## **NEWS RELEASE**

## **KILO GOLDMINES LTD.**

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# FOR IMMEDIATE RELEASE

# Kilo Announces Amendments to KGL-ERW SPRL Partnership and Rio Tinto Earn-in Agreement

Toronto, Ontario. – December 22, 2009 – Kilo Goldmines Ltd. (TSX Venture: KGL) ("Kilo" or the "Company") announced today that it has amended the terms of its KGL-ERW, SPRL partnership (the "Partnership") formed for the joint exploration for gold of 20 mineral prospecting licences in the Democratic Republic of Congo ("DRC").

The Partnership was originally formed in May 2007 between the Company's wholly-owned subsidiary, Kilo Goldmines Inc. ("KGI"), and Mr. Richard Wynne ("Wynne"). KGI holds a 75% interest in the Partnership and Wynne 25%. Under the terms of the Partnership, Wynne has or will transfer mineral prospecting licences located in the DRC to the Partnership and KGI is required to make certain cash payments to Wynne, issue certain securities to Wynne and make certain exploration expenditures on the contributed licences.

The original terms of the Partnership required KGI to make aggregate cash payments of US\$700,000, issue 600,000 three year warrants exercisable at market prices at the time of grant and make aggregate exploration expenditures on the licences of US\$2.5 million, all over a three year period. To date, US\$60,000 of the cash payments have been made and no warrants have been issued. Under the terms of the amendments, KGI is now required to make an upfront cash payment to Wynne of US\$200,000 and issue to Wynne 1,050,000 common shares of the Company and 500,000 warrants of the Company exercisable for a two year period at C\$0.60 per share. A further 250,000 two year warrants of the Company exercisable at the greater of \$0.52 and market price at the time of issuance are required to be issued to Wynne on the second anniversary of the effective date of the amendments if the Rio Tinto Earn-in Agreement (as defined below) is still in effect. KGI is also required to make aggregate exploration expenditures of US\$2.5 million over a three year period commencing on the effective date of the amendments. Further, Wynne is required to transfer three additional DRC prospecting licences to the Partnership and, notwithstanding the partners Partnership interests, all payments received from Rio Tinto Mining and Exploration Limited ("Rio Tinto") under the Rio Tinto Earn-in Agreement are to be allocated 60% (KGI) and 40% (Wynne) after applicable expenses.

In November 2008 the Partnership entered into an Earn-in with Option to Joint Venture Agreement (the "Rio Tinto Earn-in Agreement") whereby Rio Tinto was granted an option to acquire up to a 75% interest in certain of the prospecting licences of the Partnership for the purpose of exploring for iron ore in consideration for making cash payments to the Partnership and incurring expenditures in the aggregate amount of US\$83,000,000 over the 8 year option period. Under amendments to the Rio Tinto Earn-in Agreement, the same aggregate payments and expenditures are required to be made however, the time for completion has been extended over a new 12 year option period.

## **About Kilo Goldmines Ltd.**

Kilo is a Canadian-based exploration company focusing on gold exploration in North Kivu and Oriental Provinces of the DRC. The Company is determined to add shareholder value through exploration success. Kilo supports local social programs and operates in a manner that respects the environment.

# FOR FURTHER INFORMATION CONTACT:

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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.

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