Vancouver, British Columbia (FSCwire) - Klondike Gold Corp. (“Klondike Gold” or the “Company”) (TSX.V:KG) is pleased to report receipt of assays from the remaining fifteen diamond drill holes of nineteen in total on the Lone Star property located on the outskirts of Dawson City, Yukon Territory. Results from the first four holes were reported October 15, 2015. Klondike Gold owns a 100% interest in 1,406 quartz claims and 14 crown grants covering 250 square kilometers underlying the western half of the Klondike placer goldfields.

Peter Tallman, President of Klondike Gold states “*The small 2015 reconnaissance drilling program is complete. New gold discoveries at Gay Gulch, reported below, and at the Nugget Zone (reported October 15, 2015) demonstrate the Klondike district has exploration potential for vein-hosted gold mineralization with interesting grades and widths. The additional positive results from Gay Gulch opens up the potential for many further Klondike “lode” discoveries.*

2015 Drilling Summary

2015 exploration drilling tested several zones including Nugget (EC15-01 to EC15-06), Lower Nugget (EC15-07), Gay Gulch (EC15-08 to EC15-13), and various in the Buckland area (EC15-14 to EC15-19) with outcrop or sub-crop quartz veining containing visible gold. Core logging results show that individual quartz veins with visible gold can be 0.05 to 1.0 meters in thickness and that “zones” are comprised of several to many related quartz veins (“vein arrays”) occurring over widths of up to ~10 meters true thickness and which exhibit along-strike and down-dip continuity. The volume of quartz veining relative to wallrock, expressed as “% quartz veining” or “% QV” is an important exploration indicator relating to gold grade. Property-scale exploration focussed on locating near-surface volumes of gold mineralized quartz veining, and this objective will continue for 2016.

Gay Gulch Drill Results

A new discovery of a gold-bearing quartz veining was made near Gay Gulch along Eldorado Creek in drill hole EC15-10. A 2.8 meter zone including a 0.5 meter quartz vein was intersected that contains coarse clots of gold up to 2.5 cm in size (see PHOTO HERE). After removing all the coarse visible gold clots from the assay sample, the remaining split interval assayed 420 g/t Au over 0.5 meter, within an extended interval that averaged 75.6 g/t Au over 2.8 meters.

The Gay Gulch Zone was tested from pairs of holes at 50 meter spaced intervals along a 100 meter total length. Each drill pad had a -50 and a -85 dipping hole collared from it. All holes were drilled at 210 azimuth. Along the strike of the locally sub-cropping Gay Gulch quartz veining, holes EC15-08 and EC15-09 tested the easterly end (section 950E), holes EC15-10 and EC15-11 tested the middle (section 1000E), and holes EC15-12 and EC15-13 tested the westerly end (section 1050E). (A plan map of drill holes plus section maps plus assay interval table is located HERE).

Drilling encountered brittle felsic volcanics, fractured and cut by a quartz vein array. The quartz veining is related to a prominent (magnetic low) fault that extends for 2,600 meters from Gay Gulch. The Gay Gulch drilling was done adjacent to Eldorado Creek on the right limit bank of Eldorado placer claim 36. By 1900, a 34 ounce gold nugget had been discovered on placer claim 36 and a larger 72 ounce nugget was discovered on placer claim 34 located 250 meters downstream. The Gay Gulch fault transects both of these placer claims.

Summary of Gay Gulch Drilling Assay Results

Hole ID	Dip	From (m)	To (m)	Interval (m)	True Thickness (m)	Grade Au g/t	% QV
EC15-08	-85	41.90	47.25	5.35	4.00	1.6	16
EC15-09	-50	19.30	20.40	1.10	1.10	1.9	18
EC15-10	-85	23.90	26.70	2.80	2.10	75.6	33
	Including	23.90	24.40	0.50	0.40	420.0	100
EC15-11	-50	21.20	23.05	1.85	1.85	1.0	
EC15-12	-85						
EC15-13	-50	19.45	21.00	1.55	1.55	10.9	10

Peter Tallman states “*Drilling encountered spectacular clots of gold in bedrock quartz veining in EC15-10 on a well-defined fault; one of a class of faults we believe is a primary control on gold mineralization in the region. Not only does the Gay Gulch discovery validate the Company’s exploration model, it opens up a way to target other gold-bearing quartz veins throughout* *our extensive property holdings.*

Nugget Zone Drill Results

The first four of six holes of the drill program were reported previously (see News Release dated October 15, 2015, HERE). Holes EC15-01 through EC15-04 intersected a quartz vein array with interesting results up to 5.3 g/t Au over 7.6 meters in hole EC15-03. Holes EC15-05 and EC15-06 were collared in front of this zone, and contained fewer veins in the lower vein array to meaningfully carry a weighted average.

