Kivalliq Announces Final Results From 2014 Phase 1 Exploration Program at Genesis Property

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VANCOUVER, BC--(Marketwired - December 01, 2014) - **Kivalliq Energy Corp.** (TSX VENTURE: KIV) **(Kivalliq)** and Roughrider Exploration Ltd. (REL) today announced final results from the 2014 Phase 1 Exploration Program on the 200,677 hectare (495,883 acre) Genesis Property uranium project in Saskatchewan and Manitoba. Final data has now been received from 5,984 line kilometres of DIGHEM airborne magnetic, electromagnetic (EM) and radiometric surveying, 291 lake sediment samples, 1,347 enzyme leach (EL) soil samples, 62 biogeochemical samples and 16 rocks samples collected from the property.

The Phase 1 program was undertaken between July 22 and September 10, 2014. Exploration focused on the definition of near surface, basement-hosted, structurally controlled uranium targets analogous to the Millennium, Roughrider and Eagle Point deposits located southwest of the Genesis Property in basement lithologies below the unconformity with the Proterozoic Athabasca Basin. Roughrider funded the Phase 1 program pursuant to an Option Agreement allowing Roughrider to acquire up to an 85% interest in the Genesis Property.

"Results from this Phase 1 geophysical and geochemical sampling program affirm our confidence in the exploration potential of the Genesis Property," stated Kivalliq's president, Jeff Ward. "Anomalous geochemical results correlate strongly to geophysically defined basement structures in several locations across the extent of the Genesis Property. We will leverage this new understanding to maximize our exploration success as we advance the project in 2015"

Genesis Property 2014 Phase 1 Exploration Program Highlights

- The identification of six new priority target areas highlights the success of the 2014 Phase 1 Exploration Program: Jurgen 1, Jurgen 2, Johnston/GAP, Kingston, Daniel's Bay and Sava Lake.
- Over 410 kilometres of linear EM conductors identified by airborne geophysical surveying.
- Prospecting samples at the newly added GAP claims, include two frost heaved subcrop occurrences that assayed 0.36% U_3O_8 and 1.40% U_3O_8 respectively.
- A boulder from a newly discovered float occurrence in the Jurgen Lake area assayed 1.41% U_3O_8.
- Several EL soil sample grids with multielement anomalies correlating to EM conductors; referred to as Jurgen 1 and Jurgen 2, two conductors returned characteristic apical and contact peak soil signatures yielding values of up to 44.1 parts per billion uranium (ppb U) and 17.2 ppb U respectively.
- Anomalous biogeochemical results with uranium values up to 20 ppb U at Daniels Bay correlate with an arcuate EM conductor and anomalous EL soil results.
- Anomalous biogeochemical results with uranium values up to 8 ppb U adjacent to the 16 kilometer long Sava Lake conductor (see REL news release of Oct 21, 2014).
- Lake sediment samples have identified a strong uranium value in a bay on the northeast end of Wollaston Lake and confirmed highly anomalous uranium values upon follow-up to historic results at Burrill Bay, Sava Lake and Melnick Lake target areas.

For maps showing results from the Genesis Property 2014 Phase 1 Exploration Program and for additional Genesis Property related data, tables and maps, please visit: http://kivalliqenergy.com/uranium/archive/

CGG DIGHEM Airborne Survey

Multiple EM conductors were identified in each of eight airborne grids flown. The structures noted include a conductor swarm at Johnston/GAP, anticlinal structures at Burrill Bay and Daniels Bay, a circular conductive trend around a magnetically defined dome at Kingston Lake and a unique 16 kilometre long conductor at

Sava Lake intersected by north striking magnetic linears. Combined with 2006 historic airborne EM survey data, the Genesis property hosts over 410 kilometres of linear EM conductors.

A total of 5,984 line kilometres of helicopter-borne Frequency Domain DIGHEM electromagnetic, magnetic and radiometric surveying was flown over eight target blocks by CGG Canada Services Ltd. between July 23 and August 14, 2014. The survey was flown at line intervals of either 100 or 200 metres along flight lines oriented at azimuth 135° and 315°.

