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Klondike Gold sells BC Properties to Ximen Mining

Vancouver, British Columbia, Canada, February 20, 2020, Klondike Gold Corp. (TSX.V: KG; FRA: LBDP; OTC: KDKGF) (“Klondike Gold” or the “Company”) announces that it has entered into a Property Purchase Agreement (the “Agreement”) dated February 14, 2020 with Ximen Mining Corp. (“Ximen”), whereby Klondike Gold will sell to Ximen all of its British Columbia gold properties totalling 98 mineral claims covering 4,171 hectares and one Crown Granted mineral claim of 8.7 hectares located in the southeastern part of the province. The Agreement covers four properties, namely Ron Gold (Nelson), Clubine, Hughes, and Quartz Mountain.

The terms for the Agreement are as follows:

- Payment of \$100,000 in cash,
- Payment of 1,000,000 Ximen common shares and 1,000,000 Ximen warrants to purchase 1,000,000 common shares of Ximen at \$0.45 per share for a period of 24 months from the date of issuance.

Completion of the sale of the BC properties is subject to the satisfaction of a number of conditions, including approval from the TSX Venture Exchange.

Peter Tallman, President and CEO of Klondike states “Klondike has divested its interests in southeastern British Columbia in return for a meaningful share position in Ximen Mining Corp. This strategy allows Klondike Gold shareholders leverage to a combined portfolio of highly prospective British Columbia gold properties and including centralized, permitted gold mill while keeping the Company’s financial and exploration focus on its core Yukon assets. We welcome Ximen Mining as our partner in realizing value from these properties for both our Companies”.

ABOUT KLONDIKE GOLD CORP.

Klondike Gold Corp. is a Vancouver based gold exploration company advancing its 100%-owned Klondike District Gold Project located at Dawson City, Yukon Territory, one of the top mining jurisdictions in the world. The Klondike District Gold Project targets gold associated with district scale orogenic faults along the 55-kilometer length of the famous Klondike Goldfields placer district. To date, multi-kilometer gold mineralization has been identified at both the Lone Star Zone and Stander Zone, among other targets. The Company is focused on exploration and development of its 586 square kilometer property accessible by scheduled airline and

government-maintained roads located on the outskirts of Dawson City, YT within the Tr'ondëk Hwëch'in First Nation traditional territory.

ON BEHALF OF KLONDIKE GOLD CORP.

“Peter Tallman”

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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.

Disclaimer for Forward-Looking Information

“This press release contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws. This information and statements address future activities, events, plans, developments and projections. All statements, other than statements of historical fact, constitute forward-looking statements or forward-looking information. Such forward-looking information and statements are frequently identified by words such as “may,” “will,” “should,” “anticipate,” “plan,” “expect,” “believe,” “estimate,” “intend” and similar terminology, and reflect assumptions, estimates, opinions and analysis made by management of Klondike in light of its experience, current conditions, expectations of future developments and other factors which it believes to be reasonable and relevant. Forward-looking information and statements involve known and unknown risks and uncertainties that may cause Klondike’s actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and accordingly, undue reliance should not be placed thereon.

Risks and uncertainties that may cause actual results to vary include but are not limited to the availability of financing; fluctuations in commodity prices; changes to and compliance with applicable laws and regulations, including environmental laws and obtaining requisite permits; political, economic and other risks; as well as other risks and uncertainties which are more fully described in our annual and quarterly Management’s Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedar.com. Klondike disclaims any obligation to update or revise any forward-looking information or statements except as may be required.”