

2016 Second Quarter and Year-to-date Production Highlights:

- Second quarter production of 68,338 ounces of gold (includes low grade material processed during the quarter), at an average grade of 7.5 grams per tonne ("g/t") which included 38,929 ounces from the Macassa Mine Complex at a grade of 12.2 g/t and 29,409 ounces from the East Timmins Operations ("ETO"), at a grade of 5.0 g/t

- Year-to-date gold production of 130,613 ounces at an average grade of 8.2 g/t (does not include 7,189 ounces from the ETO during the first 25 days of January).

- Closing cash balance as at June 30, 2016, of \$157.5 million.

TORONTO, ONTARIO--(Marketwired - Jul 14, 2016) - Kirkland Lake Gold Inc. ("Kirkland Lake Gold" or the "Company") (TSX:KGI) announces total gold production of 68,338 ounces for the second quarter of 2016 ("Q2/16"), and 130,613 ounces for the six months ended June 30, 2016 ("H1/16") from the Macassa Mine Complex and East Timmins Operations (the Holt, Holloway and Taylor mines, collectively the "ETO"). This number includes low grade material that was processed by the Macassa and Holt Mill accounting for 1,027 ounces of gold production during the quarter.

The Company is also pleased to announce that Mr. Tony Makuch, the recently appointed President & CEO of Kirkland Lake Gold, will assume his position effective July 18, 2016. Mr. Barry Olson, Independent Director of the Company, will step down as interim CEO at that time. (See Press Release dated June 12, 2016.)

"We are pleased to report another solid quarter of production from the Macassa Mine Complex and our East Timmins Operations," said Chris Stewart, Vice President of Operations. "Total production of 68,338 ounces included low grade material from both Macassa and the Taylor mine, which contributed 1,027 ounces during the quarter. We were happy to be able to take advantage of the spare milling capacity, which we believe will have a positive impact on our unit costs for the quarter. We remain committed to meeting our production guidance for the year as the Holt mine continues to ramp up its production rates, and we are able to access higher grade stopes within the South Mine Complex. We are also pleased to see our cash balance continue to grow, as we now have \$157.5 million of cash on hand.

"The team is committed to achieving our 2016 goals and objectives, and will continue to work diligently in order to do so. We remain focused on operating safely, while improving our production rates, and reducing our cost profile. We look forward to working with our new CEO, to further improve the business, and create additional value for our shareholders and stakeholders alike. I'd also like to take this opportunity to thank Mr. Olson for stepping in during this transition period."

Operating Results (Table 1)	Q2/16 Production Results ⁽¹⁾			Previous Quarter (Q1/16) Production Results ⁽²⁾		
	Tonnes Milled	Head Grade (g/t)	Ounces Produced	Tonnes Milled	Head Grade (g/t)	Ounces Produced
Macassa Mine Complex	103,052	12.2	38,929	85,845	15.3	41,054
East Timmins Operations ⁽³⁾	194,592	5.0	29,409	135,889	5.1	21,221
Total Gold Production	297,644	7.5	68,338	221,734	9.1	62,275

⁽¹⁾ Q2 Production includes 1,027 ounces from the processing of low grade material from the Macassa Mine Complex and the Taylor Mine, grading 1.8 g/t.

⁽²⁾ Production from the first quarter of 2016 does not include 7,189 ounces from the ETO for the period January 1 to 25, 2016, as the transaction with [St Andrew Goldfields Ltd.](#), did not close until January 26, 2016.

⁽³⁾ The grade at the Taylor Mine in Q2/16 of 7.1 g/t was similar to the grade of 7.6 g/t achieved in the previous quarter.

Macassa Mine Complex

The Macassa Mine Complex continued to deliver solid operating results during Q2/16. A total of 89,436 tonnes of ore (excluding low grade material) were produced at a head grade of 13.8 grams/tonne ("g/t"), and recoveries of 96.7% producing 38,215 ounces of gold. During Q2/16 the mining rate averaged 983 tonnes per day ("tpd"), or 1,083 short tons per day.

The mill was able to take advantage of the excess capacity and processed 13,616 tonnes of low grade ore from the surface stockpile. The low grade stockpile yielded 714 ounces at a grade of 1.7 grams per tonne with a recovery of 96.7%. With the addition of this low grade material, the Macassa Mine Complex produced a total of 38,929 ounces during the quarter.

Development of the 5400' Level and 5600' Level in the lower South Mine Complex ("SMC") continued to be advanced. Preparations are being made to convert the 5400' Level to track haulage in the third quarter of 2016. The main decline continues to

be advanced towards the 5700' Level to further progress the lower extension of the SMC. The decline has been bifurcated and will be simultaneously driven to access the LDN Zone as well as the lower SMC. The LDN Zone is a steeply dipping zone (50-70 degrees) that lies approximately halfway between the SMC and Main Break zones. This zone runs from the 5400' Level elevation to below 7000' Level. Diamond drilling is planned for the lower part of this zone once the main ramp is in place. It is currently estimated that the main decline should allow for access to the 5800' Level of the LDN Zone in the fourth quarter of 2017. Mining is currently taking place in the LDN Zone on the 5400' Level, advancing towards the 5600' Level.

