

TORONTO, ONTARIO--(Marketwired - Sep 14, 2015) - Kirkland Lake Gold Inc. ("Kirkland Lake Gold" or the "Company") (TSX:KGI) (AIM:KGI), an operating and exploration gold company with operations in Ontario, Canada, today announces financial results for the first quarter of its Stub Year 2015 ("SY15_Q1"), which includes the three months ended July 31, 2015. All figures in this release are in Canadian dollars unless stated otherwise.

Highlights²

- Achieved a head grade of 0.45 ounces per ton ("opt"), or 15.1 grams per tonne ("g/t") in SY15_Q1.
- Sold 41,204 ounces of gold at an average realized price per ounce of \$1,498 (US\$1,200) in SY15_Q1.
- Cash Operating Costs per Ounce of Gold Produced¹ of \$792 (US\$635).
- All-In Cash Cost per Ounce of Gold Produced¹ ("AICC") of \$1,234 (US\$989) and an All-in Sustaining Cost per Ounce of Gold Sold¹ ("AISC") of \$1,193 (US\$956).
- Income before income taxes of \$7.4 million.
- Net and comprehensive income of \$4.2 million or \$0.05 per share.
- Generated cash flow from operations during the quarter of \$14.9 million.
- Generated free cash flow¹ of \$4.1 million during the quarter.
- Cash as at July 31, 2015 of \$81.1 million.

Mr. George Ogilvie, Chief Executive Officer of the Company commented, "We are pleased to be able to report a fifth consecutive quarter of positive earnings and free cash flow generation for the first quarter of the Stub Year for 2015. We strive to continue this trend and will continuously assess our operations in order to increase productivity and reduce costs while ensuring a safe work environment for all of our employees. As such, we have recently implemented a new performance based bonus system which we firmly believe will better reward our employees for safety and production.

"Along with our change in year end, we have started to report all-in sustaining costs alongside of our all-in cash costs this quarter. We believe this is another step in the right direction for the Company to remain consistent with the industry and comparable to our peers."

¹ The Company has included non-GAAP performance measures: average sales price per ounce sold, cash cost per ton produced, cash cost per ounce produced, AICC per gold ounce produced, AISC per ounce of gold sold and free cash flow throughout this announcement. This is a common performance measure in the mining industry but does not have any standardized meaning under IFRS. Refer to Appendix B of the MD&A for a reconciliation of these measures to reported production expenses.

² All US dollar equivalents are converted at the average CAD to USD exchange rate during the reporting period.

Financial and Operational Metrics

SY15_Q1	Q4/15	Q1/15	SY15_Q1 vs Q4/15	SY15_Q1 vs Q1/15	Production	SY2015 YTD	FY2015 YTD
1,026	1,040	1,020	-1	% 1	% Tons Per Day ("tpd")	1,026	1,026
94,437	92,532	93,880	2	% 1	% Tons Produced	94,437	93,880
0.45	0.42	0.45	7	% 0	% Head Grade	0.45	0.45
41,482	37,979	40,528	9	% 2	% Ounces Produced	41,482	40,528
988	1,003	1,043	-1	% -5	% Headcount (manpower)	988	1,003
<i>In CAD\$</i>							
SY15_Q1	Q4/15	Q1/15	SY15_Q1 vs Q4/15	SY15_Q1 vs Q1/15	Financial	SY2015 YTD	FY2015 YTD
41,204	39,109	38,543	5	% 7	% Gold Sales (ounces)	41,204	38,543
1,498	1,481	1,401	1	% 7	% Average Price ¹ (\$) (per ounce)	1,498	1,401
61,723	57,934	54,003	7	% 14	% Revenue (000's)	61,723	54,003
348	363	340	-4	% 2	% Cash Operating Cost per Ton Produced ¹	348	340
792	885	788	-11	% 1	% Cash Operating Cost per Ounce Produced ¹	792	788
1,234	1,445	1,250	-15	% -1	% AICC ¹	1,234	1,250
1,193	1,283	1,232	-7	% -3	% AISC ¹	1,193	1,232
<i>In US\$ Equivalent</i>							
1,200	1,186	1,295	1	% -7	% Average Price ¹ (\$) (per ounce)	1,200	1,295
279	291	314	-4	% -11	% Cash Operating Cost per Ton Produced ¹	279	314
635	709	728	-10	% -13	% Cash Operating Cost per Ounce Produced ¹	635	728
989	1,157	1,155	-15	% -14	% AICC ¹	989	1,155
956	1,028	1,139	-7	% -16	% AISC ¹	956	1,139

