TORONTO, ONTARIO--(Marketwired - May 12, 2016) - Kirkland Lake Gold Inc. ("Kirkland Lake Gold" or the "Company") (TSX:KGI), an intermediate gold producer with operations in Ontario, Canada, today announces first quarter financial results for the three months ended March 31, 2016 ("Q1/16"). All figures in this release are in Canadian dollars unless stated otherwise.

The Company changed its fiscal year from an April 30th year end to a December 31st calendar year end effective January 1, 2016. As such, for comparative purposes, the Company will compare the current quarter results to a similar period in the previous year (see table below). The Company also advises that it will now report measurements in metric as opposed to its previous form of imperial measurements. The conversions are 1 short ton = 0.9072 tonnes; and 1 troy ounce per ton = 34.2857 grams per metric tonne ("g/t").

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

Abbreviation	Period	Abbreviation	Period
Q1/16	NEW: January 1, 2016 - March 31, 2016	FQ4/15	February 1, 2015 - April 30, 2015
Q3/SY15	November 1, 2015 - December 31, 2015	FQ3/15	November 1, 2014 - January 31, 2015
Q2/SY15	August 1, 2015 - October 31, 2015	FQ2/15	August 1, 2014 - October 31, 2014
Q1/SY15	May 1, 2015 - July 31, 2015	FQ1/15	May 1, 2014 - July 31, 2014

Q1/16 Highlights

- Pre-released production of 69,464 ounces of gold in Q1/16, on track to meet its production guidance of between 270,000 to 290,000 ounces for 2016.
- Sold 69,309 ounces of gold at an average realized price per ounce of $1,584 (US$1,154) during the quarter.
- Achieved operating costs per ounce of gold sold[1] of $846 (US$616); and all-in sustaining costs per ounce of gold sold[1] ("AISC") of $1,246[1] (US$907) in Q1/16.
- Realized income before income taxes of $19.9 million during the quarter and net and comprehensive income of $12.5 million and $12.6 million respectively, or $0.12 per share.
- Generated cash flow from operations during the quarter of $43.7 million.
- Generated free cash flow[1] of $23.6 million during the quarter.

Mr. George Ogilvie, Chief Executive Officer of the Company commented, "We are pleased to report strong financial results for the first quarter of 2016, with a healthy balance sheet that will allow us to execute our plans over the next 12 months."

"We look at 2016 as a transformational year for Kirkland Lake Gold as we continue to work towards a successful integration of East Timmins; execute at the operations which will allow us to further deleverage the balance sheet; and of course, push forward with our exploration programs which we believe will allow for tremendous upside in the future."

Financial Summary

* Comparative figures prior to Q1/16 do not include results from the East Timmins Operations. Consolidated results do not include results from ETO from January 1st to January 25th, 2016, prior to close of the transaction with St Andrew Goldfields Ltd. ("St Andrew").

CAD$	Q1/16	FQ4/15	Change	
Gold Ounces Sold	69,309	39,109	77	%
Average Realized Price ($) (per Oz)[1]	1,584	1,481	7	%
Revenue (000's)	109,788	57,935	90	%
Income before Income Taxes	19,915	8,262	141	%
Income Tax Expense	7,396	388	1806	%
Operating Cost per Tonne[1]	262	392	(33	%)
Operating Cost per Oz Sold[1]	846	842	0	%
Capital Development Investment	16,727	10,896	54	%
Purchase of Property, Plant and Equipment	3,379	2,003	69	%
AISC per Oz Sold[1]	1,246	1,258	(1	%)

USD$	Q1/16	FQ4/15	Change	
Exchange Rate *(Average Noon Rate)*	*1.3732*	*1.2485*	*(10*	*%)*
Consolidated Ounces Sold	*69,309*	*39,109*	77	%
Average Realized Price ($) (per Oz)[1]	1,154	1,186	(3	%)
Revenue (000's)	79,950	46,404	72	%
Income before Income Taxes (000's)	14,503	6,618	119	%
Income Tax Expense	5,396	311	1633	%
Operating Cost per Tonne[1]	191	314	(39	%)

Operating Cost per Oz Sold[1]	616	674	(9	%)
Capital Development Investment	12,181	8,727	40	%
Purchase of Property, Plant and Equipment	2,461	1,604	53	%
AISC per Oz Sold[1]	907	1,008	(10	%)

Financial Results Summary

The Company reported net and comprehensive income for the quarter of approximately $12.5 million and $12.6 million respectively, or $0.12 per share compared to $7.9 million or $0.11 per share for the quarter ended April 30, 2015 (FQ4/15). The current reporting quarter does not include financial results from the East Timmins Operations for the first 25 days of January prior to close of the acquisition and also includes transaction costs of $1.9 million and integration costs of $0.6 million on a pre-tax basis.

