

VANCOUVER, BC--(Marketwired - September 01, 2017) - [Kivalliq Energy Corp.](#) (TSX VENTURE: KIV) ("Kivalliq" or "the Company") today announced that it has received funds from [Roughrider Exploration Ltd.](#) (TSX VENTURE: REL) ("Roughrider") to undertake a new work program on the Genesis Property uranium project in Saskatchewan to commence September 2017. The receipt of funds completes Roughrider's expenditure commitment obligations to Kivalliq allowing Roughrider to earn its 50% Initial Interest (the "Initial Interest") in the Genesis Property, pursuant to the terms of the Option Agreement, as amended December 21, 2015 (the "Option Agreement"). The new work program will be announced upon final contracting of service providers. Roughrider holds the right to acquire up to an 85% interest in the Genesis Property from Kivalliq. For further details regarding the terms of the Option Agreement, please refer to the news release dated December 22, 2015 filed on www.sedar.com.

Pursuant to the terms of the Option Agreement, a cash payment of \$175,000 (the "Option Payment") was required by August 31, 2017 from Roughrider to earn the 50% Initial Interest. In accordance with the terms of the Option Agreement, Roughrider elected to satisfy the Option Payment through the issuance of 2,500,000 Shares at a deemed value per share of \$0.07 (the "Share Payment"). The Share Payment has been made. In addition to any statutory or Exchange hold period, any shares issued in connection with the Option Agreement will be subject to a one year hold period from date of issuance.

Prior to the transaction, Kivalliq held 3,939,656 common shares, representing approximately 10.8% of the issued and outstanding common shares of Roughrider. Following issuance of the 2,500,000 Share Payment, Kivalliq owns in aggregate 6,439,656 common shares of Roughrider, representing approximately 16.4% of the current issued and outstanding common shares. Kivalliq acquired these securities for investment purposes and may in the future acquire or dispose of securities of Roughrider, through the market, privately or otherwise, as circumstances or market conditions warrant.

Kivalliq has been advised by Roughrider that the Share Payment constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Roughrider relied upon the applicable exemptions under sections 5.5(b) and 5.7(1)(b) respectively of MI 61-101 from the formal valuation and minority shareholder approval requirements in relation to the Share Payment. The transaction has been approved by all directors of Roughrider. There has been no prior valuation of the common shares and warrants issued as there has not been any necessity to do so.

About Kivalliq Energy Corporation

[Kivalliq Energy Corp.](#) (TSX VENTURE: KIV) is a Vancouver-based company with a portfolio of high-quality uranium and precious metal exploration projects in Canada. In addition to the new Baffin Gold Property, Kivalliq holds Canada's highest-grade uranium resource outside of Saskatchewan. The Company's flagship project, the 89,852 hectare Angilak Property in Nunavut Territory, hosts the Lac 50 Trend with a NI 43-101 Inferred Resource of 2,831,000 tonnes grading 0.69% U3O8, totaling 43.3 million pounds U3O8. Kivalliq's comprehensive exploration programs continue to demonstrate the "District Scale" potential of the Angilak Property. For disclosure related to the inferred resource for the Lac 50 Trend uranium deposits, please refer to Kivalliq's news release of March 1, 2013.

In Saskatchewan, Kivalliq holds a 100% interest in the 13,711 hectare Hatchet Lake Property adjacent to the north-eastern margin of the highly prolific uranium-producing Athabasca Basin. Compilation of results from previous exploration by [Hathor Exploration Ltd.](#) and Rio Tinto have identified multiple, priority unconformity-related basement targets at Hatchet Lake that were followed up in 2015.

Kivalliq also holds a 100% interest in the 131,412 hectare Genesis Property located northeast of Saskatchewan's Athabasca Basin, with [Roughrider Exploration Ltd.](#) funding the current exploration program pursuant to an option to acquire up to an 85% interest in the property. This highly prospective project is located along the Wollaston-Mudjatik trend and extends 90 kilometres northeast from Wollaston Lake to the Manitoba border.

Kivalliq's team of northern exploration specialists has forged strong relationships with sophisticated resource sector investors and partner Nunavut Tunngavik Inc. (NTI) on both the Angilak and Baffin Gold Properties. Kivalliq was the first company to sign a comprehensive agreement to explore for uranium on Inuit Owned Lands in Nunavut Territory, Canada and is committed to building shareholder value while adhering to high levels of environmental and safety standards and proactive local community engagement.

On behalf of the Board of Directors

"Jim Paterson"
James R. Paterson, CEO
[Kivalliq Energy Corp.](#)

[Kivalliq Energy Corp.](#) is a member of the Discovery Group of Companies, for more information please visit: www.discoverygroup.ca.

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.

Certain disclosures in this release constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to Kivalliq's operations as a mineral exploration company that may cause future results to differ materially from those expressed or implied in such forward-looking statements, including risks as to the completion of the plans and projects. Readers are cautioned not to place undue reliance on forward-looking statements. Other than as required by applicable securities legislation, Kivalliq expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

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