Klondike Gold Lone Star Zone New Extension Assays 0.93 g/t Au over 90.60 meters and 0.81 g/t Au over 79.70 meters

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VANCOUVER, BC / ACCESSWIRE / December 10, 2018 / Klondike Gold Corp. (TSX-V: KG; FRA: LBDP; OTC: KDKGF) ("Klondike Gold" or the "Company") is pleased to report assays from a further nine drill holes targeting the new eastward extension of the Lone Star Zone at the Company's wholly owned Klondike District Property, Yukon Territory.

Significant near-surface gold mineralization has been encountered within a new 600-meter extension to the Lone Star Zone, effectively doubling the mineralized drilled length of the Zone.

The main drilling effort of 2017 and 2018 targeted the Lone Star Zone between sections 11650E to 12300E across this 650-meter interval at approximately 50-meter spacings. New results reported here are from drill holes along a further 600-meter interval from 12400E to 13000E, extending the drilled length of Lone Star Zone gold mineralization to 1,350 meters which remains open.

Nine holes tested for the eastward along-strike continuation of Lone Star Zone gold mineralization in two areas: LS18-202 to LS18-205 plus LS18-209 and LS18-210 between 12400E to 12600E following up hole LS17-124; and LS18-206 to LS18-208 between 12950E to 13000E following up hole LS17-144.

Hole LS18-204 intersected 0.93 g/t Au over 90.60 meters on 12500E, and LS18-205 intersected 0.81 g/t Au over 79.70 meters on 12600E. (LS17-124 from 2017 testing intersected 0.98 g/t Au over 21.3 meters on 12550E.)

Hole LS18-206 intersected 0.74 g/t Au over 22.10 meters on 12950E. (LS17-144 from 2017 intersected 0.53 g/t Au over 32.50 meters on 12975E.)

The systematic pattern drill testing of the Lone Star target at approximately 50-meter spacings between 11650E to 13000E so far has the objective of outlining the character, geometry, and controls of gold mineralization across the 1,350 meter interval. These results from sectional drilling continue to show broad intervals of gold mineralization starting at or near surface, as well as the presence of gold mineralization at greater depths and continue to demonstrate the auriferous nature of the bedrock mineralizing system.

LONE STAR ZONE DRILL RESULTS:

Hole ID	From (m)	To (m)	Au (g/t)	Interval (m)
LS18-202	NSV			
LS18-203	NSV			
LS19-204	25.40	116.00	0.93	90.60
LS18-205	4.60	84.30	0.81	79.70
LS18-206	16.37	38.50	0.74	22.10
LS18-207	51.10	84.50	0.30	33.40

LS18-208	29.00	30.00	3.45	1.00
LS18-209	20.30	72.80	0.42	52.50
LS18-210	58.60	82.00	0.18	23.40
*LS17-124**	*65.20*	*86.50*	*0.98*	*21.30*
*LS17-144**	*48.00*	*80.50*	*0.53*	*32.50*

*Holes from 2017 reported previously, mentioned in this news release.

An updated plan map of Lone Star Zone drill hole locations is available on the Company's website http://www.klondikegoldcorp.com/photos/gallery/2018-drill-maps.

Lone Star Zone drill holes LS18-202 to LS18-210 and also LS17-124, LS17-144 were drilled at -55 dip and 200 azimuth. Assay averages are calculated over drilled core lengths; true thickness from holes drilled at 200 azimuth is approximately the drilled interval.

ONGOING WORK

The final report and lithologic and structural mapping results are due from SRK Consulting. This information, once received, will be integrated with final results of Klondike Gold's detailed mapping, as well as the products of district airborne geophysical surveying, soil geochemical surveying, and prospecting. Results of the regional program will be released with discussion at that time. Additionally, a synthesis discussion of 2018 Lone Star Zone results including drilling, mapping, rock sampling, and soils is expected in early 2019.

The Lone Star Zone is one of five targets drill tested during the 2018 exploration program. For reference, LS18-210 is the final 2018 hole drilled at the Lone Star Zone. Hole ID numbers LS18-211 to LS18-214 were unused, and holes EC18-215 to EC18-247 targeted the Nugget Zone or other targets along Eldorado Creek.

A total of 87 holes (9,511.93 meters) were drilled in 2018. Results from 78 of 87 diamond drill holes completed in 2018 have been released including all results from the Lone Star Zone (LS18-151 to LS18-159; LS18-164 to LS18-210) and Gold Run area (GR18-160 to GR18-163).

QUALITY ASSURANCE AND METHODS

Klondike Gold maintains a rigorous quality assurance / quality control ("QA/QC") program. Details can be viewed on the Company's website http://www.klondikegoldcorp.com/projects/sampling-and-assay-protocols/.

Drill core samples are submitted by Klondike Gold personnel to Bureau Veritas Mineral Laboratories ("BV Labs") (formerly Acme Labs) preparation facility in Whitehorse, YT with chemical analysis of sample pulps completed in Vancouver, British Columbia. Bureau Veritas Labs is an accredited ISO 9001:2008 full-service commercial laboratory.

At BV Labs each core sample is crushed to 70% passing 2 mm size. A 500 g subsample is pulverized to 85% passing -75 microns size (Code PRP70-500). The 500 g subsample is then sieved to 106 microns (140 mesh) for "metallic screen" assaying. The plus 140 mesh fraction is then weighed and assayed for gold by fire assay ("FA") fusion with a gravimetric finish (Code FS631). A 30 g subsample of the minus 140 mesh fraction is assayed for gold by fire assay ("FA") fusion with an atomic absorption ("AA") finish (Code FA430). All over-limit results in excess of 10 ppm (10 g/t) for both silver and gold are re-assayed using a 30 g subsample and assayed by FA with a gravimetric finish (Code FA530-Au/Ag). Total gold grade is then calculated using a weighted average of the plus and minus fraction assay results.

The technical and scientific information contained within this news release has been reviewed and approved by Ian Perry, P.Geol., Vice-President Exploration of Klondike Gold Corp. and Qualified Person as defined by

National Instrument 43-101 policy.

ABOUT KLONDIKE GOLD CORP.

Klondike Gold Corp. is a Canadian exploration company with offices in Vancouver, British Columbia, and Dawson City, Yukon Territory. The Company is focused on exploration and development of the Lone Star gold target at the confluence of Bonanza and Eldorado Creeks, within a district scale 557 square kilometer property accessible by government maintained roads located on the outskirts of Dawson City, YT within the Tr'ondëk Hwëch'in First Nation traditional territory.

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