Free cash flow for the quarter was $23.6 million compared to $7.8 million during FQ4/15 reflecting higher realized gold prices, lower AISC per oz sold, and increased production and sales as a result of the additional production from the East Timmins Operations. As a result of the free cash flow generation and the $10.9 million in cash acquired through the transaction, cash and cash equivalents at the end of the quarter was $130.5 million compared to $93.7 million at December 31, 2015. Working capital for the Company stands at $120.9 million as at March 31, 2016, compared to $86.3 million as at December 31, 2015.

Acquisition of St Andrew

On January 26, 2016, St Andrew became a wholly-owned subsidiary of the Company and each of the issued and outstanding common shares of St Andrew were acquired by the Company in consideration for 0.0906 of one common share of Kirkland Lake Gold.

Since the close of the transaction, the Company has been focused on the successful integration of the teams and business units and to ensure a mutually beneficial partnership for all parties. While this process is expected to take up to 12 months to be fully complete, this has been a relatively smooth transition for all, especially in light of the close proximity of the operations and labour force.

Operations Overview

Kirkland Lake Gold pre-released production results on April 14, 2016, with a total of 69,454 ounces of gold production from the Macassa Mine Complex and the East Timmins Operations (which included 7,189 ounces of production for the first 25 days of January).

The operations performed well during the quarter with grades, recoveries, and throughput all in line with expectations. A breakdown of operational performance at each asset is outlined in the table below.

* Comparative figures prior to Q1/16 do not include results from the East Timmins Operations. Consolidated results do not include results from ETO from January 1st to January 25th, 2016, prior to close of the transaction with St Andrew.

Consolidated Operations	Q1/16		Q4/15*		Change	
Tonnes Ore Mined	221,599		83,944		164	%
Average tpd	2,435		943		218	%
Average Head Grade (g/t)	9.1		14.6		(46	%)
Tonnes Ore Milled	223,450		83,944		166	%
Recovery - %	94.7	%	96.6	%	(2	%)
Gold Produced (Oz)	62,275		37,979		64	%
Development metres - Operating	2,896		1,590		82	%
Development metres - Capital	2,901		1,923		51	%

Macassa Mine Complex	Q1/16		Q4/15*		Change	
Tonnes Ore Mined - SMC	67,929		56,499		20	%
Tonnes Ore Mined - Main Break	17,780		27,444		(35	%)
Average tpd	942		943		0	%
Average Head Grade (g/t)	15.3		14.6		5	%
Tonnes Ore Milled	85,845		83,944		2	%
Recovery - %	97.3	%	96.6	%	1	%
Gold Produced (Oz)	41,054		37,979		8	%
Development metres - Operating	1,619		1,590		2	%
Development metres - Capital	1,417		1,923		(26	%)

East Timmins Operations	Q1/16 (January 26 to March 31, 2016)		
	Holt	Holloway	Taylor
Tonnes Ore Mined	74,390	31,677	29,822
Average tpd	1,127	480	452
Average Head Grade (g/t)	4.3	4.5	7.6
Tons ore milled	74,453	31,664	31,487
Recovery - %	94.6 %	91.1 %	95.8 %
Gold Produced (Oz)	9,662	4,212	7,347
Development metres - Operating	506	478	293
Development metres - Capital	701	49	733

Exploration

During the first quarter, exploration programs were focused on underground drilling at the Macassa Mine Complex and regional surface drilling testing eastwards of the SMC. Underground drilling commenced from a new exploration drift on the 4250m Level to follow up on mineralization encountered on the '04 Break above the 3400m Level (see press release dated February 23, 2015). Underground drilling from the 5300m Level exploration drift continued to test eastwards and to the south, expanding the known zone of mineralization as well as infill drilling. Surface drilling to test deep targets eastwards of the SMC continued with 4 drills and is aimed at following up on the results released in November 2015 and January 2016 (see respective press releases dated November 3, 2015 and January 19, 2016). Results from these programs will be released as they become available.

