



NEWS RELEASE

KILO GOLDMINES LTD.

Suite 1200, 141 Adelaide Street West
Toronto, Ontario M5H 3L5

FOR IMMEDIATE RELEASE

Kilo Completes Final \$3.6 Million of Brokered Private Placement

Toronto, Ontario. – October 7, 2010 – Kilo Goldmines Ltd. (TSX Venture: KGL; Frankfurt: 02K) ("**Kilo**" or the "**Company**") is pleased to announce that it has completed the final tranche of its previously announced brokered private placement raising gross proceeds of Cdn\$3,662,940, for an aggregate total of \$5.0 million. Kilo issued and sold today 18,314,700 units ("**Units**") of the Company at a price of Cdn\$0.20 per Unit, with each Unit comprised of one common share in the capital of Kilo and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder to acquire one additional common share in the capital of Kilo at an exercise price of Cdn\$0.30 per share until October 7, 2012.

M Partners Inc. acted as the Company's sole agent in connection with the final tranche of the placement. Upon the completion of the final tranche, the Company paid cash commissions of \$249,406, a work fee of \$50,000 and issued 1,247,029 compensation options (the "**Compensation Options**"). Each Compensation Option is exercisable to acquire one Unit at an exercise price of Cdn\$0.20 until October 7, 2012.

All securities issued in connection with the private placement are subject to a four month hold period, expiring February 8, 2011, under applicable Canadian securities legislation. The private placement remains subject to final approval of the TSX Venture Exchange.

Net proceeds of the offering will be used to fund further exploration of the Company's projects located in the Democratic Republic of Congo ("DRC"), and for working capital and general corporate purposes.

About Kilo Goldmines Ltd.

Kilo Goldmines Ltd. is a Canadian gold exploration company that is listed on the TSX Venture Exchange under the symbol 'KGL' and on the Frankfurt Exchange under the symbol '02K'. The Company has approximately 16,000 square kilometres of favourable Archaean Kabalian greenstone in the Kilo-Moto area in the Democratic Republic of the Congo. Kilo's principal focus is to advance its projects from exploration through feasibility to project development and ultimately to full production in a socially and environmentally responsible manner. The Company owns a 71.25% interest in the DRC entity that holds the Somituri Project Exploitation Permits.

FOR FURTHER INFORMATION CONTACT:

Peter Hooper
Executive Chairman
Tel: (416) 360-3402
Email: info@kilogoldmines.com
Website: kilogoldmines.com

This news release may contain forward looking statements concerning future operations of Kilo Goldmines Ltd. All forward looking statements concerning the Company's future plans and operations, including management's assessment of the Company's project expectations or beliefs may be subject to certain assumptions, risks and uncertainties beyond the Company's control. Investors are cautioned that any such statements are not guarantees of future performance and that actual performance and exploration and financial results may differ materially from any estimates or projections.

Neither 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.