Operations

The average production rate in SY15_Q1 was 1,026 tons per day ("tpd"), and is expected to trend upwards throughout the

remainder of the year. The head grade achieved during the quarter of 0.45 opt (15.4 g/t), is 5% higher than the guided grade of 0.43 opt (14.7 g/t), with a milling recovery of 96.9%.

The Company now has five stopes in production on the 5400 level with ramp development towards the 5600 level progressing as planned.

During the second quarter of Stub Year 2015, the Company implemented a new bonus system for all hourly employees which is performance based and focuses on safety and production. The new "pay for performance" structure is more closely aligned to the Company's objectives and further reinforces the need to operate in a safe and responsible manner. This system will provide further sustainability for the operations and enhance job security and safety for all workers.

Exploration

During the quarter the Company completed four, deep regional targeting holes which stepped out at approximately 1,000 foot intervals commencing 1,000 feet east of the last known mineralization of the South Mine Complex. Geophysics compilation and a targeting exercise is currently underway with approximately 74,000 feet of drilling which is expected to be completed before the end of the year.

SY15 Outlook

The Company's guidance metrics for the eight month Stub Year 2015 (eight month period from May 1, 2015 to December 31, 2015), are detailed in the table below. As a result of an increase in Property, Plant & Equipment expense, the AICC guidance has been increased by approximately \$50 per ounce.

SY15 Guidance CAD\$	Metric	SY15_Q1 Actual	Status
\$800 - \$850	Cash operating cost per ounce	\$792	Favourable
\$1,300 - \$1,400	AICC per ounce produced	\$1,234	On Track
\$1,200 - \$1,300	AISC per ounce sold	\$1,193	Favourable
\$41 - \$48 million	Total Capital Expenditures	\$11 million	Favourable
\$145 - \$155 million	Revenue	\$62 million	On Track
\$43 - \$53 million	Cash flow from operations	\$15 million	On Track
\$2- \$5 million	Free cash flow generation	\$4 million	Favourable

Conference Call Details

The Company will hold a conference call to discuss the first quarter results for its Stub Year of 2015 on September 14, 2015, at 11:00am EDT. You are invited to participate via teleconference using the details below. A replay of the call will be posted on the Company's website (www.klgold.com).

Participant Dial-In Numbers

Toll-Free North America: +1 (877) 291-4570; Local and International: +1 (647) 788-4919

Local from Switzerland: (0-800) 835-354; Local from the United Kingdom: (0-800) 051-7107

Conference ID: 31536358

Replay Dial-In Numbers

Local and International: +1 (416) 621-4642

Toll Free North America: +1 (800) 585-8367

Conference ID: 31536358

Replay Available Until: October 9, 2015 at 11:59PM ET

The following abbreviations are used to describe the periods under review throughout this release.

Abbreviation Period		Abbreviation Period	
SY15_Q1	May 1, 2015 - July 31, 2015	FY2014	May 1, 2013 - April 30, 2014
FY2015	May 1, 2014 - April 30, 2015	Q4/14	November 1, 2014 - January 31, 2014
Q4/15	November 1, 2015 - January 31, 2015	Q2/14	August 1, 2013 - October 31, 2013
Q2/15	August 1, 2014 - October 31, 2014	Q1/14	May 1, 2013 - July 31, 2013
Q1/15	May 1, 2014 - July 31, 2014		

For a description of risk factors affecting the Company and 'Forward Looking Information', see Appendix 4 to the Company's Annual Information Form filed with certain securities regulatory authorities in Canada and available on SEDAR at www.sedar.com. For cautionary advice regarding 'Forward Looking Information' and a description of other factors that may cause actual results to differ from those anticipated, see Appendix D to the Management Discussion and Analysis for the period ended July 31, 2015.

