

King's Bay to Acquire 100% Interest in Lynx Lake Copper-Cobalt Property in Labrador

*Surface samples show significant concentration of cobalt,
an important element in rechargeable batteries*

Vancouver, October 27th, 2016 – **King's Bay Gold Corporation (TSX.V: KBG), (FSE: KGB1)**, operating as “King's Bay”, a mining exploration and development company based in Vancouver, has signed a definitive agreement to acquire 100% interest in a cobalt property located in southern Labrador.

The Property

The project consists of 66 mineral claims encompassing approximately 20 square kilometers, located 100km southeast of Happy Valley-Goose Bay, Newfoundland and Labrador. Prior to 2008, the area was deemed remote and remained virtually unexplored even after interest in Labrador grew due to the discovery of Voisey's Bay Ni-Cu-Co mine. Thanks to the construction of the new Trans-Labrador Highway that runs through the property, the area is now easily accessible.

In 2008, areas of disseminated and massive sulphide were discovered in bedrock after blasting by the Department of Transportation for road aggregate. In 2009, sampling and assaying of grab samples from the aggregate quarry by local prospectors produced assays of up to 1.39% copper, 0.94% cobalt, 0.21% nickel and 6.5 g/t silver. Government regional low resolution residual magnetic surveys and preliminary EM-16 (hand held geophysical unit) surveys done by local prospectors in 2014 show strong conductors beneath the overburden and provide incentive to explore the area further for more surface and sub surface mineralization.

The initial samples taken in the eastern portion of the property were followed in 2015 by surface grab sampling in the western side of the property. These new results were equally as promising yielding 1.03% Copper, 0.566% Cobalt, 0.1% Nickel, 5.0 g/t silver, 0.36% Chromium, 0.39% Molybdenum and 0.23% Vanadium. These values should not be relied upon as a representation of the whole area. The property has never been drilled and the amalgamation of these results suggests the possibility for a larger body of mineralization in the area.

In the addition to excellent road accessibility to deep sea water ports and the proximity to the town of Happy Valley-Goose Bay, the property offers the ability to easily obtain electricity from a 3 phase power line that runs directly adjacent to the property.

With energy metal prices on the rise, King's Bay feels that it is a great time to explore this property.

Geology

The property is situated in the Grenville Province and is Proterozoic in age. It is separated by a north easterly trending fault. The western portion of the property is underlain by granite, granodiorite and gneiss that varies texturally from weakly foliated to well banded. The eastern portion of the property is underlain by granite, amphibolite with massive gabbro, norite and troctolite units. Detailed bedrock mapping will help better define the local geology of the area.

Exploration

The property is workable year round and King's Bay has already deployed a team for a preliminary surface sampling program on the existing pits, as well as a reconnaissance program and an EM-16 survey on the surrounding land package to possibly locate more undiscovered exposure and conductors. During the winter, the preliminary program will be followed by data compilation and initiation of an airborne geophysical survey to locate high priority drill targets. Extensive exploration is required to confirm the above preliminary results, as they do not conform to the NI 43-101 rules and regulations.

About Cobalt

At this time, the price of cobalt is rising due to a combination of factors. Some of these factors are related to unsettled conditions in areas such as the Democratic Republic of Congo, where the majority of the world's cobalt is recovered. Other factors include an increased demand for rechargeable batteries. A single rechargeable ion car battery contains as much as 20 kilograms of cobalt. In addition to batteries, cobalt is used in alloys for aircraft engine parts and for alloys with corrosion/wear resistant uses. Cobalt also has many medical uses; cobalt isotopes are used to produce stable dichromatic beams in "cobalt therapy", which is used to treat cancer. Molybdenum is also an important element of interest and can be used in fertilizer as well as battery electrodes.

Consideration

The purchase price of the property is in cash and stock subject to TSX-Venture Exchange approval. The cash price to the vendor is \$100,000, in payments of \$10,000 upon the acceptance of the agreement, and \$30,000 on each of the subsequent three anniversaries of the agreement. As well, King's Bay will provide the vendor with 900,000 common shares of its stock, 200,000 shares upon exchange approval, followed by 300,000 on the first year and 400,000 more on the second year of the agreement.

NI 43-101 Disclosure

Garth Graves is a qualified person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release. All geochemical assays were confirmed by original assays certificates from Eastern Analytical and Actlabs.

About King's Bay

King's Bay is focused on the exploration of cobalt and other high-tech metals in North America. The company believes in this emerging fast-growth sector and will continue to seek out and evaluate properties that show promise for development. King's Bay Gold Corp is operating as King's Bay.

On Behalf of the Board,

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Forward looking statements

This news release contains forward-looking information which is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements. For example, forward looking statements in the news release include the assumption that the transaction will be approved and that the Company will be able to raise funds to pay the property payments and carry-out exploration programs. These forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Risks that could change or prevent these statements from coming to fruition include that the Company may not raise sufficient funds to carry out our plans, changing costs for mining and processing; increased capital costs; the timing and content of upcoming work programs; geological interpretations based on current data that may change with more detailed information; potential process methods and mineral recoveries assumption based on limited test work and by comparison to what are considered analogous deposits that with further test work may not be comparable; the availability of labour, equipment and markets for the products produced; and despite the current expected viability of the project, that the minerals on our property cannot be economically mined, or that the required permits to build and operate the envisaged mine cannot be obtained. The forward-looking information contained herein is given as of the date hereof and the Company assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.