Prospecting

Radioactive frost heaved boulders were confirmed in two locations at the newly acquired GAP claims just over the border in Manitoba (see KIV news release of Oct 30, 2014). Two samples of altered calc-silicate boulders measured up to 14,000 counts per second (cps) and 27,700 cps in the field and assayed 0.36% U_3O_8 and 1.40% U_3O_8 respectively.

While investigating two discrete parallel conductive trends on the Jurgen Lake block, crews identified pitchblende blebs in a highly altered meta-sedimentary boulder occurrence with insitu radiometric values measuring >14,000 cps. A sample from the occurrence assayed 1.41% U_3O_8.

Prospecting traverses were focused on conductive and structural trends indicated by airborne geophysical surveys, as follow up to known historic uranium showings and in conjunction with the geochemical sampling program. Rock samples and site descriptions were collected where warranted. A total of 139 prospecting sites were noted and 16 rock samples were collected from seven areas. All samples were analyzed by multi-element ICP at SRC Geoanalytical Laboratories (SRC). Sample results greater than 1,000ppm U are assayed for U_3O_8.

Enzyme Leach Soil Sampling

A total of 1,347 soil samples were collected from 28 target areas, along sample lines or within sample grids, to investigate anomalous geological (historic rock, soil or lake sediment data) or geophysical features (conductors or structures defined by the 2014 DIGHEM survey or from historic data). These samples were sent to Activation Laboratories Ltd. (Actlabs) for EL analysis. Results have identified several target areas where mulitelement EL soil anomalies measured in ppb occur coincident to EM conductive trends consistent with structurally controlled basement hosted uranium mineralization. Results for uranium range from below the detection threshold at 0.1 ppb U to 44.1 ppb U, with a backgound of 1.2 ppb.

In the Jurgen Lake area, at the Jurgen 1 target, 18 samples were collected along three lines spaced 200 metres apart that cross an EM conductor in an area where a 2007 till sample from previous workers had shown an anomalous flourimetric U value. Three samples at Jurgen 1 yielded the highest uranium values from the 2014 EL sampling program with 44.1 ppb U, 25.3 ppb U and 21.9 ppb U respectively. The anomlous values define a soil geochemical signature with anomalous values on either side of the conductor sampled.

Five kilometres west of Jurgen 1 but on a parallel EM conductor, 66 samples were collected on six lines spaced 200 metres apart along the Jurgen 2 conductor where a 2007 till sample from previous workers had shown an anomalous flourimetric U result. The Jurgen 2 sample grid returned five uranium values above the 2014 EL program 98th percentile. The three highest values are 17.2 ppb U, 14.2 ppb U and 7.5 ppb U respectively. The anomalous values show a soil geochemical signature at Jurgen 2 with apical values centered over the EM conductor and contact values on either side.

Several sample lines were collected across a conductive fold nose/anticline structure at Daniels Bay. Three samples apical to the structure returned uranium values above the 98th percentile. Two adjacent samples over the fold nose returned 5.7 ppb U and 7.1 ppb U respectively. A third sample over the southeast limb of the structure returned 11.7 ppb U.

At Kingston Lake an EM conductor flanks the southeast edge of a domal intrusive. This feature and an associated conductive splay striking northeast were investigated with 93 EL samples on eight sample lines

over three separate areas. Each of the three conductive areas tested returned anomalous correlating apical uranium in soil values. Two of these were above the 98th percentile with results of 9.2 ppb U, 6.1 ppb U. The third was above the 95th percentile with 5.2 ppb U.

At Johnston Lake the mineral potential of a swarm of northeast striking conductors was assessed with 86 samples taken along eight widely sample lines placed along a strike length of approximately 2.5 kilometres. Five results from the sampling returned uranium values above the 98th percentile. The highest values were 12.2 ppb U, 9.9 ppb U and 6.2 ppb U.

Biogeochem Sampling

Anomalous uranium values were identified on two of four biogeochemical orientation grids completed. A total of 162 samples were collected from grids located in the Daniel's Bay, Sava Lake and Cochrane River and Kingston Lake areas. On the south limb of the Daniels Bay conductive structure, where EL samples returned uranium values above the 98th percentile, biogeochemical samples returned spatially corroborating values of 20 ppb U and 4 ppb U.