The Company released guidance for 2016 which included an expanded exploration budget of $8 million to be spent at the East Timmins Operations, mainly on resource expansion at the Holloway and Taylor mines (see press release dated April 14, 2016). A combination of surface and underground drilling has commenced to test a number of targets at each operation. As well, a number of regional targets have been identified across the Company's 120km strike of land situated along the Porcupine-Destor Fault Zone, and drilling is expected to commence towards the end of 2016 or early in 2017.

Q1/16 Key Performance Indicators

The 2016 guidance metrics were released on April 14, 2016, and are summarized against the first quarter results below. The lower spend on Property, Plant & Equipment ("PP&E") during Q1/16 is attributable to a delay in the delivery of equipment, which is expected in the second and third quarter of this year. As a result, the Total Capital Expenditures (which includes capital development as well as PP&E) and AISC[1] have been positively affected in Q1/16, and are expected to be higher in the next two quarters.

2016 Guidance	Guidance Metrics	Q1/16 Results
270,000 - 290,000	Gold Production (ounces)	69,454
7.7	Head Grade (g/t Au)	9.1
$800 - $850	Operating Costs[1] (C$/Oz)	$846
$1,300 - $1,350	All-In Sustaining Costs[1](C$/Oz)	$1,246
$120 million	Total Capital Expenditures (millions of dollars)	$20.1 million

(1) The Company has included the following non-GAAP performance measures in this press release; average realized price per ounce sold, operating cost per tonne sold and operating cost per ounce sold, AISC per ounce sold, and free cash flow. These are common performance measures in the mining industry but do not have any standardized meaning. Refer to the end of this press release or Appendix B of the MD&A for a reconciliation of these measures to the accompanying financial statements.

For a description of risk factors affecting the Company and 'Forward Looking Information', see the Company's Annual Information Form for the year ended December 31, 2015, and the Company's MD&A for the period ended March 31, 2016, filed with certain securities regulatory authorities in Canada and available on SEDAR at www.sedar.com. For a description and reconciliation of Non-GAAP measures please see below and refer to Appendix B of the Company's MD&A for period ended March 31, 2016, as filed on SEDAR at www.sedar.com, or at the end of this release.

Q1/16 Earnings Call (May 13, 2016)

The Company will hold a conference call to discuss these results tomorrow, Friday May 13, at 10:00am EDT. The Company invites you to participate via teleconference, the details of which are outlined below and are available on the Company's website at 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: 93207658

Replay Dial-In Numbers

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

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

Conference ID: 93207658

Replay Available Until: June 13, 2016 at 11:59PM ET

Qualified Persons

Production at the various operations and processing at the Company's milling facilities are under the supervision of Mr. Chris Stewart, P.Eng, the Vice President of Operations. The Company's exploration program is under the supervision of Mr. Doug Cater, P.Geo, the Vice President of Exploration.

Messrs. Stewart and Cater 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. As the Vice President of Operations and Vice President of Exploration, Messrs. Stewart and Cater are not considered independent.

Selected Financial Information & Review of Overall Performance

* Comparative figures prior to Q1/16 do not include results from the East Timmins Operations. Consolidated results do not include results from ETO from January 1st to January 25th, 2016, prior to close of the transaction with St Andrew.

Financial Highlights *(All amounts in 000's of Canadian Dollars, except gold price per ounce, shares and per share figures)*	3 months ended Mar 31, 2016		2 months e Dec 31, 20
Gold Sales (ounces)	69,309		25,284
Average Realized Gold Price (per ounce sold)[1]	1,584		1,486
Revenue	109,788		37,581
Production Expenses	77,742		28,444
Exploration Expenditure	2,581		1,527
Other Expenses	9,551		4,844
Income before Income Taxes	19,914		2,765
Net Income	12,519		1,040
Comprehensive Income	12,601		1,040
Per share (basic and diluted)	0.12		0.01
Cash flow from operations	43,702		15,362
Cash flow (used in) from financing activities	(7,581	)	(5,724
Cash flow from (used in) investing activities	1,057		452
Net increase in cash	36,784		10,337
Total cash resources	130,511		93,727
Other Current Assets	46,557		25,506
Current Liabilities	56,172		32,949
Working Capital	122,023		86,284
Total Assets	713,063		484,740
Total Liabilities	221,962		172,146
Basic weighted average number of shares outstanding	105,281,126		80,954,117
Dividends per share	NIL		NIL

