

KGL DELINEATES NEW GOLD-IN-SOIL ANOMALIES, 40 KM WEST OF KGL's ADUMBI PROSPECT ON PE9691

Toronto, Ontario. August 13, 2012 - Kilo Goldmines Ltd. ("KGL" or the "Company") (TSX VENTURE: **KGL**) (FRANKFURT: **02K**) is pleased to announce results of the soil geochemical survey carried out for the "Ngazi Prospect" on PE9692. PE9629 is one of eight exploitation Licenses held by KGL-Somituri SPRL.

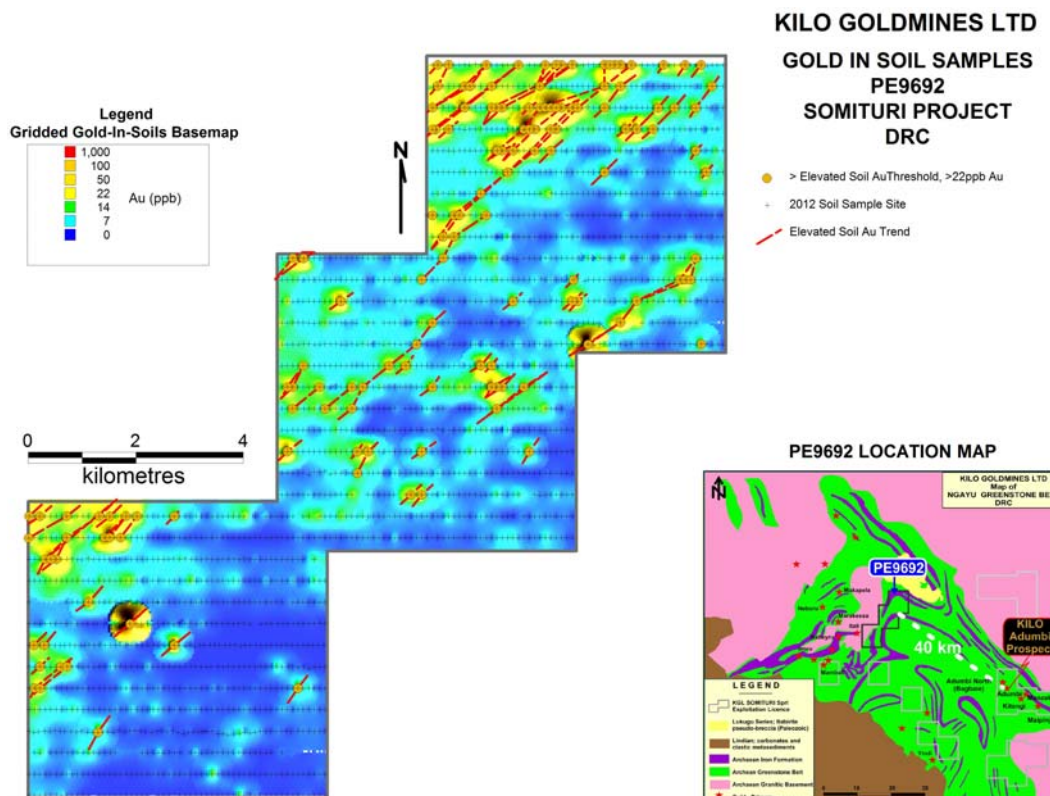
Highlights include:

- delineation of a series of parallel gold-in-soil anomalies, up to 5 km long, some on strike with Loncor Resources Itali Prospect drill and trench intersections;
- 13 samples returned gold values greater than 100 ppb; includes one value of 526 ppb Au (0.526 g/t Au) and one value of 1110 ppb Au (1.110 g/t Au); and
- gold has been reported in a trench and in a drill hole within 500 m of the western boundary along the projected strike of the KGL gold-in-soil anomalies.

Soil samples were collected from 2119 sites, plus 30 field duplicates, on PE9692 by KGL geologists during February and March, 2012. PE9692 is situated 40 km to the north-west of KGL's Adumbi Gold Prospect. The 2119 soil samples returned gold values ranging from less than the 1 ppb gold detection limit to 1110 ppb Au.

An anomalous gold threshold value of 22 ppb Au was statistically determined and 142 samples, or 6.7%, returned a value of 23 ppb Au or higher. Thirteen samples returned gold values greater than 100 ppb; the two highest values are 1110 ppb Au and 526 ppb Au. A series of parallel gold-in-soil anomalies were delineated as illustrated in the Figure 1 following.