Lower Nugget Zone Drill Results

One hole (EC15-07) tested an area of outcropping quartz veining containing numerous sights of visible gold in mafic volcanics. The hole intersected a quartz vein at the target depth containing visible gold, however there is no structure present nor is there an array of quartz veining present. The interval of interest in the hole occurs from 5.50 to 8.35 meters downhole however the few veins in the ‘array’ do not have sufficient grade to carry a weighted average.

Buckland Zone Drill Results

Six holes (EC15-14 to EC15-19) tested individual quartz vein targets within a 1000 square meter area collectively known as the Buckland Zone. The zone is characterized by extensive fracturing developed in mafic volcanics. The fractures commonly contain quartz veins, many with visible gold. The area is an intense, widespread magnetic low, interpreted as a large and long-lived zone of faulting. It is believed that faulting is synchronous with gold mineralization, but continued post-mineralization movement disrupted the earlier mineralized quartz veins.

Summary of Buckland Zone Drilling Assay Results

Hole ID	Dip	From (m)	To (m)	Interval (m)	True Thickness (m)	Grade Au g/t	% QV
EC15-15	-50	54.70	56.50	1.8	1.80	3.7	Unknown
EC15-16	-50	38.00	38.85	0.85	0.85	1.8	Unknown
EC15-16	-50	55.10	55.30	0.2	0.20	11.9	50
EC15-17	-50	58.80	59.25	0.45	0.45	5.9	18

Methodology and Data Treatment

Assay intervals herein report the weighted average gold grade for the interval using the quartz vein assays only. Samples logged as wallrock are assigned a 0 g/t Au grade for values up to 300 ppb Au for the purposes of weighted averaging. This is a determination based on examination of the plus versus minus fractions in the metallic screen assay results. The mineralized vein array interval in the -45 dipping holes is approximately the true thickness. The true thickness of the mineralized vein array interval in the -85 dipping holes is approximately 0.75 times the mineralized interval.

Drill Core and Assay Protocols

Drill core and assay protocols are described in News Release October 15, 2015.

The technical and scientific information contained within this news release has been reviewed and approved by Peter Tallman, P.Geo, President and CEO of Klondike Gold Corp., and Qualified Person as defined by National Instrument 43-101 policy.

ABOUT KLONDIKE GOLD CORP.
Klondike Gold Corp. is a Canadian exploration company with offices in Vancouver, British Columbia, and Dawson City, Yukon Territory. The company is focused on exploration and development of its road accessible Yukon gold projects located on the outskirts of Dawson City, YT in the historic Klondike region covering 25,000 hectares of hard rock and 2,000 hectares of placer claims including “McKinnon Creek” leased to Todd Hoffman/Jerusalem Mining LLC and featured on the Discovery Channel show “Gold Rush”.

On behalf of Klondike Gold Corp.

“Peter Tallman”

President and CEO
(604) 559-4440
E-mail: info@klondikegoldcorp.com
Website: www.klondikegoldcorp.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Information

“This press release contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws. This information and statements address future activities, events, plans, developments and projections. All statements, other than statements of historical fact, constitute forward-looking statements or forward looking information. Such forward-looking information and statements are frequently identified by words such as “may,” “will,” “should,” “anticipate,” “plan,” “expect,” “believe,” “estimate,” “intend” and similar terminology, and reflect assumptions, estimates, opinions and analysis made by management of Klondike in light of its experience, current conditions, expectations of future developments and other factors which it believes to be reasonable and relevant. Forward-looking information and statements involve known and unknown risks and uncertainties that may cause Klondike’s actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and accordingly, undue reliance should not be placed thereon. Risks and uncertainties that may cause actual results to vary include but are not limited to the availability of financing; fluctuations in commodity prices; changes to and compliance with applicable laws and regulations, including environmental laws and obtaining requisite permits; political, economic and other risks; as well as other risks and uncertainties which are more fully described in our annual and quarterly Management’s Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedar.com. Klondike disclaims any obligation to update or revise any forward-looking information or statements except as may be required.”

To view this press release as a PDF file, click onto the following link:
public://news_release_pdf/KlondikeGoldOct262015.pdf

Source: [Klondike Gold Corp.] (TSX Venture:KG)