

Surface drilling program will test four anomalies with characteristics similar to Golden Wonder bonanza-grade ore shoot

LAKE CITY, Colo., Dec. 15, 2016 /PRNewswire/ -- [LKA Gold Inc.](#) (OTCQB: LKAI) A Kinross Gold USA sponsored and directed surface drilling program is under way at the first of four permitted sites located on LKA mining claims very near the Company's Golden Wonder mine.

The drilling program, which began in late November 2016, is designed to test four of six areas, previously identified by Kinross Gold geologists, possessing geochemistry remarkably similar to that of the first bonanza-grade discovery at LKA's Golden Wonder mine.

According to LKA President Kye Abraham, "We recently visited the first Kinross drill site while drilling was under way. The expertise and efficiency of the Kinross team is impressive." Abraham added, "If we can pin down just one area, out of the six identified, with the potential to host another bonanza-grade ore shoot this program will be a big win for LKA shareholders." Drilling results are expected upon the program's conclusion in early 2017.

The Kinross Gold USA-[LKA Gold Inc.](#) exploration and option agreement grants Kinross a five-year exclusive right to explore and establish a resource containing at least 50,000 or more ounces of gold on LKA's properties. If such a resource is identified, LKA will have the option to enter into a joint venture with Kinross by reimbursing 40.25% of Kinross's exploration expenses in return for a 35% joint venture interest. LKA will further be granted a \$1.8 million credit for its existing infrastructure.

About LKA's exploration program at its Golden Wonder Mine

Since 2009, LKA has been engaged in an exploration program to re-establish reserves at its Golden Wonder mine. Under LKA's ownership, the Golden Wonder yielded more than 141,000 ounces of gold from a single ore shoot measuring less than 10,000 cubic feet. From 1998, through the second quarter of 2006, the average grade of Golden Wonder production was 16.01 ozs. (454 grams) gold per ton. LKA believes that additional such ore shoots exist on its mining claims. Upon resuming exploratory operations in the first quarter of 2009, LKA has shipped twenty-nine bulk ore samples containing more than 4,900 ounces of gold with a net value, after processing, of over \$5.1 million.

The views expressed in this press release are solely those of LKA management. More discussion on the LKA-Kinross exploration agreement and related subjects can be found in the "President's Email Updates" and "President's Archive" on the Company's website at: http://lkagold.com/Management_Team_-_LKA_Inter.html. Details of Golden Wonder commercial and exploratory ore shipments can also be found on the Home Page of the Company's website at: www.lkagold.com

Safe Harbor Statement

Investors are cautioned that the Company continues to generate substantial losses and additional funding and exploration work is required. A commercially viable ore reserve has yet to be established. LKA's plans to resume/expand Golden Wonder production are subject to a number of conditions including, but not limited to, favorable geology, successful exploration efforts, favorable financing terms/availability, permits, government regulation, gold prices, market conditions, etc. Mining and related activities are inherently high-risk endeavors and there can be no assurance that LKA will be successful. Forward-looking statements in this release are made pursuant to the 'safe harbor' provisions of the Private Securities Litigation Reform Act of 1995 and the Bespeaks Caution Doctrine.

Company Contact

[LKA Gold Inc.](#)

Kye Abraham

(253) 514-6661

info@lkagold.com

<http://lkagold.com>

Investor Contact

Zachary Abraham

(253) 820-5778

abeco.z@abrahamco.com

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