TORONTO, ONTARIO--(Marketwired - May 4, 2017) - Kilo Goldmines Ltd. ("Kilo" or "KGL" or the "Company") (TSX VENTURE:KGL)(FRANKFURT:02K) is pleased to provide an update on the exploration program on its Imbo Licence (PE9691) within the Ngayu greenstone belt in the northeastern Democratic Republic of Congo ("DRC").

Program highlights

- Drilling completed at Adumbi South, Adumbi West and Kitenge targets
- First of four holes at Adumbi prospect shows extension of the higher-grade Replaced Rock (RP) Zone to 100 m below previous deepest drill intersections
- Field work to generate targets over an area of 4km by 1.5km east of the Imbo River due to commence

Diamond drilling to test coincident gold-in-soil and magnetic anomalies at the Adumbi South, Adumbi West and Kitenge Extension targets has been completed, with a total of 5,132 m drilled in 34 holes. Hydrothermal alteration was found to be associated with strike-parallel shears at all three prospects with intersections of gold mineralization including 7.36 m @ 1.31 g/t, 1.60 m @ 10.52 g/t, 0.80 m @ 23.90 g/t and 1.45 m @ 8.53 g/t.

At the Adumbi prospect, the first of four relatively deep drill holes, designed to test the depth extension of a zone of high-grade mineralization known as the Replaced Rock (RP) Zone, has been completed. Two zones of RP totalling 27 m were intersected, separated by 11 m of carbonaceous schist. This drill hole shows that the RP Zone extends down-dip to a vertical depth of at least 375 m below surface, or 100 m below the previous deepest drill intersections. The Adumbi prospect currently has an Inferred Resource of 19.11 Mt @ 2.2 g/t Au for 1.36 Moz of gold.

In early May, exploration will recommence in the eastern part of the Imbo Licence area, where stream sediment and rock chip sampling indicate an extension of the Adumbi/Kitenge/Manzako mineralized trend over a strike of about 7 km (see the Company's press release of 23 September 2015). The programme will entail soil sampling at 40 m intervals along 160 m-spaced lines, over an area of 4 km x 1.5 km in the central part of the target.

Further details are given below.

Adumbi South:

The Adumbi South target lies 480 m to the south of the Adumbi prospect (Figure 1), and is defined by a 1.4 km-long magnetic anomaly that appears to be demagnetized in places, and a >200 ppb gold-in-soil anomaly. Nine (9) holes (1,407 m) on 3 traverses at a spacing of 160 metres have been completed (Figure 2). The drilling has shown that the linear magnetic feature is caused by magnetite-bearing chlorite schist, and supports the interpretation that the lithologies at Adumbi South are similar to those at the Canal prospect, which forms the southeastern extension of the main Adumbi mineralization. Hydrothermal pyrite locally replaces disseminated magnetite in the chlorite schist, which together with a deeper weathering profile, is probably responsible for the weakening of the magnetic response on traverses ALS2 to ALS4. Other hydrothermal alteration comprises zones of foliation-parallel quartz veining up to 11 m in width (with individual veins <1 m across); pyrite, +/- pyrrhotite, +/- arsenopyrite occurs locally within the veins and sheared country rock.

Analytical results are summarised in Table 1. In view of the narrow widths and sporadic nature of the gold mineralization associated with the alteration zones, it has been decided not to drill the remaining holes originally planned at Adumbi South.

Table 1. Summary of mineralized intersections at Adumbi South

BHID	From (m)	To (m)	Width (m)	Au g/t
ASDD003	108.00	109.00	1.00	3.85
ASDD004	60.40	60.70	0.30	1.07

Kitenge Extension:

The Kitenge Extension target lies to the northwest of the Kitenge prospect, and is defined by an approximately 2 km-long magnetic feature with a coincident gold-in-soil anomaly with values from 50 ppb to 450 ppb. A total of 14 holes (2,170 m) have been completed on 6 traverses (Figure 3).

The drilling has shown that the linear magnetic feature is caused by magnetite-bearing chlorite schist within a package of quartz-carbonate schist, and the lithological sequence is similar to the Canal prospect southeast of Adumbi. Hydrothermal alteration is associated with strike-parallel shear zones, some of which affect earlier breccia zones containing clasts of vein quartz and country rock, indicating several phases of tectonism and alteration. The hydrothermal activity has caused a general "bleaching" of the sheared host rock, and quartz veins parallel to the foliation are common. Disseminated sulphides (pyrite, +/- pyrrhotite, +/- arsenopyrite) are locally associated with the veins and sheared host rock. Assay results are summarised in Table 2.

Table 2. Summary of mineralized intersections at Kitenge Extension

BHID	From (m)	To (m)	Width (m)	Au g/t
SKDD0060	102.00	104.90	2.90	1.05
	167.00	168.00	1.00	0.77
SKDD0061	68.40	70.03	1.63	3.05
	84.00	85.60	1.60	10.52
	106.00	106.83	0.83	1.63
SKDD0063	129.95	130.45	0.50	2.65
	140.00	141.00	1.00	0.51
	8.85	9.40	0.55	1.53
SKDD0065	81.00	82.00	1.00	0.71
	132.00	133.00	1.00	3.08
SKDD0067	51.40	53.20	1.80	0.65
SKDD0068	25.00	25.80	0.80	1.92
SKDD0069	110.00	111.00	1.00	0.63
	67.75	69.40	1.65	0.50
	72.90	73.90	1.00	0.57
SKDD0070	88.00	96.00	8.00	0.51
	108.00	109.00	1.00	0.67
	122.90	123.90	1.00	0.63
	126.90	127.90	1.00	0.60
	71.44	78.80	7.36	1.31
SKDD0071	110.20	111.00	0.80	23.90
	131.00	132.00	1.00	0.97

Adumbi West:

The Adumbi West target is defined by a 1.7 km-long linear magnetic anomaly and a coincident gold-in-soil anomaly with values of 50 ppb - 1,000 ppb. This magnetic feature is similar to that which defines the banded ironstone formation (BIF) at the Adumbi prospect. 11 holes totalling 1,555 m were drilled on traverses AWL2 and AWL5 (Figure 4).

