.

To view an enhanced version of this graphic, please visit:

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Drilling at the southern target area has encountered a blanket of near-surface steam-heated alteration which is intersected in all holes to a depth of 150-200m. Beneath this blanket, alteration transitions to a variety of rock textures including locally strong silicification with associated disseminated pyrite, quartz-pyrite veinlets, and local intervals of hydrothermal breccia with black quartz-pyrite matrices. The extent of the steam-heated alteration and styles of sulphide mineralization observed to date are similar to AngloGold Ashanti's Silicon project.

Since the previous update, two new styles of alteration and sulphide mineralization have been drilled at Si2:

- An interval of flow banded rhyolite which has preferentially focused fluid flow, hydrothermal brecciation, and sulphide mineralization in hole SD-23-003 at depth (Figure 3)
- Silicified volcanic breccia with a black quartz-pyrite matrix was drilled in hole SD-23-004 at a depth of ~100m below surface (Figures 4 and 5).

Both styles of brecciation occur within, or act as permeable corridors, focusing hydrothermal fluids and concentrating sulphide mineralization. The intervals are also anomalous in arsenic and antimony when analyzed by a handheld XRF unit. The XRF unit does not detect mineralization and is utilized as a spot analysis tool for potential pathfinder elements. The characteristics noted above are evidence of a large, robust, epithermal system that experienced a significant volume of hydrothermal fluid flow.

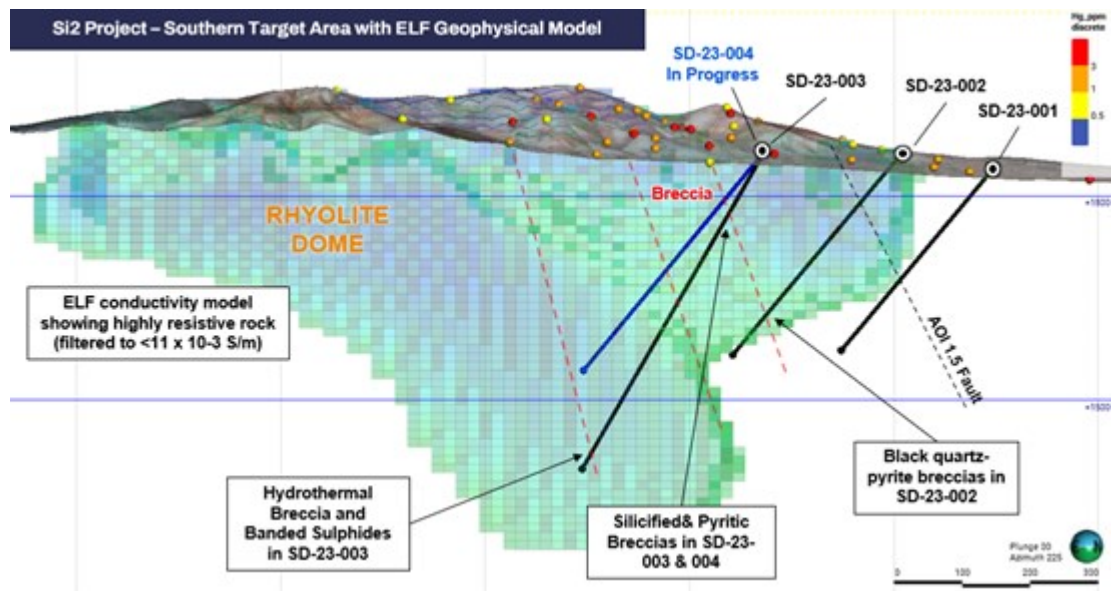


Figure 2: Cross section of the southern target area at Si2, showing drilling to date (SD-23-004) and ELF geophysical conductivity model. Hole SD-23-004 (blue trace) is currently in progress.