Reconciliation of Non-GAAP Financial Measures

The Company has included non-GAAP performance measures throughout this document. These include: operating costs per tonne and operating costs per ounce of gold sold, all-in sustaining costs per ounce of gold sold, free cash flow, average realized sales price and working capital. Operating costs per tonne of ore and ounce of gold sold and all-in sustaining costs per ounce of gold sold are common performance measures in the mining industry but do not have any standardized meaning. The guidance provided by the World Gold Council for calculating all-in sustaining costs was reviewed and followed. Total operating costs include mine site operating costs (mining, processing and refining, in-mine drilling expenditures, administration, and production taxes), but are exclusive of other costs (royalties, depreciation and depletion, off-site corporate costs, reclamation, capital, long-term development and exploration). The Company currently considers all capital spending to be sustaining in nature. These measures, along with sales, are considered by the Company to be indicators of the Company's ability to generate operating earnings and free cash flows from its mining operations. The Company believes that certain investors use this information to evaluate the Company's performance and ability to generate cash flows. These should not be considered in isolation as a substitute for measures of performance prepared in accordance with IFRS and are not necessarily indicative of production costs presented under IFRS. The following tables provide reconciliation of such costs to the Company's financial statements for the periods as noted:

Free Cash Flow *(All amounts in 000's of Canadian Dollars, except shares and per share figures)*	Three months ended Mar 31, 2016	Three months ended Apr 30, 2015
Cash Inflows from Operations	$ 43,712	$ 20,728
Mineral Property Additions	(16,727)	(10,896)
Property, Plant & Equipment	(3,379)	(2,002)
Free Cash Flow	$ 23,607	$ 7,830
Weighted Average Shares outstanding	105,281,126	73,334,778
Cash Inflows from Operations per share	0.42	0.28
Free Cash Flow per share	0.22	0.11

Operating Costs *All amounts in 000s of Canadian Dollars except tons ore produced, ounces of gold sold and unit costs*	Three months ended Mar 31, 2016	Th A
Production Expense	$ 77,742	$ 43
Amortization and Depletion	(14,708)	(8
Stock-based compensation	(69)	(1
Royalties	(4,332)	(1
Operating Costs	$ 58,633	$ 3
Tonnes of Ore Produced	223,450	8
Ounces of Gold Sold	69,309	39
Operating Cost per Tonne	$ 262	$ 39
Operating Cost per Ounce Sold	$ 846	$ 84

AISC per Ounce Sold *All amounts in 000s of Canadian Dollars except ounces sold and unit costs*	Three months ended Mar 31, 2016	Three months ended Apr 30, 2015
Operating Costs	$ 58,633	$ 32,931
Royalties Expense	4,332	1,571
Stock Based Compensation	69	762
Exploration Expense (no Surface)	901	435
Corporate Expense (no financing costs)	2,374	615
Mineral Property Additions	16,727	10,896
Property, Plant & Equipment Purchases	3,379	2,002
AISC	$ 86,415	$ 49,212
Ounces of Gold Sold	69,309	39,109
AISC per Ounce Sold	$ 1,246	1,258

Working Capital *(All amounts in 000s of Canadian Dollars)*	Mar 31, 2016	Dec 31, 2015	Apr 30, 2015
Current Assets	177,079	119,233	106,858
Current Liabilities	56,172	32,949	35,854
Working Capital	120,907	86,284	71,004

About the Company

Kirkland Lake Gold Inc. is a Canadian focused, intermediate gold producer with assets in the historic Kirkland Lake gold camp, and east of the Timmins gold camp along the Porcupine-Destor Fault Zone, both in northeastern Ontario. The Company is currently targeting annual gold production of between 270,000 to 290,000 ounces from its cornerstone asset, the Macassa Mine Complex and the recently acquired East Timmins Operations.

The Company is committed to building a sustainable mining company that is recognized as a safe and responsible gold producer with quality assets in 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 development of the Macassa Mine Complex and the East Timmins Operations and the anticipated timing thereof, estimated production results, the anticipated timing and commencement of the East Timmins Operations exploration program, the ability to lower costs and gradually increase production. 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, permitting time lines, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, and limitations on insurance, 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 December 31, 2015, and the Company's Management's Discussion and Analysis for the interim period ended December 31, 2015, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. 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.

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