Kalo Gold Enters into a Definitive Agreement to Acquire 100% of An Alkalic-Related Gold System to Compliment the Flagship Vatu Aurum Gold Project

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VANCOUVER, August 15, 2022 - Kalo Gold Corp. ("Kalo", "Kalo Gold" or the "Company") has entered into a share purchase agreement with certain vendors to acquire all the issued and outstanding shares (the "BCCo Shares") of 1271895 B.C. Ltd. ("BCCo"), a British Columbia company owned by the principals of Agentis Capital Mining Partners that holds a 100% interest in the AxelGold Property (the "Transaction"). The AxelGold Property ("AxelGold" or the "Property"), a 1,575-hectare property, is an alkalic related syenite porphyry gold-copper-molybdenum target located north central British Columbia, Canada approximately 150 kilometers (km) northeast of Smithers (Figure 1). The addition of a second alkalic related gold project compliments Kalo's flagship Vatu Aurum alkaline gold project and positions the Company as a global leader in discovery and advancement of this rare and high potential class of deposit.

A distinct class of epithermal precious metal deposits associated with rocks of alkaline affinity has been recognized and includes world class deposits such as the Vatukoula Mine in Fiji, Cripple Creek Mine in Colorado and the Porgera and Lihir mines in Papua New Guinea. AxelGold displays several characteristics associated with alkalic gold systems, most importantly an association with a syenite alkaline intrusive complex and mineralization associated with zones of stockwork (quartz-carbonate) veining, hydrothermal breccias, roscoelite, fluorite and disseminated pyrite.

In connection with the closing of the Transaction, the Company announces an offering of up to $150,000 of flow-through common shares of the Company, details below. Field exploration work is expected to commence during the last week of August 2022. Work on the Property will include a helicopter airborne geophysical survey and ground reconnaissance geological mapping and soil geochemical sampling program.

AxelGold Property Summary

Axelgold is an early stage greenfield alkalic related syenite intrusive-related gold prospect with a significant amount of historical exploration work. The Property is underlain by a multi-phase syenite feldspar porphyry proximal to the deep-seated Pinchi Fault system. Older Paleozoic Cache Creek Group, including ultramafic rocks, are juxtaposed against carbonaceous Triassic sediments of the Takla Group. These rocks are intruded by a +/-3km by +0.5km, Cretaceous, pyritic multiphase alkalic intrusive complex.

Exploration work conducted between 1984 and 2002 includes +2,900 soils, 550 rock samples, 2,091 meters (m) of diamond drilling in 16 holes that indicates that the +3km by 1km AxelGold syenite intrusive complex is gold bearing yet both it and its margins remain underexplored. Soil surveys identified seven strong large multi-element (Au-Sb-As-Mo-Cu-Zn-Pb) anomalies (up to 700 by 300m) within and immediately adjacent to the intrusive complex (Figure 2). Hydrothermal stages of alteration, including various styles of sericite (roscoelite & fuchsite?) carbonate alteration are recognized in drill core. The abundance of carbonate minerals and identification of tellurium in geochemistry results and roscoelite in alteration assemblages is diagnostic of alkaline related precious metal systems.

The best mineralization observed on the Property to date occurs in the valley bottom between diamond drill holes AX87-03 to AX87-06 in a poorly defined quartz-carbonate-fluorite stockwork zone approximately 650m long. The stockwork zones occur within silicified megacrystic feldspar syenite porphyry. The mineralized

zones contain up to 3.12g/t gold (Au) over 5.79m in drill core and up to 12.6g/t Au in grab samples from surface trenching. Gold appears to be related to these stockwork zones and is associated with tellurides, chalcocite, pyrite, galena, sphalerite and stibnite mineralization.

In general, the elements of economic interest (Au, Mo and Cu) show a geochemical correlation with As, Sb and Pb. This is consistent with the presence of arsenopyrite, stibnite, galena, tetrahedrite, chalcopyrite and secondary chalcocite associated with zones of mineralization on the Property. Although sphalerite has been noted on surface, the higher mobility of Zn in the surficial environment hampered its usefulness as a vector towards mineralization. Major elements such as K, Na, Ca and Ba were only analyzed for a minor portion of the samples and were therefore not of use in defining soil anomalies; soils were not analyzed for Te. Several more important gold intersections were encountered in diamond drilling and are summarized in Table 1 below.

Drillholes (1987 + 2002)	From (m)	To (m)	Interval (m)	Gold (g/t)
AX87-03	34.46	40.26	5.79	3.12
AX87-05	6.10	44.51	38.41	0.35
AX87-06	79.57	80.18	0.61	8.54
AX02-09	36.58	112.98	76.40	0.19
AX02-10	15.24	225.55	210.31	0.16

Table 1: Diamond drilling results

Overview Commentary

Quoted from (Geological Fieldwork 2002, Paper 2003-1): Innovative Gold Targets in the Pinchi Fault/Hogem Batholith Area: The Hawk and Axelgold Properties, Central British Columbia, By JoAnne Nelson, Bob Carmichael and Michael Gray

Gold mineralization within the AxelGold syenite complex offers intriguing parallels with other alkalic-related Au deposits worldwide. Most important are the well-developed hydrothermal breccias, like those described in the Tertiary epithermal systems at Cripple Creek. Additional features include widespread carbonate alteration, the presence of green sericite, which may be in part the vanadium-rich mica roscoelite; Au associated with quartz, carbonate, fluorite, pyrite, chalcopyrite, tetrahedrite, galena and stibnite; and a geochemical association with Sb, As, Cu, Zn, Mo, and Pb. The geochemical signature of the Axelgold system shows moderately anomalous gold correlating with V, Sb, As, Cu, and Zn.

