



KAPUSKASING AND LINCEO MEDIA GROUP ENTER INTO PROPERTY ACQUISITION AGREEMENT FOR THE GALA ALUMINOSILICATE PROPERTY

Toronto, Ontario, February 21, 2019 – Kapuskasing Gold Corp. (TSX-V:KAP) (“**KapusKasing**” or the “**Company**”) and Linceo Media Group Inc. (“**Linceo**”) have entered into an agreement, under which the Company has agreed to acquire 100% of certain industrial mineral rights on mineral tenures with respect to the Gala claims and an undivided 100% right, title and interest in and to the Granny Smith and Fuji claims on the property located near Port Hardy, Vancouver Island, B.C. (collectively the “**Gala Property**”), in exchange for 24,000,000 pre-consolidated common shares of the Company to certain vendors of the Gala Property. On or before closing of the acquisition of the Gala Property, the Company intends to consolidate its common shares on a 1 new share for every 6 old shares basis, which will result in the vendors of the Gala Property holding 4,000,000 post-consolidated common shares. The original vendors of the Gala Property will retain a 4.5% production royalty on the Gala Property.

The transaction is subject to receipt of all approvals required by the parties, including that of the TSX Venture Exchange. The securities to be issued in connection with the transaction will be subject to a four month hold period from the date of issuance.

About the Property

The Gala Property

The Gala Property is located within the Nanaimo Mining District immediately adjacent to the past producing aluminosilicate Apple Bay (PEM100) Mine. The Apple Bay mine is located approximately 25 km southwest of Port Hardy, British Columbia on Northern Vancouver Island. It has produced approximately 871,355 tonnes of aluminosilicate for the production of cement between 2003 and 2015 until it was put on hold in early 2016 pending resolution of a contract dispute between the mining lease and mine permit holders.

The Gala Property consists of all the industrial mineral rights of the North Isle Copper & Gold Inc. mineral claim tenures directly adjacent to the Apple Bay (PEM100) quarry in both a northwest and southeast direction. The tenures cover approximately 18,248 ha and trend for roughly 40km. The Property covers all the documented areas of known silica and aluminosilicate occurrences (at least seven which are well known), north of Holberg Inlet, along trend with the Apple Bay Mine.

Granny Smith and Fuji Claims

The Granny Smith and Fuji claims are located in the Nanaimo Mining District on the west coast of Northern Vancouver Island near the mouth of Quatsino Sound, approximately 42km southwest of Port Hardy. The Granny Smith claims covers approximately 1029 ha and the Fuji Property 1357 ha.



Both claim groups are underlain by Lower Jurassic Bonanza Group rhyolitic to dacite felsic volcanic flows which are known to host advanced argillic alteration zones characterized by the presence of aluminosilicates (often referred to in the local area as geyselite and/or chalky geyselite). These zones are similar in nature to the geological environment of quarries at Apple Bay (PEM100) north of Holberg Inlet and Monteith Bay north of Kyuquot on Vancouver Island.

Aluminosilicate material is used in the manufacturing of cement. Each cubic meter of cement produced is comprised of up to 30% aluminosilicate. The silica acts as a sinter imparting strength and the alumina acts as a flux lowering energy cost and speeding up the setting time of concrete.

Regional demand for aluminosilicate and high grade silica is estimated to be in excess of 500,000 tonnes per annum. The primary consumers are large cement manufacturers and cement board manufacturers. Regional availability of high grade silica and aluminosilicate products has recently decreased due to the removal of production from the market of the PEM 100 Quarry and the limited production out of Scatter Creek deposits. The regional supply is primarily constrained to one producing asset in Abbotsford, British Columbia called Sumas Mountain. New sources of material with favourable logistics for bulk materials are required to fill the gap which exists in the market.

Mr. Garry Clark, P. Geo, (Exploration Manager and a director of the Company) a Qualified Person ("QP") as defined by National Instrument 43-101, has reviewed the technical content of this release.

On behalf of the Board of Directors

KapusKasing Gold Corp.

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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 press release.

This press release contains forward-looking statements within the meaning of applicable Canadian and U.S. securities laws and regulations, including statements regarding the future activities of the Company. Forward looking statements reflect the current beliefs and expectations of management and are identified by the use of words including "will", "anticipates", "expected to", "plans", "planned" and other similar words. Actual results may differ significantly. The achievement of the results expressed in forward-looking statements is subject to a number of risks, including those described in the Company's management discussion and analysis as filed with the Canadian securities regulatory authorities which are available at www.sedar.com. Investors are cautioned not to place undue reliance upon forward-looking statements.