The reversal of the ventilation system, which will revert back to the original system whereby fresh air is delivered underground via the #3 Shaft is being prepped and work should commence before the end of August.

East Timmins Operations

The ETO performed well during the second quarter of 2016, producing a total of 29,096 ounces (excluding low grade material) from the Holt, Holloway and Taylor mines. Holt generated 97,738 tonnes of ore at a head grade of 4.4 g/t and recoveries of 93.8% for 12,862 ounces of gold. Holloway generated 40,295 tonnes of ore at a head grade of 4.1 g/t and recoveries of 90.4% for 4,826 ounces of gold. The Taylor Mine generated 51,994 tonnes of ore at a head grade of 7.1 g/t and recoveries of 96.8% for 11,408 ounces of gold. Taylor also contributed an additional 4,566 tonnes from its low grade stockpile at a head grade of 2.3 g/t and recoveries of 94.5% for 313 ounces of gold. With the addition of this low grade material, the ETO produced a total of 29,409 ounces during the quarter.

Holt Mine ("Holt")

Holt produced 12,862 ounces of gold derived from Zone 4 on the 925m Level and 1075m Level mining areas (70%) and from Zone 6 on the 775m Level and 925m Level (30%). Head grades were lower by 2% from the previous quarter due to Zone 4 stope sequencing. The average throughput for the quarter was approximately 1,100 tonnes per day which was slightly behind the production rate in the previous quarter. Mill recoveries were at their expected level of approximately 94%.

Holloway Mine ("Holloway")

Holloway produced 4,826 ounces of gold derived from the Smoke Deep Zone (85%) and the Blacktop Zone (15%). The production from the Blacktop Zone is expected to increase in the next quarter as more stope blocks become available. The head grade during the quarter was 8% lower than that achieved in the first quarter with a mill recovery rate of approximately 90% which was in line with expectations.

Taylor Mine ("Taylor")

Taylor produced 11,408 ounces of gold derived from the 1004 East Lens and low grade stockpile. The production from the 1004 West Lens is expected to increase as the main ramp is developed below the 450m metre Level. The head grade during Q2/16 was same as in the previous quarter and the mill recovery rate of approximately 95% was in line with expectations.

The integration of the ETO is progressing well despite some challenges experienced with the mobile equipment in the first half of the year. As part of the planned capital expenditure budget for the ETO, new production equipment (scooptrams & haulage trucks) are scheduled for delivery during the second half of this year, which will replace and/or supplement the existing fleet at the operations.

Low Grade Material

During the quarter, the Company took advantage of spare milling capacity at the Macassa and Holt milling facilities and processed waste stockpiles from the Macassa Mine Complex and the Taylor Mine. A total of 18,182 tonnes at an average grade of 1.8 g/t contributed 1,027 ounces of production during the quarter.

Q2/16 Earnings Results and Conference Call

The Company intends to release its second quarter 2016 results for the three and six months ended June 30, 2016, after market close on Thursday August 4, 2016 and will hold a conference call to discuss these results on Friday August 5, 2016 at 11:00am EST. The Company invites you to participate via teleconference, the details of which will be posted on the Company's website (www.klgold.com) in due course.

Qualified Person

Production at the Company's operations are under the supervision of Mr. Chris Stewart, P.Eng., the Company's Vice President of

Operations. Mr. Stewart is a non-independent 'qualified person' (for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects, of the Canadian Securities Administrators), and has reviewed and approved this news release.

About the Company

[Kirkland Lake Gold Inc.](#) is a Canadian focused, intermediate gold producer with assets in the historic Kirkland Lake gold camp, and east of the Timmins gold camp along the Porcupine-Destor Fault Zone, both in northeastern Ontario. The Company is currently targeting annual gold production of between 270,000 to 290,000 ounces from its cornerstone asset, the Macassa Mine Complex and the recently acquired East Timmins Operations.

The Company is committed to building a sustainable mining company that is recognized as a safe and responsible gold producer with quality assets in safe mining jurisdictions.

The Toronto Stock Exchange has neither reviewed nor accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Note Regarding Forward Looking Statements

This Press Release contains statements which constitute "forward-looking statements" within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to the future business activities and operating performance of the Company. The words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, are intended to identify such forward-looking statements. Investors are cautioned that forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made such as, without limitation, opinion, assumptions and estimates of management regarding the Company's business, including but not limited to; the continued development of the Macassa Mine Complex and the ETO and the anticipated timing thereof, estimated production forecasts, the anticipated timing of the ventilation change over at the Macassa Mine Complex, the timing and anticipated results thereof, the ability to lower costs and gradually increase production. Such opinions, assumptions and estimates, are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements.

These factors include the Company's expectations in connection with the projects and exploration programs being met, the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating gold prices, currency exchange rates (such as the Canadian dollar versus the United States Dollar), possible variations in ore grade or recovery rates, changes in accounting policies, changes in the Company's corporate mineral reserves and resources, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, and limitations on insurance, as well as those risk factors discussed or referred to in the Company's annual Management's Discussion and Analysis and Annual Information Form for the year ended December 31, 2015, and the Company's Management's Discussion and Analysis for the interim period ended March 31, 2016, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements except as otherwise required by applicable law.

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