



Kilo Announces Updated Mineral Resource Estimate; Gold Grade Increases an Average of 18% on Adumbi

Toronto, Ontario. – March 15, 2012 – Kilo Goldmines Ltd. (TSX Venture: KGL; Frankfurt: 02K) (“Kilo” or the “Company”), a gold exploration company with a focus on projects in the prolific greenstone belt of eastern Democratic Republic of Congo (“DRC”), today announced the results of its updated Canadian National Instrument (“NI”) 43-101 Mineral Resource estimate for its 71.25%-owned Adumbi Project.

Highlights:

- **Inferred mineral resource of 35.6 M tonnes containing 1.87 M ounces (oz) of gold at an average grade of 1.63 g/t Au at a cut off grade of 0.5 g/t Au;**
- **Increase in average gold grade by 18%;**
- **Increase in gold ounces within the higher grade categories;**
- **Significant reduction in Mineral Resource tonnes;**
- **Increase in gold ounces in the oxidized portion of the Mineral Resource to 33%;**
- **Mineralization remains open on strike and at depth; and**
- **Further infill and step-out drilling is planned.**

Commenting on today’s independent Mineral Resource update, Kilo’s President and Chief Executive Officer, Alex van Hoeken, said:

“Our latest updated Mineral Resource estimate reaffirms that the Adumbi deposit has significant gold mineralization, with significant potential to grow in size with further systematic exploration.

The updated Mineral Resource estimate is based on a more robust geological model, culminating in an increase in average grade and a corresponding increase in gold ounces within higher grade categories. The grade tonnage profile above a 1 g/t cut-off in particular reflects this. The deposit remains open at depth and along strike and is thus believed to have significant upside potential. Considering that this year’s exploration focus is on the adjacent nearby prospects, the new Adumbi Mineral Resource estimate will contribute to the overall objective of increasing and improving the Mineral Resources within the Adumbi exploitation permit.

Management continues to believe that the Adumbi Mineral Resource as currently defined has significant upside potential and more drilling, which will commence shortly on land immediately adjacent to the Mineral Resource as currently defined, will test this hypothesis.”

Summary - NI 43-101 Inferred Mineral Resource:

The Mineral Resource estimate for the Adumbi deposit contained within Exploitation License PE9691, at a cut-off grade of 0.5 g/t Au, comprises 35.6 M tonnes in the Inferred category, containing 1.87 M ounces (oz) of gold at an average grade of 1.63 g/t Au.

The updated Mineral Resource estimate is summarized in the table below. The full technical report prepared by The Mineral Corporation will be filed on SEDAR within 45 days.

Adumbi Mineral Resource Estimate at a 0.5 g/t Au cut-off

	Mineral Resource tonnage (t)	Grade (g/t)	Contained gold (Moz)
Oxide	12 310 549	1.61	0.64
Transition	4 763 163	1.66	0.25
Sulphide	18 581 569	1.63	0.98
Total	35 655 280	1.63	1.87

Adumbi Mineral Resource Grade/Tonnage Relationship

Cut-off	Cumulative tonnage above cut-off (t)	Grade above cut-off (g/t)	Tonnage proportion above cut-off (%)	Contained gold above cut-off (Moz)
0.50	35 655 280	1.63	100%	1.87
0.75	28 919 159	1.86	81%	1.73
1.00	24 604 479	2.04	69%	1.61
1.25	19 772 500	2.26	55%	1.44
1.50	15 507 918	2.50	43%	1.25
2.00	9 552 756	2.99	27%	0.92
2.50	6 193 607	3.41	17%	0.68
3.00	3 805 155	3.83	11%	0.47

Remodeling of the Mineral Resource was executed by The Mineral Corporation, who also produced the original March 2011 Mineral Resource statement. At that time, the Mineral Resource estimate at a 0.5 g/t cut-off, was 46.3 Mt containing 2.03 Moz at an average grade of 1.37 g/t.

In this 2012 Mineral Resource update, an improved structural model has been developed, which has permitted three mineralized zones, interpreted to be higher than 1.5 g/t in gold grade, to be modeled. These zones are less continuous than the previously modeled "BIF", but can nonetheless be correlated on strike and dip at the resolution of the current drilling. As a consequence of this process, a large amount of waste interburden has been removed, thereby decreasing the total number of tonnes within the Mineral Resource.

The 2012 Mineral Resource for Adumbi, which is classified as Inferred mineral resources, is based on approximately 10 750 m of sampling data, including data from 4 underground adits, 49 diamond boreholes and 18 surface trenches. The data from the trenches was used to inform the interpretation of geological zones, but was not used for gold grade estimation purposes. A total of 1 623 m of borehole data is interpreted to have intersected the three mineralized zones.

Three zones of mineralization with a gold grade predominantly above 1.5 g/t were delineated after the interpretation of a structural model for the host rocks. The zones strike northwest-southeast and generally dip vertically. Ordinary Kriging within the zones and within the interburden was used to estimate gold grades, into 25 m by 25 m by 5 m blocks. A density of 3.09 t/m³ within the mineralized zones and 3.04 t/m³ outside the zones was utilized for the

estimation of tonnage. These densities are based on the results of one borehole which was analyzed at ALS Chemex. The deepest point of the model below surface is approximately 350 m and the maximum extrapolation below the lowest mineralized zone intersection point is 50 m.

Sampling, QC and Analytical Procedures:

The diamond drill core was sawn in half and one half was sampled, as approximately one metre long samples. The drill core was assayed by ALS Chemex, certified to international standards, for gold using a 50g 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. For additional details the reader is referred to Kilo's previously announced quality control and analytical procedures (see May 4, 2010 press release).

The Mineral Corporation has reviewed the quality control results from both Kilo's own quality control protocols, and those of the laboratory ("ALS Chemex") and has not identified any material flaw in the sampling or analytical procedures which would prevent its estimate of Inferred Mineral Resources.

Qualified Person

Mr. David Young, of The Mineral Corporation, is the "Qualified Person" who prepared the Mineral Resource estimate and has reviewed and approved the scientific and technical information contained in this press release. The Mineral Resource estimate was prepared using the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") definition Standards (2005) and CIM Best Practice Guidelines for preparing Mineral Resources and Mineral Reserves. Mr. Young is independent of Kilo as that term is defined in NI 43-101. The Mineral Corporation is an independent geological and mining consulting firm that is based in South Africa.

About Kilo

Kilo Goldmines Ltd. is a Canadian gold exploration company operating in the Democratic Republic of Congo (DRC). The Company has over 7,000 square km of favourable Archaean Kibalian greenstone in the Kilo-Moto area in north-eastern DRC. Kilo recently announced an inferred resource on the Adumbi Deposit of the Somituri Project of which the Company owns a 71.25% interest in the DRC entity that holds the 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 also has a joint venture with Rio Tinto Ltd. on potential iron ore licences in north-eastern DRC.

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