

FOR IMMEDIATE RELEASE

KILO GOLDMINES ANNOUNCES DRILLING RESULTS ADUMBI EXTENDED DOWN DIP

Toronto, Ontario. – July 17, 2017 – Kilo Goldmines Ltd. ("Kilo" or "KGL" or the "Company") (TSX VENTURE: **KGL**) (FRANKFURT: **O2K**) is pleased to provide the results of its completed drill programme to test the down dip extension at the Adumbi Prospect, as well as an update on regional exploration activities on its Imbo Licence (PE9691) falling within the Ngayu greenstone belt in the north-eastern Democratic Republic of Congo ("DRC").

Highlights

- Results from four holes drilled to test the depth extensions of the Replaced Rock ("RP") Zone confirm that the Adumbi mineralization extends down dip to at least 375 m below surface (i.e. about 100 m deeper than defined by previous drilling).
- Width of the mineralization is continuing with depth at similar grades and includes an intersection of **23.45 m @ 6.08 g/t**, with visible gold observed in three of the holes.

Significant RP Zone intersections in each hole are:

- SADD0050: 434.73 – 447.42 m = **12.69 m @ 5.51 g/t Au** (Including 5.49 m @ 9.67 g/t Au)
- SADD0051: 393.43 – 402.72 m = **9.29 m @ 4.09 g/t Au**
- SADD0052: 389.72 – 401.87 m = **12.15 m @ 3.24 g/t Au**
419.15 – 428.75 m = **9.60 m @ 5.04 g/t Au**
- SADD0053: 346.36 – 355.63 m = **9.27 m @ 3.71 g/t Au**
391.72 – 415.17 m = **23.45 m @ 6.08 g/t**
- Further mineralogical studies and metallurgical test work is planned to assess the economic potential of the RP Zone.
- The stream sediment (BLEG) sampling programme, intended to identify and prioritise regional exploration targets on five other exploration licences (which cover 240 km² within the Ngayu Belt), is nearing completion.

Drilling – Adumbi Prospect

Previous drilling at the Company's Adumbi prospect (currently with an Inferred Resource of 19.11 Mt @ 2.2 g/t Au for 1.362 Moz of gold) identified a zone of relatively high grade mineralization termed the Replaced Rock (or RP) Zone. The RP Zone is associated with intense alteration and structural deformation that has completely destroyed the primary lithological characteristics of the host rock, and was initially traced along strike for 840 m and down dip to 275 m below surface (Figure 1).

The average true width and weighted average grade of all previous drill hole intersections in the RP Zone is 4.91 meters at 5.44 g/t Au, with the central 480 m of strike averaging 6.41 meters @ 6.25 g/t Au. The RP Zone is seen to have potential for underground exploitation, and establishing depth continuity could add significantly to the Company's resource base. A program of four drill holes totalling 1,776 m was therefore

recently completed, with the objective of testing the down-plunge extensions of relatively high grade shoots within the RP Zone, at depths approximately 100 m vertically below the previous deepest intersections (Figures 2 and 3).

The RP Zone was intersected in all four of the new drill holes (SADD0050, SADD0051, SADD0052 and SADD0053, Figures 4 - 7) and comprises Banded Iron Formation (BIF) which has been intensely silicified and sulphidised. Pyrite, pyrrhotite and arsenopyrite occur in varying proportions, and comprise up to 40% of the rock. There is a general, positive, correlation between the amount of sulphides and gold grade, with arsenopyrite frequently associated with higher grade gold values. Visible gold was locally observed in the RP Zone in three drill holes. Less intensely altered rock occurs outside the RP Zones, and also locally carries significant gold grades. Analytical results for the RP and other significant intersections are summarised in Table 1, and completes the results for all drilling to date.

The results show that the RP Zone extends down dip to at least 375 m below surface (i.e. about 100 m deeper than defined by previous drilling) and that the width and grade of the mineralization is continuing with depth. The data also supports the interpretation that the higher-grade shoots within the RP Zone dip steeply to the NW at about 80°. In order to further assess the economic potential of the RP zone, mineralogical studies to determine gold deportment are planned, followed by metallurgical test work.

Table 1.