Qualified Persons

Production and processing at the Company's milling facility are under the supervision of Mr. Chris Stewart, P.Eng, Vice President of Operations. The Company's exploration program is under the supervision of Mr. Stewart Carmichael, P.Geo, Manager of Exploration. Messrs. Stewart and Carmichael are 'qualified persons' for the purpose of National Instrument 43-101, *Standards of Disclosure for Mineral Projects*, of the Canadian Securities Administrators, and have reviewed and approved this news release.

Financial Highlights	Reporting Period (Stub Year)		
	Q1 SY15	Q4 FY2015	Q4 FY14
<i>(All amounts in 000's of Canadian Dollars, except gold price per ounce, shares and per share figures)</i>			
Gold Sales (ounces)	41,204	39,109	38,109
Average Gold Price (per ounce)	1,498	1,481	1,481
Revenue	61,723	57,935	54,935
Production Expenses	45,463	43,551	41,551
Exploration Expenditure	2,196	1,799	1,799
Other Expenses and Income	6,619	4,324	5,324
Net Income (Loss) before Income Taxes	7,445	8,262	5,324
Net and Comprehensive Income (Loss)	4,229	7,874	4,324
Per share (basic and diluted)	0.05	0.11	0.05
Cash Flow from operating activities	14,920	21,180	16,180
Cash Flow from (used in) from financing activities	(3,391)) 28,303	(3,391)
Cash Flow used in investing activities	(10,865)) (12,385)) (10,865)
Net increase (decrease) in cash	797	36,304	1,180
Total cash resources	81,119	80,322	40,322
Other Current Assets	28,454	26,536	25,536
Current Liabilities	31,974	35,854	37,854
Working Capital	77,601	71,004	28,004
Total Assets	471,593	467,259	41,004
Total Liabilities	164,563	165,272	16,004
Weighted average number of shares outstanding	80,366,408	73,659,090	70,000,000
Dividends per share	NIL	NIL	NIL

About the Company

[Kirkland Lake Gold Inc.](#) is a gold producer with assets in Kirkland Lake, northeastern Ontario. Current gold production is in excess of 150,000 ounces per year and is expected to grow to over 180,000 ounces per year in the next three years as exploration and development work continue. The exploration program is aimed at maintaining a property wide reserve and resource base sufficient to sustain a mine life of more than ten years, with the current mine life estimated at between ten to fourteen years of production in a high grade gold camp.

The Company is committed to building a sustainable mining company that is recognized as a safe and responsible gold producer. Kirkland Lake Gold plans to evolve into an intermediate gold mining company centred in the historically robust Kirkland Lake gold camp, while evaluating opportunities for growth in other safe mining jurisdictions.

The Toronto Stock Exchange has neither reviewed nor accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Note Regarding Forward Looking Statements

This Press Release contains statements which constitute "forward-looking statements" within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to the future business activities and operating performance of the Company. The words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, are intended to identify such forward-looking statements. Investors are cautioned that forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made such as, without limitation, opinion, assumptions and estimates of management regarding the Company's business, including but not limited to; the Company's outlook for its Stub Year of 2015 including grade, production and throughput assumptions and development towards the 5600 level; operating costs, all-in cash costs and all-in sustaining costs, revenues, operating cash flow and free cash flow generation; and exploration results from its regional program and the timing thereof. Such opinions, assumptions and estimates, are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements.

These factors include the Company's expectations in connection with the projects and exploration programs being met, the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating gold prices, currency exchange rates (such as the Canadian dollar versus the United States Dollar), possible variations in ore grade or recovery rates, changes in accounting policies, changes in the Company's corporate mineral reserves and resources, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, as well as those risk factors discussed or referred to in the Company's annual Management's Discussion and Analysis and Annual Information Form for the year ended April 30, 2015, and the Company's Management's Discussion and Analysis for the interim period ended April 30, 2015, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements except as otherwise required by applicable law.

Contact

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