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NEWS RELEASE

KILO GOLDMINES LTD.

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FOR IMMEDIATE RELEASE

## **KILO GOLDMINES FILES PRELIMINARY SHORT FORM PROSPECTUS FOR OFFERING OF COMMON SHARES**

TORONTO, Ontario, January 31, 2013 – Kilo Goldmines Ltd. (the “Company”) (TSX VENTURE: KGL) (FRANKFURT: 02K) announces that it has filed a preliminary short form prospectus in connection with a fully marketed offering of common shares in the capital of the Company (“Common Shares”) at a price per Common Share to be determined in the context of the market, for aggregate minimum gross proceeds of C\$10,000,000 (the “Offering”). A syndicate of agents co-led by GMP Securities L.P. and Clarus Securities Inc. and including Byron Capital Markets Ltd. (collectively, the “Agents”) has been engaged to act as agents to sell the Common Shares on a best efforts basis.

The Agents shall also have the option to purchase from the Company up to that number of additional common shares in the capital of the Company equal to 15% of the number of Common Shares issued under the Offering, exercisable in whole or in part any time from and including the closing date of the Offering for a period of 30 days following the Offering.

The Company expects to use the net proceeds from the offering to fund further exploration of the Company's Somituri gold property in the Democratic Republic of Congo and for working capital and general corporate purposes.

Closing of the offering is subject to certain conditions, including but not limited to, receipt of all necessary securities regulatory approvals, including the approval of the TSX Venture Exchange.

The Preliminary Prospectus is still subject to completion or amendment. A copy of the Preliminary Prospectus will be available electronically at [www.sedar.com](http://www.sedar.com). There will not be any sale of or any acceptance of an offer to buy the securities until a receipt for the (final) prospectus has been issued.

This press release does not constitute an offer of the securities described herein in any jurisdiction. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state and may not be offered or sold in the United States absent an exemption from registration.

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This news release may contain forward looking statements concerning future operations of Kilo Goldmines Ltd. All forward looking statements concerning Kilo's future plans and operations, including management's assessment Kilo's project expectations or beliefs may be subject to certain assumptions, risks and uncertainties beyond Kilo'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.

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