

KILO DRILLING INTERSECTS 43.04 G/T GOLD OVER 4.3 M ON THE MANZAKO PROSPECT, IMBO LICENCE, SOMITURI PROJECT, DRC.

Toronto, Ontario. - October 09, 2012 - Kilo Goldmines Ltd. ("Kilo" or the "Company") (TSX VENTURE: KGL) (FRANKFURT: 02K) is pleased to announce results from two of 18 diamond drill holes on the Company's Manzako Prospect. The Manzako Prospect is located on the Company's, Imbo Licence, one of eight licences which form part of the greater Somituri Project in the northeastern Democratic Republic of Congo ("DRC").

The Manzako Prospect hosts a northwest trending gold bearing structure, approximately 2.2 km long. Exploration highlights include:

- 1680 g/t Au over 0.30 m;
- 59.50 g/t Au over 3.10 m; and
- 2080 m gold bearing structure drill tested at 160 m intervals.
- Visible gold intersected in 7 consecutive drill holes over 640 meters along strike on the Kitenge project

Also presented herein is an update on 2012 exploration activities for the Somituri Project.

Alex van Hoeken, president and CEO of Kilo stated: "These high grade gold intersections demonstrate that our change in strategy has the potential to provide additional higher grade ounces to the Adumbi resource for a large, multi pit, single mine operation on the Imbo Licence.

Our team has worked hard this year to implement our basic exploration strategy and the interpretation from airborne geophysical data and soil sampling is starting to pay off.

We are nearing completion of our 10 000 m drilling program for 2012 and sample pulps from our on-site, ALS managed sample preparation laboratory, are being timeously dispatched to ALS in Johannesburg for assaying.

Furthermore, visual logging shows that our drill program is intersecting mineralisation consistent or better than previous results over significant strike lengths, and we look forward to receiving the outstanding assay results."

MANZAKO DRILLING RESULTS

The gold values obtained in two of the 18 Manzako Prospect 2012 diamond drill holes, collared to further explore northwest-southeast striking shear zones hosting auriferous strike parallel auriferous quartz veins over a mapped 2.2 km

The Manzako exploration programme in plan and the results obtained thus far for holes SMDD(0008 and 0009) are detailed in Figure 1 and Table 1 over page.