Four lines with a total of 71 biogeochemical samples were collected along a strike length of 1.4 kilometers over the Sava Lake conductor where the structure strikes adjacent to a strongly anomalous 89.2 ppm U lake sediment value. Eight samples returned values above the 95th percentile for uranium. On the eastern most line sample, high counts of 8 ppb U, 7 ppb U and 6 ppb U respectively (announced by REL Oct 21, 2014) occurred adjacent to each other on the north side of the conductor.

Black spruce trees, ubiquitous throughout the Genesis property including areas of muskeg cover where soil is absent, have been documented as a reliable source of sampling media (needles, barks and twigs) yielding reproducible biogeochemical results in several academic studies and exploration programs. A total of 162 orientation black spruce samples (twigs with needles) were sent to Actlabs for un-ashed vegetation 63 element ICP/MS biogeochemical analysis. Uranium results ranged from below the detection limit at 1 ppb U to a maximum of 20 ppb U, with a background of 2 ppb.

Lake Sediment Sampling

The work has identified anomalous uranium values in a bay on the northeast side of Wollaston Lake (Southwest Jurgen area) with a sample returning 50.6 ppm U from lake sediments overlying a well defined EM conductor. In addition, as follow-up to historic results, lake sediment samples collected over the apex of an anticlinal structure at Burrill Bay returned 102 ppm U with two promixal samples recovering 69.9 ppm U and 53.2 ppm U. On the east side of the Sava Lake area, adjacent to the 16 kilometre long Sava Lake conductor, a sample returned 89.2 ppm U. On the west side of the Sava Lake area, where the Sava conductor is broken and offset by north-south trending linears seen in the magnetic data a second sample returned a strongly anomalous 63.3 ppm U. In the Melnick Lake target area, three adjacent samples collected from a single lake overlying an east-west trending magnetic break returned values ranging from 41.7 ppm U to to 51.2 ppm U.

A total of 291 lake sediment samples were sent to SRC Geoanalytical Laboratories (SRC) for 44 element ICP-MS analysis. Uranium values ranged from 0.7 ppm U to 102 ppm U, with a background of 8.6 ppb.

2014 Geochemical Program Frequency Analysis

Anomalous uranium thresholds for the Genesis Property 2014 geochemical sampling program as defined by percentiles values are shown in Table 1 below.

Table 1. Genesis 2014 Geochemical Sampling Program - Comparative Percentile Values for Uranium

Enzyme Leach Soil Samples			Biogeochemical Samples			Lake Sediment Samples		
Percentile	U ppb	Number	Percentile	U ppb	Number	Percentile	U ppm	Number
98	5.5	28	95	4.0	14	95	26.4	16
95	3.4	68	90	3.0	28	90	16.0	30
90	2.1	146	80	2.0	75	80	10.7	59
Min	0.1	2	Min	1.0	92	Min	0.7	1

Max	44.1	1	Max	20.0	1	Max	102.0	1
Mean	1.2	-	Mean	2.0	-	Mean	8.6	-
Total	-	1351	Total	-	162	Total	-	291

Anomalous ranges for Enzyme Leach and Biogeochemical uranium analyses received from Actlabs and lake sediment uranium analyses received from SRC were generated through statistical frequency analysis. Background was determined by the population mean. A general association with copper (Cu), nickel (Ni), molybdenum (Mo), lead (Pb) and rare earth elements (REE) is demonstrated with anomalous uranium in soils, biogeochemical and lake sediment samples.

QA/QC

Rock and lake sediment samples from the Genesis Property were sent to the SRC for analysis. The SRC facility operates in accordance with ISO/IEC 17025:2005 (CAN-P-4E), General Requirements for the Competence of Mineral Testing and Calibration laboratories and is accredited by the Standards Council of Canada. Rock samples are first analyzed by SRC's ICP-OES multi-element Uranium exploration ICP1 method. ICP results U>1,000 ppm are analyzed using SRC's ISO/IEC 17025:2005-accredited U_3O_8 Assay method. Lake sediment samples are analyzed by ICP-MS method. The detection limit for uranium is 0.1 ppm. A 0.520 g pulp is digested with 2.25 ml of 8:1 ultrapure nitric and hydrochloric acids (HNO_3:HCl) for 1 hour at 95° C in a hot water bath and then diluted using deionized water prior to analysis. The instruments used were Optima 4300DV or Optima 5300DV. Laboratory rock sample quality control (QC) includes a repeat analysis on every 20th sample. Laboratory lake sediment QC includes quality control samples are prepared and analyzed with each batch of samples and a duplicate analysis in every 40 samples. Kivalliq's quality assurance and quality control procedures include the systematic insertion of blanks and standards into the lake sediment sample string. All QA/QC results for both rocks and lake sediments were within expectations.

