



NEWS RELEASE

KILO GOLDMINES LTD.  
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FOR IMMEDIATE RELEASE

### **KILO ANNOUNCES PROPOSED PRIVATE PLACEMENT**

THIS PRESS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

Toronto, Ontario. – July 23, 2010 – Kilo Goldmines Ltd. ("Kilo" or the "Company") (TSX VENTURE: **KGL**) (FRANKFURT: **02K**) announced today that it has engaged M Partners and Vicarage Capital Ltd. (the "Agents") to act as lead agents in connection with a private placement offering, to be completed on a marketed best efforts agency basis, to raise gross proceeds of up to Cdn\$5.0 million from the sale of up to 25,000,000 units ("Units") priced at C\$0.20 per Unit. Each Unit will consist of one common share and one one-half of one common share purchase warrant. Each whole common share purchase warrant shall be exercisable to acquire one common share in the capital of the Company at a price of C\$0.30 for a period of 24 months from the closing of the private placement. All securities issued in the private placement will be subject to a 4-month hold period in Canada.

The offering is subject to the usual conditions including, but not limited to, the receipt of all necessary corporate and regulatory approvals, including the approval of the TSX Venture Exchange.

Net proceeds of the offering will be used to fund further exploration of the Company's properties, and for working capital and general corporate purposes.

The private placement is expected to be completed on or about July 30, 2010.

The Agents will receive a cash commission equal to 7% of the gross proceeds raised in this private placement and compensation options entitling the Agent to purchase such number of Units as is equal to 7.0% of the aggregate number of Units sold pursuant to the private placement. Each compensation option will entitle the agent to purchase one Unit at an exercise price equal to the issue price of the Units for a period of 12 months following the closing date.

The securities being offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States in the absence of registration or an applicable exemption from the registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to purchase securities in the United States.

## **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 over 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 more information, please 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.*

*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.*