The alkalic-related suite embraces a wide variety of deposit types and associations, from epithermal mineralization at Lihir, Vatukoula, Porgera and Cripple Creek, to mesothermal Au-quartz veins at Kirkland Lake to a possible linkage with Au-Cu porphyries. The locus of mineralization may be within intrusive rocks, as at Porgera, in calderas as at Lihir, Vatukoula, and Cripple Creek, or along regional structures, as at Kirkland Lake.

The Transaction

Pursuant to the terms of the definitive agreement, the Company intends to acquire 100% of all the issued and outstanding BCCo Shares from the shareholders of the BCCo (the "Vendors"). The purchase price for BCCo is CAD $500,000 and will be paid in full by issuing to the Vendors a total of 7,496,252 shares (the "Consideration Shares") at a price of $0.667 per share. The Vendors have agreed that the Consideration Shares will be subject to a voluntary hold period of one year from closing.

A private company to be incorporated for the benefit of the Vendors will retain a two (2%) percent net smelter returns royalty over the Property, including a two (2) kilometre area of interest extending from the external

boundaries of the Property (the "Vendors Royalty"), which royalty shall be subject to the right of Kalo to buy back one-half (50%) of the Vendors Royalty, being a one (1%) percent net smelter returns royalty, at any time, for a purchase price of C$1,000,000 cash. The Transaction is subject to the closing of the flow-through equity financing, final approval of the TSX Venture Exchange (the "TSXV") and is expected to close on or before 19 August 2022.

Flow-Through Financing

The Company announces that it intends to complete a flow-through equity financing by way of a non-brokered private placement for aggregate proceeds of up to $150,000 (the "Offering"). The Offering will consist of up to 1,875,000 common shares of the Company (the "Flow-Through Shares") that qualify as flow-through shares for purposes of the Income Tax Act (Canada), at a price of $0.08 per Flow-Through Share.

The gross proceeds raised from the sale of the Offering will be used by Kalo to fund exploration programs that qualify as "Canadian Exploration Expenses" ("CEE") and "flow-through mining expenditures", as those terms are defined in the Income Tax Act (Canada).

The closing of the Offering is expected to occur on or before 19 August 2022 (the "FT Closing Date) and is subject to the completion of formal documentation and receipt of all applicable regulatory approvals, including the approval of the TSXV. The Flow-Through Shares to be issued under the Offering will be subject to a statutory hold period of four months and one day from the issue date.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Kalo Gold Corp.

Kalo Gold Corp., a gold exploration company, is focused on exploration for low sulphidation epithermal gold deposits at the Vatu Aurum Gold Project on the island of Vanua Levu (North Island) in the Republic of Fiji. Kalo holds a 100% interest in two Special Prospecting Licenses, covering 367km^2. Historical exploration work includes 11,423 m of diamond drilling, concentrated on the Qiriyaga Hill and Vuinubu Ridge Gold Deposits and the identification of over fourteen priority epithermal gold exploration targets.

Both Viti Levu, (South Island), and Vanua Levu are on the prolific Pacific "Ring of Fire", a trend that has produced numerous large deposits, including Porgera, Lihir and Grasberg and on Viti Levu, the exceptional Vatukoula Gold Mine. The island of Viti Levu also hosts Namosi, with a published Proven and Probable Reserves of 1.3 billion tonnes at 0.37% Cu and 0.12 g/t Au (5.2M ounces Au and 4.9M tonnes Cu). Lion One Metals is developing its Tuvatu Project, with Indicated Resources of 1.00 million tonnes at 8.48 g/t Au (274,600 ounces Au), and Inferred Resources of 1.33 million tonnes at 9.0 g/t Au (384,000 ounces Au) reported at a 3.0 g/t Au lower cut-off. The Vatukoula Gold Mine has produced more than 7 million ounces since 1937.

Qualified Person

The technical disclosure in this news release has been approved by Terry L. Tucker, P.Geo. a Qualified Person as defined by National Instrument 43-101 of the Canadian Securities Administrators.

On behalf of the Board of Directors of Kalo Gold Corp.

Terry L. Tucker, P.Geo
President and Chief Executive Officer
and

Kevin Ma, CPA, CA
Executive Vice President, Capital Markets and Director

For more information contact, please write to info@kalogoldcorp.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Forward Looking Statements Disclaimer

Certain statements in this release are forward-looking statements, which are statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Forward looking statements in this news release include statements relating to the timing for receipt of results from the Company's current exploration program, and the Company's plans for future exploration on the Project. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements, other than statements of historical fact, included in this release, including statements regarding the timing for receipt of results from the Company's current exploration program, and the Company's plans for future exploration on the Project, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results, and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include quality and quantity of any mineral deposits that may be located, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, the Company's inability to raise the necessary capital to be fully able to implement its business strategies, and other risks and uncertainties disclosed in the Company's filing statement dated February 9, 2021 and latest interim Management Discussion and Analysis filed with certain securities commissions in Canada.

The reader is cautioned that assumptions used in the preparation of any forward-looking statements herein may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect, and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.

Figure 1 - AxelGold Property - Location

Figure 2 AxelGold Property - Geology

Figure 3 - AxelGold Property - Geology and Gold in Soil Geochemistry

Figure 4 - AxelGold Property - Gold in Soil Geochemistry

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