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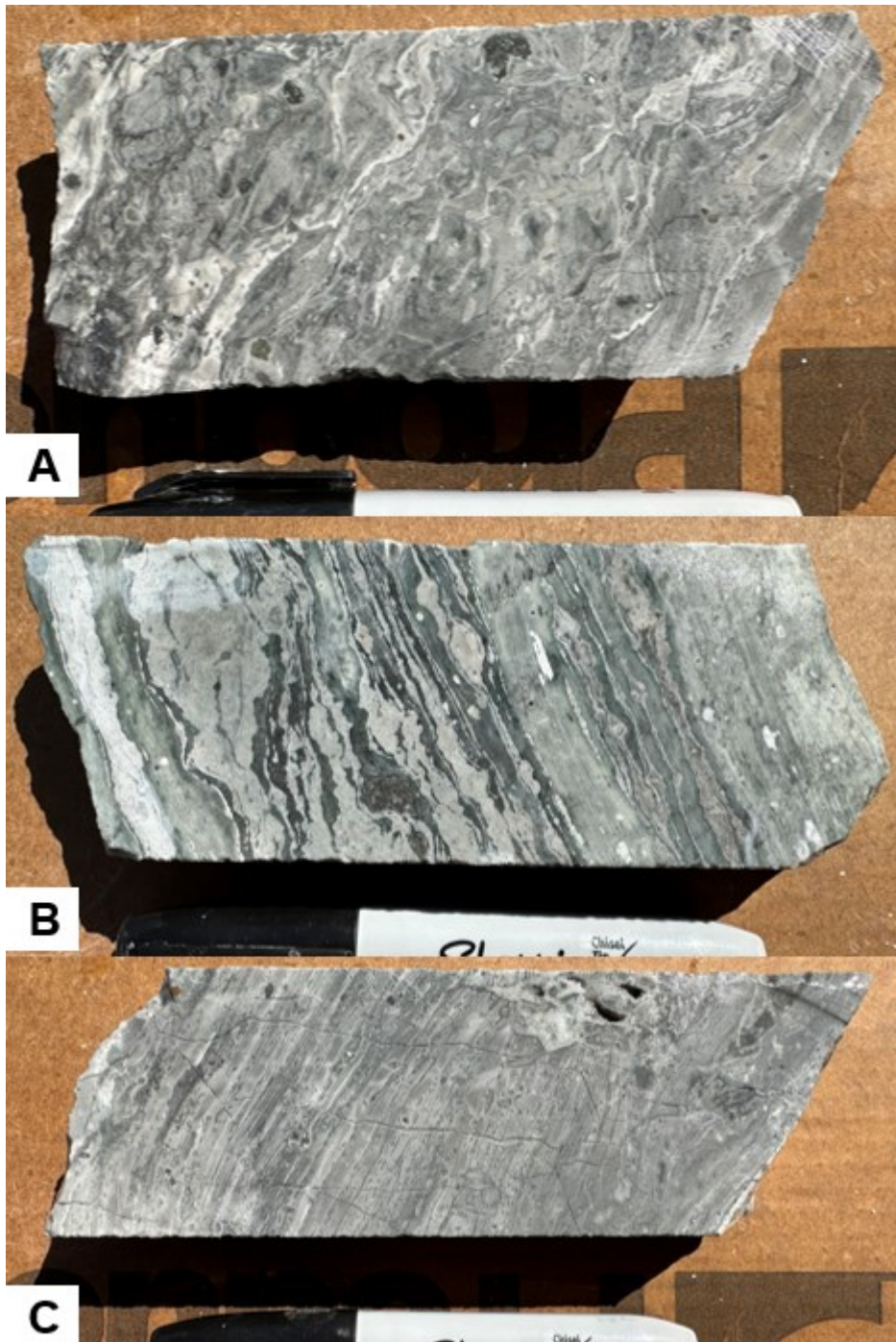


Figure 3: Examples of pervasively silicified and locally brecciated flow-banded rhyolite from hole SD-23-004.

- A. Intense silicification and brecciation, dark material is fine-grained pyrite; 518m.
- B. Pervasively silicified rhyolite with prominent banding. Dark portions of bands are fine-grained pyrite; 517m.
- C. Pervasively silicified rhyolite with open-space textured quartz in top centre of core sample. Dark grey-coloured bands are fine-grained pyrite; 504m.

