



NEWS RELEASE

KESTREL GOLD INC. ANNOUNCES SURRENDER OF GULF PROPERTY MINERAL CLAIMS

July 26, 2013 – Vancouver, British Columbia: Kestrel Gold Inc. (“Kestrel” or the “Corporation”) (TSXV: KGC) announces that effective July 31, 2013 it will surrender all mineral claims in what is commonly referred to as the Gulf Property located in the Dawson Mining District, Yukon Territory, in accordance with and subject to the terms and conditions of that certain Option Agreement, dated October 31, 2010 pursuant to which Kestrel was granted an option to acquire up to an undivided 100% undivided right, title and interest in the Gulf Property.

As a result of the surrender of the Gulf claims, all interests of whatsoever nature in any cash payments, common shares or exploration expenditures paid or incurred by Kestrel prior to the date of such termination in respect of the Gulf Property are forfeited, provided however, that Kestrel shall have no further obligations financial or otherwise in respect of the Gulf Property or in respect of the Option Agreement.

As a result of the surrender of the Gulf Property, Kestrel intends to focus on exploration activities at the King Solomon Dome Property in the Dawson Mining District, Yukon Territory, Canada as more particularly described in a previous news release of the Corporation, dated April 3, 2013.

About Kestrel Gold Inc.

Kestrel Gold Inc. is a gold exploration corporation headquartered in Canada. Kestrel Gold (KGC) is listed on the TSX Venture Exchange. Kestrel Gold will be the first company to diamond drill at the King Solomon Dome which is the high point of a prominent topographical feature from which some of the richest producing placer gold creeks of the great Klondike gold rush (to the present day), find their headwaters.

For further information, please visit our website at www.kestrelgold.com or contact:

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Cautionary Statements

This news release contains “forward-looking information” within the meaning of applicable securities laws. These statements relate to future events or future performance. The use of any of the words “could”, “intend”, “expect”, “believe”, “will”, “projected”, “estimated” and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Corporation’s current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to surrender of mining claims, scope and timing of the Corporation’s initial drilling program and the potential Phase Two diamond drilling campaign, potential exploration results and mineralization of King Solomon Dome properties. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Corporation. The material factors and assumptions include anticipated size and scope of the Corporation’s exploration activities, the timing of future

exploration activities, potential mineralization of King Solomon Dome properties and assumptions related to obtaining sufficient financing and other resources to carry out future exploration. Risk Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things: general economic conditions, market risks relating to the mining industry, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting exploration results and other geological and geophysical data and the ability of the Corporation to obtain the funds and resources required to carry out further exploration. The Corporation cautions the reader that the above list of risk factors is not exhaustive. The forward-looking information contained in this release is made as of the date hereof and the Corporation is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

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