Figure 1: Compilation Map of Manzako Prospect

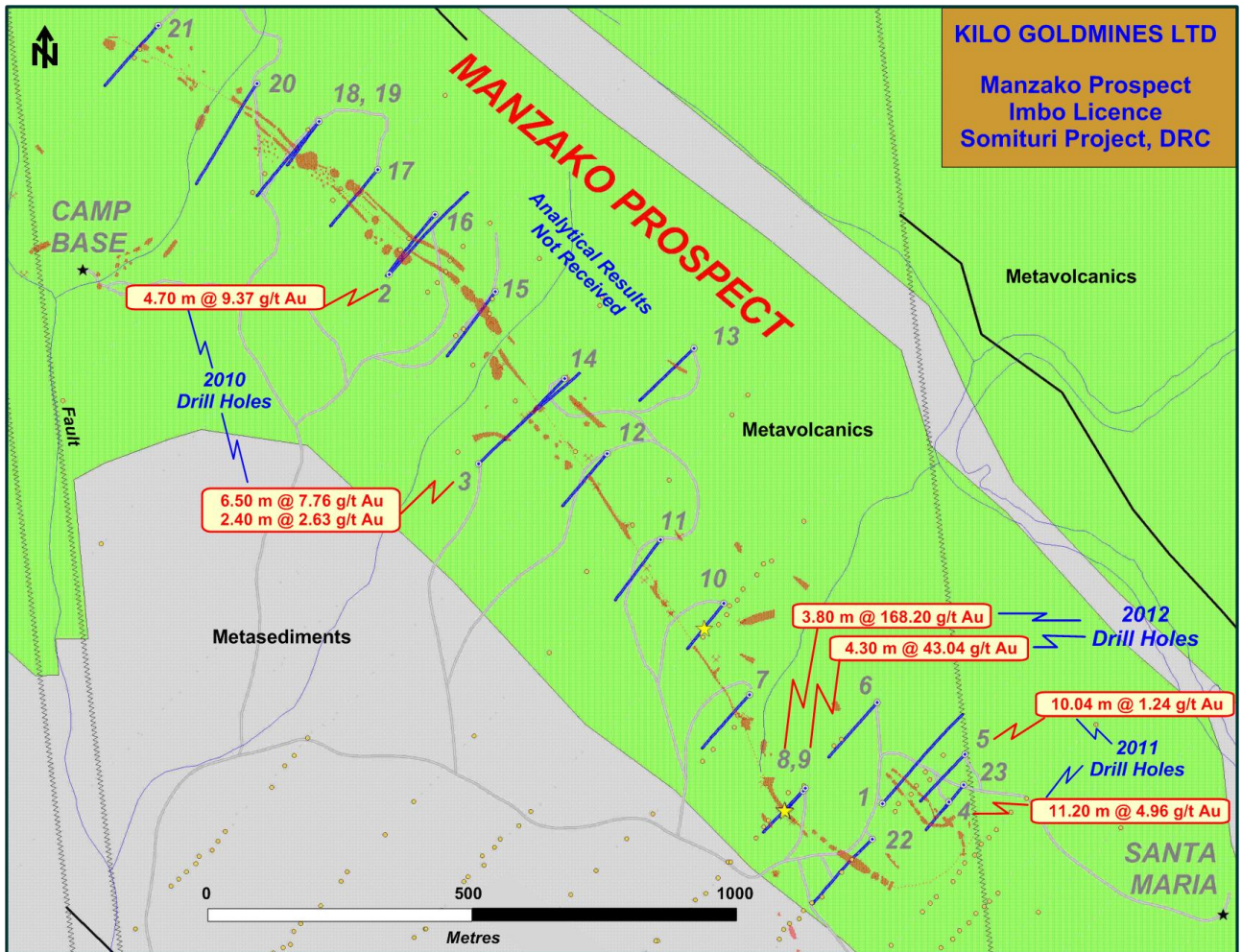


Table 1: Manzako Drill Hole Gold Intersections

Drill hole	From (m)	To (m)	Interval (m)	Gold (g/t)
SMDD0008	74.85	77.85	3.80	168.20
• Includes	76.05	76.35	0.3	1680.0
SMDD0009	83.55	87.85	4.30	43.04
• includes	84.75	87.85	3.10	59.50

Note: the intersection in SMDD0009 is 9 m below the intersection in abandoned drill hole SMDD0008

During 2012 Kilo completed 18 diamond drill holes totalling 3640 m on the Manzako Prospect. This included drilling on 13 section lines, spaced 160 m apart to evaluate 2080 m of the strike length of a gold bearing structure. Two widely spaced drill holes in this structure in 2010 returned gold intersections including:

- 4.7 m @ 9.37 g/t Au and 3.9 m @ 4.63 g/t Au in SMDD0002¹
- 6.5 m @ 7.76 g/t Au and 2.4m @ 2.63 g/t Au in SMDD0003²

Three of the 2012 drill holes completed on the Manzako Prospect for which we are still awaiting results also tested

- a short parallel gold bearing structure to the northeast;
- the northwest strike extension of gold mineralization intersected in drill holes SMDD0005 (10.04 m @ 1.24 g/t Au) and in drill hole SMDD0004 (11.2 m @ 4.96 g/t Au)³; and
- undercut drill hole SMDD0004

Diamond drill hole SMDD0008 was collared on a magnetic azimuth of 220° at an inclination of 50° and drilled to a depth of 80.85 m. This hole was later abandoned due to technical drilling difficulties.

Drill hole SMDD0009 was collared 7.5 m behind of, and on section with SMDD0009 on a magnetic azimuth of 220° at an inclination of -50° and completed to a depth of 168.85 m.

The strike direction, dip and true width of the gold mineralization intersected in drill holes SMDD(0008 and 0009) has not been determined and the true width is unknown, but is estimated to be approximately 78% of the core length intersections.

Further drilling will be carried out following receipt and compilation of analytical results from all 18 planned drill holes.

The Manzako Prospect diamond drill holes predominantly intersected greenschist facies mafic volcanics and intrusives. Gold is structurally controlled in northwest-southeast striking, northeast dipping shear zones. An assemblage of pyrite, pyrrhotite and arsenopyrite as well as occasional free gold is hosted in shear parallel quartz veins and wall rocks marginal to quartz veins.

The Manzako Prospect structure was mined by open pit and underground methods to shallow depths during the Colonial era and select sites are currently targeted by artisanal mining.

OTHER 2012 EXPLORATION

KITENGE PROSPECT

Visible gold has been intersected in seven consecutive drill holes, exploring a 800 m strike length of the Kitenge Prospect. Visible gold was also observed in another hole along the drill tested strike length of 1600 m.

Kilo has completed 22 diamond drill holes totalling 4781 m on the Kitenge Prospect in 2012. Twelve of these holes tested the gold bearing quartz vein and structure, herein termed the Kitenge Shear Zone ("KSZ"), over a 1600 m strike length, on 10 section lines spaced 160 m apart.