Figure 1: Map illustrating the gold-in-soil values on PE9692, Somituri Project, DRC



Within 500 m of the western property boundary, and on the projected lithological strike from PE9692, Loncor Resources reported 42.0 m @ 2.11 g/t Au in a north south oriented trench (www.loncor.com) and a diamond drill hole intersection of 38.82 m @ 2.66 g/t Au at its Itali Prospect (Loncor press release dated January 26, 2012)

Alex van Hoeken, President and CEO of KGL stated: *“These results confirm that the blue sky potential of the Somituri portfolio has real substance and should provide additional upside for the company’s growth perspective. Our team is steadily progressing its exploration program as per the company’s plan and we look forward to advancing these anomalies through infill soil sampling, geological mapping and trenching to refine diamond drill targets. We are pleased that we can now talk about the Ngazi prospect rather than just a licence number without data”.*

The 1980 DRC 1:200 000 scale geological map (Bafwasende map sheet, See Figure 1) of the Ngayu Greenstone Belt indicates the presence of folded Archaean Kibalian greenstones on PE9692. The greenstones are comprised of schists, metasedimentary rocks and banded iron formation (“BIF”) folded into northwest-southeast oriented folds. Some fold closures are indicated to be on PE9692 hence, the lithologies on PE9692 are predominantly oriented north-east, south-west. The gold-in-soil anomalies have the same trend as the bedrock stratigraphy.

2012 Exploration

KGL is currently exploring PE9691 hosting the Adumbi-Canal gold deposit with two diamond drill rigs, soil sampling, and geological mapping. An airborne magnetic and radiometric survey carried out over the exploitation licence in April 2012 delineated a number of linear magnetic anomalies associated with areas of de-magnetization; some are coincident with gold-in-soil values.

In addition, reconnaissance soil sampling surveys have been completed at a grid spacing of 400 m by 100 m, over three other Permis d’Exploitation (“PE”) and an additional two PEs are partially covered. During 2012, plans are to complete soil sampling surveys over all of the PEs.

Sample preparation is currently being carried out on-site by ALS Chemex in a sample preparation facility owned by KGL.

About the Somituri Project

The Somituri Project consists of eight PEs, overlying the Ngayu Greenstone Belt, in Oriental Province of the Democratic Republic of Congo. The 2010 and 2011 Somituri Project exploration programs delineated an NI43-101 compliant inferred resource estimate of 1.87 Mozt, grading 1.63 g/t Au at a cut off of 0.50 g/t Au in the Adumbi Prospect.

Records from the colonial era, unverified by the Company, indicate that during the 1940s until its closure in 1958 the combined production from the Adumbi and Bagbaie (*Adumbi North*) mines totalled about 0.2 Mozt 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 Mozt of gold in the early 1940’s.

Sampling and Quality Control Procedure

Samples were collected every 100 m on east-west oriented lines spaced 400 m apart. Sampled depth was about 30 cm in areas of flat land and about 60 cm on moderate to steep hill slopes. About 2 kg of all material present at the sampled depth was collected. Samples were placed into plastic bags and a pre-printed sample tag was inserted and the bag was stapled shut. Each sample site was assigned a GPS Waypoint identified as the initials of the geologist followed by the pre-printed sample tag number. Collected samples were packed into larger bags and transported by helicopter under contract to KGL to the exploration base camp near Adumbi. GPS Waypoints were downloaded into a computer and archived; the GPS data was also converted into a format accessible using spreadsheets.

KGL randomly inserted about 7% quality control samples consisting of blanks and duplicates (field and

homogenous) as well as commercial reference samples with each batch of samples submitted to the laboratory.

Sample preparation consisted of pulverizing the entire sample at the KGL owned, ALS Chemex managed, on-site sample preparation facility at the exploration base camp. Sample pulps were shipped to ALS Chemex in Johannesburg, by courier, and analyzed for gold by fire assay on a 30 gram charge followed by an ICP finish. In addition a suite of 35 elements were determined by ICP. ALS Chemex is certified to international standards.

About KGL

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 over 2500 km² of favourable Archaean Kabalian greenstone in the Kilo-Moto area in the Democratic Republic of the Congo. KGL'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 presently holds a 71.25% interest in the eight Somituri Project Exploitation Permits.

The Company is also working on a number of other prospective areas which contain historical workings in the same region. It has a joint venture with Rio Tinto Ltd. for iron ore on licences in north-eastern DRC. In addition KGL has an interest in an iron project in Afghanistan.

In July 2012 KGL enhanced its technical team by recruiting Robert Stewart, M.Sc., P.Geo (Canadian) who has over thirty years exploration experience in gold and base metals in Canada (including the Abitibi Greenstone belt), Africa, India and Australia.

Qualified Persons

The exploration program disclosed in this press release was planned and supervised by the Company's geological consultant 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.

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