Genesis Property Enzyme leach soil samples and biogeochemical samples were sent to Activation Laboratories Ltd. (Actlabs). The Actlabs facility is accredited to international quality standards through the International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 17025 (ISO/IEC 17025 includes ISO 9001 and ISO 9002 specifications) with CAN-P-1578 (Forensics), CAN-P-1579 (Mineral Analysis) and CAN-P-1585 (Environmental) for specific registered tests by the SCC. For EL soil sample analysis, a 0.75 gram sample of -60 mesh B soil horizon is leached in an enzyme matrix containing a glucose oxidaze solution at 30°C for one hour, where it reacts with amorphous MnO_2 dissolving it. Metals complex with the gluconic acid present and solutions are then analyzed on a Perkin Elmer ELAN 6000, 6100 or 9000 ICP/MS. For Biogeochemical analysis, raw vegetation samples are digested in aqua regia at 95°C for 2 hours. Resultant sample solutions are diluted and analyzed on a Perkin Elmer Sciex ELAN 6000, 6100 or 9000 ICP/MS. Laboratory enzyme leach soil sample QC includes four controls and one blank for every 49 samples leached and a repeat analysis on every 10th sample. Field quality assurance and quality control procedures for soil samples included the systematic insertion of blanks, standards and duplicates in the field. Laboratory biogeochemical sample QC includes instrument recalibration and insertion and analysis of one blank and two digested controls every 69 samples. Duplicates are digested and analyzed every 14 samples. All QA/QC results were within expectations.

About Kivalliq Energy Corporation

Kivalliq Energy Corp. (TSX VENTURE: KIV) is a Vancouver-based company exploring for uranium on the 495,883 acre Genesis Property located northeast of Saskatchewan's Athabasca Basin. In addition, Kivalliq holds Canada's highest-grade uranium resource outside of Saskatchewan. Its flagship project, the 275,469 acre Angilak Property in Nunavut Territory, hosts the Lac 50 Trend with a NI 43-101 Inferred Resource of 2,831,000 tonnes grading 0.69% U_3O_8, totaling 43.3 million pounds U_3O_8. Kivalliq's comprehensive exploration programs continue to advance the Lac 50 Trend and demonstrate the "District Scale" potential of the Angilak Property.

Kivalliq holds a 100% interest in the Genesis Property, with Roughrider funding the current exploration program. This highly prospective project is located along the Wollaston-Mudjatik trend extending northeast from Saskatchewan's highly prolific Athabasca Basin. In accordance with the previously disclosed terms of the Option Agreement between Roughrider and Kivalliq, Roughrider has the option to acquire up to an 85% interest in the Genesis Property.

Kivalliq's team of northern exploration specialists has also forged strong relationships with sophisticated

resource sector investors and Angilak Property partner Nunavut Tunngavik Inc. (NTI). Kivalliq was the first company to sign a comprehensive agreement to explore for uranium on Inuit Owned Lands in Nunavut Territory, Canada and is committed to building shareholder value while adhering to high levels of environmental and safety standards and proactive local community engagement.

Jeff Ward, P.Geo., President of Kivalliq and a Qualified Person for Kivalliq, has reviewed and approved the scientific and technical information contained in this release. For disclosure related to the inferred resource for the Lac 50 Trend uranium deposit, please refer to Kivalliq's news release of March 1, 2013.

On behalf of the Board of Directors

"Jim Paterson"

James R. Paterson, CEO
Kivalliq Energy Corp.

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Certain disclosures in this release constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to Kivalliq's operations as a mineral exploration company that may cause future results to differ materially from those expressed or implied in such forward-looking statements, including risks as to the completion of the plans and projects. Readers are cautioned not to place undue reliance on forward-looking statements. For disclosure related to the inferred resource for the Lac 50 Trend uranium deposit, please refer to Kivalliq's news release of March 1, 2013. Other than as required by applicable securities legislation, Kivalliq expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

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