Also, four of the 22 completed drill holes were collared on two infill section lines resulting in 80 m intervals along strike. The two drill holes on each infill section line targeted the KSZ at vertical

¹ Press release dated October 27, 2010.

² Press release dated January 13, 2011

³ Press release dated January 9, 2012

depths of 80 and 160 m respectively. The KSZ was partially exploited during the colonial-era and sporadically since by artisanal miners in isolated sections.

The KMZ gold bearing quartz vein is hosted in fine clastic metasedimentary rocks that exhibit pervasive sericitic alteration. Intersected on the hangingwall of the KSZ are narrow intervals of quartz veining and quartz stockwork mineralized with disseminated pyrrhotite, pyrite and arsenopyrite. Occasional black shale units occur interbedded with the clastic metasedimentary rocks.

SENEGAL PROSPECT

Diamond drilling has commenced on the Senegal Prospect where trenching of a gold-in-soil anomaly returned 2.3 m @ 4.56 g/t Au (includes 0.70 m @ 14.15 g/t Au and 2.40 m @ 1.26 g/t Au in trench SKTR001). Preliminary interpretation concludes the 1600 m long Senegal Prospect as the northwest strike extension of the Kitenge Prospect.

CANAL PROSPECT

Kilo plans to drill several holes on the Canal Prospect in 2012 upon completion of several widely spaced Senegal Prospect drill holes. These holes will be along strike to the northwest of the 2011 diamond drill holes.

ADUMBI PROSPECT

Structurally controlled gold deposition at Adumbi is spatially and temporally associated with the precipitation of pyrrhotite-arsenopyrite-second generation pyrite and associated with quartz and carbonate (ankerite) infill/replacement. The gold deposition was concluded in a petrographic report on 95 samples from drill hole SADD0019 carried out by Vancouver Petrographics dated September 13, 2012. Discrete gold grains were observed microscopically. Further study of the Vancouver Petrographics findings and additional studies/analysis are planned.

ABOUT THE SOMITURI PROJECT

The Somituri Project comprises eight Exploitation Licences, covering some 606 km² of land. These licences overlay the Ngayu Greenstone Belt in the Oriental Province, of the DRC.

The 2010 and 2011 Somituri Project exploration programme primarily focused on the Imbo Licence (122 km²) and on this licence, the company delineated an NI43-101 compliant inferred Resource estimate of 1.87 Moz, grading 1.63 g/t Au at a cut off of 0.50 g/t Au for the Adumbi Prospect.

Records from the colonial era, unverified by the Company, indicate that during the 1940s until closure in 1958, the combined production from the Adumbi and Bagbaie (Adumbi North) mines totalled some 0.2 Moz of gold. Gold exploited in the Adumbi deposit was hosted in a quartz vein reported to average 11 g/t gold. The Kitenge and Manzako mines reportedly produced about 0.1 Moz of gold in the early 1940s.

SAMPLING, QC AND ANALYTICAL PROCEDURES

The diamond drill core was sawn in half and one half was sampled, as approximate 1 m long samples. Sample prep was carried out at the ALS Chemex managed on-site sample preparation laboratory. Pulps of samples were shipped by commercial courier from the DRC to ALS Chemex in Johannesburg, South Africa. Gold was assayed using a 50 g charge and the FA-AA method.

Quality control of analytical results is monitored by the Company with the insertion of commercial standards and blanks in every batch of samples submitted for analysis.

ALS Chemex in Johannesburg is accredited by the South African National Accreditation System ("SANAS") according to recognized international Standard ISO/IEC 17025:2005. The SANAS Accreditation Number is T0387.

QUALIFIED PERSON

The exploration program disclosed in this press release was planned and supervised by the Company's geological consultant, Mr Stanley Robinson. Stanley Robinson, M.Sc., P.Geo is also the 'qualified person' (as that term is defined under National Instrument 43-101) of the Company who has reviewed the scientific and technical information contained in this release.

ABOUT KILO

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 exploration and exploitation rights for over 2500 km² of land associated with the Archaean Kabalian greenstones in the Kilo-Moto area of the DRC.

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.

Additionally, the Company:

- holds a 71.25% interest in the eight Somituri Project Exploitation Permits;
- is working on a number of other prospective licences which contain historical workings in the same region;
- has a joint venture with Rio Tinto Ltd. for iron ore on licences in the northeastern DRC and
- has an interest in an iron ore prospect in Afghanistan.

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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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