Drilling on traverse AWL2 has shown that the strong magnetic anomaly is caused by chlorite schist with abundant disseminated magnetite, rather than the expected BIF. The magnetite-chlorite schist is probably a facies equivalent of the Adumbi BIF, and represents an area where a greater proportion of clastic material was deposited with the chemically precipitated iron oxide.

Intersections of 1.45 m @ 8.53 g/t Au and 1.30 m @ 2.31 g/t Au were drilled in Holes AWDD002 and AWDD004, associated with a zone of quartz veining, silicification and pyritization, on strike with the Dieu Merci artisanal workings to the northwest (Figure 4, Table 3). This zone probably represents the northwestern strike extension of the Adumbi structure, and indicates that the structure is cross-cutting the lithological strike at an acute angle. Whereas at Adumbi the structure is hosted by the chemically reactive BIF, at Adumbi West it is within quartz-carbonate schist in the hangingwall of the Fe-rich horizon.

No further drilling is planned at Adumbi West at this stage.

Table 3. Summary of mineralized intersections at Adumbi West

BHID	From (m)	To (m)	Width (m)	Au g/t
AWDD001	35.03	36.00	0.97	0.55
	39.00	40.00	1.00	0.70
	50.00	51.00	1.00	0.51
AWDD002	140.20	141.65	1.45	8.53
AWDD004	35.40	36.70	1.30	2.31
	145.80	146.80	1.00	0.61
AWDD010	56.00	57.00	1.00	0.90
	103.87	104.87	1.00	0.76
AWDD011	96.62	96.95	0.33	0.50

Adumbi Prospect:

A program of four drill holes totalling approximately 1,700 m is in progress, to test the depth extensions of a zone of high grade

mineralization defined by geological and mineralization modelling of the Adumbi drill hole core. This zone of mineralization is associated with alteration and structural deformation that has completely destroyed the primary host lithological characteristics and is termed Replaced Rock Zone ("RP Zone") (Figure 5).

The RP Zone has been traced along strike for 840 m and down dip to 275 m below surface. The average true width and weighted average grade of all drill hole intersections of the RP Zone is 4.91 meters at 5.44 g/t Au. In the central 480 m portion of the Adumbi prospect the average is 6.41 meters @ 6.25 g/t Au. The RP zone is seen to have potential for underground exploitation, and establishing depth continuity could add significantly to the Company's resource base.

The four drill holes are targeting the down-plunge extensions of relatively high grade shoots within the RP zone, with the aim of intersecting the mineralization about 100 m below the previous deepest drilling (Figure 6). The first hole (SADD0050) has been completed, and intersected the RP zone as follows:

409.38 - 424.45 m = 15.07 m: RP Zone

424.45 - 435.36 m = 10.91 m: Carbonaceous Schist Marker

435.36 - 447.40 m = 12.04 m: RP Zone

The RP zone comprises an alteration assemblage of silica, carbonate, and abundant sulphides (pyrite, pyrrhotite and arsenopyrite representing up to 40% of the rock). Visible gold was observed at a depth of 444 m.

The total down-hole width of the RP zone in SADD0050 is 27.11 m (21.95 m true thickness) which compares with 25.13 m (18.11 m true thickness) in SADD0017, 100 m up-dip (Figure 7). Assay results for SADD0050 are awaited, but the core is similar in appearance to that in SADD0017 which averaged 5.06 g/t over the 25.13 m intersection.

Qualified Person

Howard Fall, B.Sc., PhD, MAusIMM, QP (Geo) is the 'qualified person' (as such term is defined under National Instrument 43-101) of Kilo and has reviewed the scientific and technical information contained in this release.

About Kilo

Kilo Goldmines Ltd. is a Canadian gold exploration company that is listed on the TSX Venture Exchange under the symbol 'KGL' and on the Frankfurt Exchange under the symbol '02K'. The Company holds about 2,417 km² of prospective Archaean Kibalian greenstone in the Kilo-Moto area in the Democratic Republic of the Congo.

Incorporated within these licences is:

- the Somituri project (71.25% owned by KGL), comprising six contiguous licences (361km²) held by KGL-Somituri SARL

- the KGL Isiro SARL Joint Venture (JV) with Randgold Resources Ltd. (2,056 km²), for gold and associated minerals only. The JV is managed by Randgold and financed by it to a pre-feasibility (PFS) for a 51% participation interest. Upon completion of the PFS, KGL can participate in funding or Randgold will increase its participation to 65% by completing a Feasibility Study. Areas which may be deemed of no interest to Randgold will be returned to KGL.

KGL has retained the rights to explore for and develop iron ore resources and other minerals associated with the licences held by KGL Isiro SARL.

Disclaimer

This news release may contain forward looking statements concerning future operations of Kilo Goldmines Ltd. All forward looking statements concerning Kilo's future plans and operations, including management's assessment, project expectations or beliefs may be subject to certain assumptions, risks and uncertainties beyond Kilo's control. Investors are cautioned that any such statements are not guarantees of future performance and that actual performance and exploration and financial results may differ materially from any estimates or projections.

Neither 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.

To view Figures 1-7, please visit the following link: http://media3.marketwire.com/docs/109367-F1-7.pdf

Contact

Kilo Goldmines Ltd.
Philip Gibbs
Interim CEO
+1 416 360 3406
philip.gibbs@kilogoldmines.com
www.kilogoldmines.com