KAPAGOLD

KAPA GOLD ANNOUNCES CLOSING OF SECOND AND FINAL TRANCHE OF PRIVATE PLACEMENT

NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRES

VANCOUVER, BC – July 20, 2026 – **KAPA GOLD INC.** (TSXV:KAPA) ("**Kapa"** or the **"Company"**) is pleased to announce that, further to the Company's news releases dated July 3, 2026 and May 28, 2026, it has closed the second and final tranche (the "**Second Tranche**") of its previously announced non-brokered private placement (the "**Private Placement**" or "**Offering**") issuing 5,683,666 units ("**Units**") at a price of $0.15 per Unit for total gross proceeds of approximately CAD$854,550, bringing the total number of Units issued under the Offering to 18,578,665 for aggregate gross proceeds of CAD$2,786,800 Note all funds in this news release are in Canadian dollars.

Each Unit is comprised of one common share of the Company (a "**Share**") and one transferable common share purchase warrant (a "**Warrant**"). Each Warrant is exercisable to purchase an additional Share of the Company at an exercise price of $0.25 for a period of 24 months from the closing date ("**Closing Date**"). Pursuant to the terms of the Warrants, the Company may accelerate the expiry date of the Warrants if the closing price of the Company's Shares on the TSX Venture Exchange (the "**TSXV**") equals or exceeds $0.30 for a period of 20 consecutive trading days to the date which is 30 days following the dissemination of a news release announcing the acceleration.

The proceeds from the Offering will be used for the Company's next drill program at its 100% owned Blackhawk Gold property, Lucerne Valley, California and general working capital requirements. Details of the drill program will be announced in a future press release to follow soon. All securities issued in connection with the Private Placement will be subject to a statutory hold period of 4 months plus a day from the Closing Date in accordance with applicable securities legislation.

David Paxton, the CEO of Kapa Gold, acquired 300,000 Units under the Offering. There was no material change in Mr. Paxton's percentage ownership of securities of the Company as a result of his participation in the Offering. Such participation constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company has relied on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the interested party, exceeded 25% of the Company's market capitalization (as determined under MI 61-101).

In connection with the Offering, Kapa paid aggregate finders fees of $161,055 in cash and issued 1,073,700 finder warrants to Canaccord Genuity, Haywood Securities, Red Cloud Securities, Research Capital, Ventum Financial and Zuri-Invest AG.

About Blackhawk Gold Project

Blackhawk Gold Project is located in the historic Blackhawk Mining District in California, a region renowned for its gold and silver production. The mine has a long history of precious metal extraction, with several high-potential exploration targets identified. Kapa Gold is focusing on establishing a resource and developing a sustainable extraction strategy using modern techniques.

About Kapa Gold

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Kapa Gold Inc. is a Canadian exploration company focused on advancing its portfolio of high-potential gold projects in North America. The Company's flagship project, the Blackhawk Gold Property, aims to deliver significant shareholder value through strategic exploration and development initiatives. Kapa Gold is dedicated to responsible mining, sustainable growth, and contributing positively to the communities in which it operates.

To learn more, visit www.kapagold.com

On behalf of the Board of Directors

KAPA GOLD INC.
"David K. Paxton"
CEO and Director

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Forward Looking Information

Certain statements made, and information contained herein may constitute "forward looking information" and "forward looking statements" within the meaning of applicable Canadian and United States securities legislation. These statements and information are based on facts currently available to the Company and there is no assurance that actual results will meet management's expectations. Forward-looking statements and information may be identified by such terms as "anticipates", "believes", "targets", "estimates", "plans", "expects", "may", "will", "could" or "would". Forward-looking statements and information contained herein are based on certain factors and assumptions. While the Company considers its assumptions to be reasonable as of the date hereof, forward-looking statements and information are not guaranteeing of future performance and readers should not place undue importance on such statements as actual events and results may differ materially from those described herein. The Company does not undertake to update any forward-looking statements or information except as may be required by applicable securities laws.