Vancouver, British Columbia (FSCwire) - <u>Kapuskasing Gold Corp.</u> (TSX-V: KAP) (the “Company” or “KAP”) announces that drilling has commenced on the West Keefer Property situated approximately 20 minutes west of the City of Timmins, Ontario. A 1000 metre drill program has been planned to target two areas of the West Keefer Property, the southwest grid and the northeast grid. Both areas have several high priority drill targets defined by the interpretation of recent and historic geophysical and geological compilation.

In addition, the drilling program on the Rollo Property (see announcement dated July 25, 2016) located near Foleyet, northern Ontario, has been completed. A total of three short holes of approximately 150 metres was carried out below the Racicot Gold Showing. The drill core is being sampled and saw cut and assays will be released upon receipt.

About the West Keefer Property

The West Keefer Property has seen minimal exploration over the years with no diamond drilling being conducted on the current claim configuration. Of particular interest, the West Keefer Property hosts several untested I.P. anomalies of which some are overburden covered. Each of these anomalies are characterised by moderate to high chargeability coincidental with areas of high resistivity. The Company believes that the I.P. signatures of these anomalies may represent mineralized porphyries or felsic intrusive units. Situated proximal and to the north of the interpreted DPFZ, porphyry units represent a favourable geological environment in the Timmins and Timmins West Camps for significant gold mineralization.

The Project is underlain by mafic and felsic metavolcanics, metasediments and intruded by granitic porphyries in a similar geological setting to Lakeshore Gold's Timmins West Mine, located approximately 15 kilometers to the east along the Destor-Porcupine Fault Zone ("DPFZ").

Most of the known gold deposits in the Timmins camp are spatially related to the Destor-Porcupine Fault Zone which is the major regional structure. The deposits occur in Archean metavolcanic rocks that are typically accompanied by metasedimentary rocks, quartz feldspar porphyries and ultramafic intrusive rocks. Almost all known deposits of this type are hosted within shear zones and are accompanied by quartz carbonate alteration.

About the Company

Kapuskasing Gold has 7 gold properties located along extensions of the Destor-Porcupine or Borden Gold project. All of the properties, with the exception of Rollo and West Keefer, are situated within the Kapuskasing structural zones and have potential similarities to Goldcorp's Borden Gold project. A detailed map and property descriptions can be viewed on the Company's website: www.kapgold.com.

Mr. Garry Clark P.Geo, the Exploration Manager and a director of the Company, a Qualified Person ("QP") as defined by National Instrument 43-101, has reviewed the technical content of this release.

On behalf of the Board of Directors

Kapuskasing Gold Corp.

Jonathan Armes President & CEO Phone 1 (416) 708-0243

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