

NEWS RELEASE

Kestrel Gold – Options QCM Property in British Columbia

Calgary, AB, December 15, 2020: Kestrel Gold Inc. (“Kestrel” or the “Corporation”, TSX-V: **KGC**) is pleased to announce it has entered into an arm’s length option agreement under which Kestrel may earn a 100-per-cent interest in the QCM Property located in central British Columbia. The property is accessible via paved road (Highway 27) and gravel forest service roads, 4.5 hours north of Prince George, near the village of Manson Creek.

QCM Property Highlights

- The Property consists of approximately 1,185 hectares, located within the heart of the Manson-Germansen placer gold district.
- Several mineralized showings occur within Property boundaries including QCM where the majority of historical work, including drilling, has been concentrated.
- Select drill intercepts from the QCM showing include 1.44 g/t Au over 181.36 metres and 173 g/t Au over 1.5 metres suggesting potential for both bulk tonnage as well as high grade styles of mineralization.
- There appears to be two stages of gold mineralization: an initial phase related to pervasive iron-carbonate and sericite alteration of reactive lithologies overprinted by structurally controlled quartz-pyrite veining and silicification.
- Mineralization and alteration have characteristics of both orogenic, as well as sediment hosted vein (SHV) systems.

Earn-In Agreement Terms

To exercise the option and earn a 100% interest in the Property Kestrel will issue 4,000,000 common shares, 400,000 due on signing, make cash payments totalling \$150,000, \$10,000 due on signing, and complete \$750,000 of exploration work, \$50,000 by the first anniversary of signing, over a four-year term. The Property is subject to a 2% NSR, 50% of which can be purchased by Kestrel for \$1,000,000. Additionally, within 30 days of Kestrel publicly disclosing an Inferred Mineral Resource or greater category (as such term is defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects), Kestrel shall pay to Kreft \$1.00 (one dollar) per oz of gold equivalent to a maximum of \$500,000. All share issuances, cash payments and exploration work requirements are at the sole discretion of Kestrel.

Rob Solinger, President and CEO of Kestrel, states: “The QCM Property represents an excellent addition to Kestrel’s portfolio of gold projects. An initial review of historical data pertaining to the Property suggests potential for the QCM showing to be rapidly advanced to the resource-definition drill stage. Data also suggests the QCM showing is open for expansion in both strike directions and that there is good potential to expand upon the other gold-bearing showings and anomalies located within Property boundaries. We look forward to aggressively pursuing the development of this project, with the intention of conducting a preliminary drill test possibly as early as late-2021.”

Marty Huber P.Geol., a Qualified Person as defined by National Instrument 43-101, has reviewed and approved the technical information contained in this news release.

About Kestrel Gold

Kestrel Gold Inc. is a gold exploration company headquartered in western Canada. The Corporation is focused on gold exploration within the Canadian Cordillera, with an emphasis on hardrock targets located in placer gold mining districts. Kestrel is listed on the TSX Venture

exchange under the symbol KGC. Readers are encouraged to refer to the Corporation's website "www.kestrelgold.com" for further information.

Forward-Looking Statements

The information and statements in this news release contain certain forward-looking information. This forward-looking information relates to future events or the Corporation's future performance including exploration activity that could take place on the Corporation's properties or projects. This forward-looking information is subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking information. The Corporation's forward-looking information is expressly qualified in its entirety by this cautionary statement. Except as required by law, the Corporation undertakes no obligation to publicly update or revise any forward-looking information.

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