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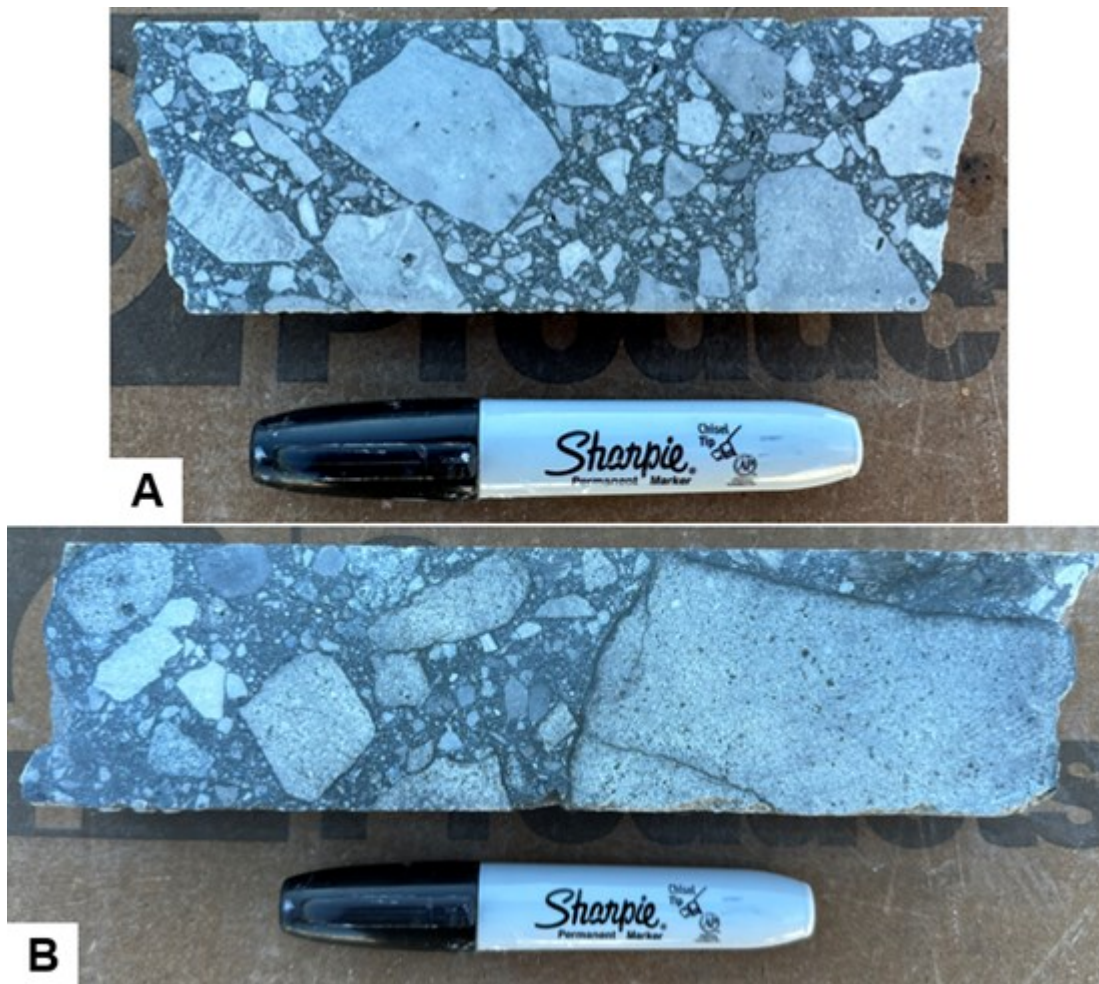


Figure 4: Brecciation from hole SD-23-004. Both clasts and matrix are pervasively altered, with fine grained pyrite found in the matrix, rimming clasts, and within clasts as disseminations and veinlets. A) 125m; B) 126m.

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Figure 5: Example of brecciation from 124.47 to 129.83m at hole SD-23-004.

- The black breccia matrix is pervasively silicified and contains up to 10% disseminated pyrite.
- Clasts are silicified and clay altered, and fine sooty pyrite is observed to rim and crosscut the clasts.

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About the Si2 Project

The Si2 Gold Project is located in Esmeralda County, 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, 65 of which are 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 displaying 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 4.22 Moz Au Silicon project¹ near Beatty, Nevada, and was staked based on its strong geological similarities to Silicon.

1. <https://reports.anglogoldashanti.com/22/wp-content/uploads/2023/05/AGA-RR22.pdf>

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.

K2 is currently permitted and planning to drill the Wels Project located in Western Yukon in late summer 2023. The property lies 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. The 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 arsenic, and antimony, with visible gold locally. Five discrete mineralized trends are currently known, with only one trend drilled to date, which delivered 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 and indigenous engagement.

On behalf of the Board of Directors

Anthony Margarit
President and CEO

For further information about K2 Gold Corporation or this news release, please visit our website at k2gold.com, contact our office 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.

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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.

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