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Klondike Gold Accelerates 2018 Diamond Drill Program, Adds Second Drill at Nugget Zone

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TSX Venture Exchange Symbol – KG

Vancouver, British Columbia, Canada, August 14, 2018, Klondike Gold Corp. (TSX.V: KG; FRA: LBDP; OTC: KDKGF) (“Klondike Gold” or the “Company”) is pleased to announce the acceleration of its 2018 diamond drill program at the Company’s wholly owned Klondike District Property, Yukon Territory. The accelerated drill program seeks to attain a revised 9,000 meters of drilling (~80 holes) in 2018 season with the initial 5,050 meters completed to date.

The first drill remains at the Bonanza Fault area to focus on expansion of the Lone Star gold target. The Lone Star drill program will continue with one drill with the objective of systematically testing sections to outline the geometry, continuity, and extent of disseminated gold mineralization and gold-bearing quartz vein mineralization. From now, an additional 2,000 meters of drilling are planned this season with this drill. Drilling is continuing.

The Company has completed mobilization of a second drill which will focus on testing the Nugget Zone. This follows positive recent results which showed gold mineralization of 1.55 g/t Au over 45.2 meters, including 5.3 g/t Au over 7.6 meters (EC15-03)(see NR August 2, 2018) and 1.0 g/t Au over 51.0 meters (EC15-15)(see NR July 10, 2018) along a 1,400 meter length.

The objective of drilling at the Nugget Zone is to attempt to broadly outline the geometry, continuity, and extent of disseminated gold mineralization and gold-bearing quartz vein mineralization. A total of 2,000 meters of drilling are planned here. Drilling is underway.

Further, the Company has completed the property-spanning Klondike District regional survey program (see news March 19, 2018) comprised of airborne geophysical, soil, structural and lithologic mapping, and prospecting components. Preliminary results of these programs have been received; final results are pending. Over 500 rocks, 5,000 soils and 6,500 drill core samples have been submitted for analysis with nearly all assays pending.

To date in 2018 a total of 5,050 meters of drilling have been completed totalling 44 holes; the additional planned meterage will bring the season total to an estimated 9,000 meters planned in approximately 80 holes. Assays from only 7 holes (LS18-151 to -157) from 2018 have been received and released.

The Company is re-assessing and further sampling all drill core from 2015 and 2016, following confirmation of disseminated gold in various drill holes in addition to gold-bearing quartz veins which has been the focus of exploration by previous explorers for the prior 120 years. (See news release July 10,

2018). A total of 43 holes (37 from Nugget, 6 from Gay Gulch) are being relogged, additionally sampled, and assayed representing an approximate total of 2,500 new meters of core being sampled from these holes. Results from nine holes have been released.

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/>.

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.

On behalf of KLONDIKE GOLD CORP.

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