BHID	From (m)	To (m)	Downhole Width (m)	True Width (m)	Grade (Au g/t)	Comments	
SADD0050	339.00	340.00	1.00	0.78	1.23		
	355.00	356.00	1.00	0.79	1.82		
	395.43	396.04	0.61	0.50	4.80		
	402.90	403.40	0.50	0.40	9.03		
	405.40	408.30	2.90	2.35	0.80		
	409.95	415.80	5.85	4.77	1.77	RP Zone	
	419.86	424.45	4.59	3.75	1.06	RP Zone	
	434.73	447.42	12.69	10.48	5.51	RP Zone	
Includes:							
	435.36	440.85	5.49	4.53	9.67		
SADD0051	90.60	92.08	1.48	0.66	23.80		
	Includes:						
		91.60	92.08	0.48	0.21	54.60	
	301.31	304.00	2.69	1.78	1.17		
	312.00	317.00	5.00	3.34	1.44		
	321.05	325.00	3.95	2.64	2.41		
	328.80	334.30	5.50	3.70	1.62		
	339.55	355.48	15.93	10.82	1.30	RP Zone	
	378.43	379.43	1.00	0.69	13.00		
393.43	402.72	9.29	6.48	4.09	RP Zone		

SADD0052	74.90	75.90	1.00	0.50	2.10	
	303.55	308.55	5.00	3.29	1.11	
	350.70	352.15	1.45	1.00	3.82	
	375.00	379.45	4.45	3.08	3.53	
	389.72	401.87	12.15	8.42	3.24	RP Zone
	402.57	406.00	3.43	2.42	0.59	
	407.00	411.00	4.00	2.84	2.05	RP Zone
	419.15	428.75	9.60	6.88	5.04	RP Zone
SADD0053	239.30	259.32	20.02	13.65	1.95	
	Includes:					
	239.30	247.78	8.48	5.78	3.26	
	262.32	266.75	4.43	3.02	1.29	
	292.23	293.18	0.95	0.47	63.90	
	312.60	319.00	6.40	3.25	0.63	
	321.00	339.65	18.65	9.59	1.88	
	Includes:					
	333.68	339.62	5.94	3.05	3.04	
	341.28	342.00	0.72	0.37	3.00	
	346.36	355.63	9.27	4.83	3.71	RP Zone
	367.36	374.30	6.94	3.68	2.43	RP Zone
	376.07	380.56	4.49	2.42	1.32	
383.11	386.42	3.31	1.80	0.85		
391.72	415.17	23.45	12.99	6.08	RP Zone from 400.95 – 415.17 m	

Other Exploration

A stream sediment (BLEG) sampling programme is underway on 5 licence areas within the Ngayu belt, with the objective of identifying and prioritising targets for follow-up by soil sampling. A planned programme of a total of 315 sampling sites on PE137, PE138, PE140, PE9692 and PE9695 (Figure 8) has been completed and sample preparation is underway prior to submission to an SGS laboratory in Ireland for analyses.

Exploration is also planned in the eastern part of the Imbo Licence, where stream sediment and rock chip sampling indicate an extension of the Adumbi/Kitenge/Manzako mineralized trend over a strike of about 7 km (see the Company's press release of September 23, 2015). The programme will entail soil sampling at 40 m intervals along 160 m-spaced lines, and will be accompanied by geological mapping, rock chip sampling, channel sampling and trenching/augering.

Qualified Person

Howard Fall, B.Sc., PhD, MAusIMM, QP (Geo) is the 'Qualified Person' (as such term is defined under National Instrument 43-101) of Kilo and has reviewed the scientific and technical information contained in this release.

About Kilo

Kilo Goldmines Ltd. is a Canadian gold exploration company that is listed on the TSX Venture Exchange under the symbol 'KGL' and on the Frankfurt Exchange under the symbol 'O2K'. The Company holds about 2,417 km² of prospective Archaean Kibalian greenstone in the Kilo-Moto area in the Democratic Republic of the Congo.

Incorporated within these licences is:

- the Somituri project (71.25% owned by KGL), comprising six contiguous licences (361km²) held by KGL-Somituri SARL
- the KGL Isiro SARL Joint Venture (JV) with Randgold Resources Ltd (2,056 km²), for gold and associated minerals only. The JV is managed by Randgold and financed by it to a pre-feasibility (PFS) for a 51% participation interest. Upon completion of the PFS, KGL can participate in funding or Randgold will increase its participation to 65% by completing a Feasibility Study. Areas which may be deemed of no interest to Randgold will be returned to KGL.

KGL has retained the rights to explore for and develop iron ore resources and other minerals associated with the licences held by KGL Isiro SARL.

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