



NEWS RELEASE

KESTREL GOLD INC. ANNOUNCES COMPLETION OF ACQUISITION OF KING SOLOMON'S DOME PROPERTY, PROPOSED DEBT AND EQUITY FINANCINGS AND OTHER CORPORATE UPDATES

November 7, 2014: Mr. Kevin Nephin, the President and CEO of Kestrel Gold Inc. ("**Kestrel**" or the "**Corporation**") (TSX-V: KGC) announces several recent developments related to the Corporation.

King Solomon's Dome Property

The Corporation is pleased to announce that the Corporation has completed the acquisition of a one hundred (100%) percent interest in the King Solomon's Dome property, situated in the Yukon Territory, pursuant to the Option Agreement, dated October 31, 2010 between Bernie Kreft and J.A.E. Resources Ltd., as Optionor and the Corporation, as Optionee, as amended ("**Option Agreement**"). All future exploration activities of the Corporation will be focused upon the King Solomon's Dome property, situated in the Yukon Territory.

The Corporation also announces that it has also surrendered all interests in the Gold Run Creek and Dominion Mountain properties, pursuant to the same Option Agreement, effective immediately.

Debenture Financing

The Corporation proposes to complete a non-brokered issuance of \$300,000 twenty (20%) percent convertible unsecured debentures ("**Debentures**"), subject to regulatory body approval. The Debentures are anticipated to be issued in the principal amount of \$300,000, bear simple interest at a rate of twenty (20%) percent per annum, mature one (1) year after the date of issue, will be unsecured and the principal amount of the Debentures shall be convertible at any time and from time to time up to the time of maturity at the option of the holders of the Debentures, into common shares of the Corporation (the "**Shares**") at a deemed issue price of \$0.04 per Share. All of the proceeds of the Debentures shall be used for general working capital purposes of the Corporation.

Flow-Through Share Financing

In addition to the foregoing, the Corporation proposes to complete a non-brokered private placement of up to 4,000,000 Units (the "**Units**") at an issue price of \$0.05 per Unit or an aggregate amount of up to \$200,000, subject to regulatory body approval. Each Unit is proposed to consist of one (1) flow-through Share ("**Flow-Through Share**") and one (1) Share purchase warrant ("**Warrant**"). Each Warrant shall entitle the holder to purchase one (1) additional Share of the Corporation at an exercise price of \$0.10 per Share on or before one (1) year from the date of issue of the Warrant. All proceeds from this private placement will be used for exploration on the Corporation's King Solomon's Dome property in the Yukon Territory.

Bridge Loan

The Corporation has borrowed a sum of \$100,000 payable on demand and without interest from an arm's-length third party. In connection with the foregoing, the Corporation has agreed, subject to regulatory body approval, to issue 350,000 Shares of the Corporation at a deemed issue price per Share of \$0.04, as a bonus payable to the lender in connection with the aforesaid bridge loan. All proceeds from this loan were used in furtherance of the acquisition of a one hundred (100%) percent interest in the King Solomon's Dome property pursuant to the Option Agreement.

Completion of Private Placement

The Corporation has completed a non-brokered private placement offering of 300,000 Units of the Corporation at a purchase price of \$0.05 per Unit for total proceeds of \$15,000, as was previously announced on July 17, 2014. Each Unit consists of one (1) Share in the capital of the Corporation and one (1) share purchase warrant of the Corporation. Each full warrant will be exercisable into one (1) Share of the Corporation at a purchase price of \$0.10 per Share for twenty (24) months from the day of issuance. All Units, Warrants and any Shares into which such securities may be converted are subject to a four-month statutory hold period from the issuance date thereof.

Debt Settlement

The Corporation also announces that it has agreed to settle a portion of its indebtedness in the amount of \$25,000 owing to a creditor of the Corporation by issuing 625,000 Shares to such creditor at a purchase price per Share of \$0.04, subject to regulatory body approval.

All Debentures, Shares into which such Debentures may be converted, Units, Flow-through Shares, Shares, into which Warrants may be exercised, the bonus Shares and Shares issued in settlement of debt, will be subject to a four-month statutory hold period from the issuance date thereof.

Previously Announced Acquisition Terminated

The Corporation will not be proceeding with the acquisition of an Option to earn an undivided one hundred (100%) percent interest in twelve (12) properties, totalling approximately 22,065 hectares, from Bernie Kreft, as was previously announced on May 22, 2014 and July 17, 2014.

Resignation of Director

Michael J. Perkins has resigned as a director of the Corporation effective immediately.

About Kestrel Gold Inc.

Kestrel Gold Inc. is a gold exploration corporation headquartered in Canada. Kestrel Gold (Trading Symbol: KGC) is listed on the TSX Venture Exchange Inc. Kestrel's principal property includes the King Solomon's Dome property, located in the Dawson Mining District, Yukon Territory, Canada.

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 relating to certain financing activities, including the contemplated completion of various private placements of Debentures, Units, bonus Shares and Shares to be issued upon settlement of debt. Readers are cautioned to not place undue reliance on forward-looking statements. Forward-looking statements are based on certain key assumptions made by the Corporation, including assumptions related to obtaining sufficient financing to complete the private placements and other resources to carry out any future exploration activities of the Corporation. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the ability of the Corporation to obtain the funds to complete the private placements. The forward-looking statements in this news release are made as of the date of this release and the Corporation undertakes no obligation to update publicly or revise any forward-looking statements whether as a result of new information or otherwise, except as required by applicable securities laws. The Corporation undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Corporation or its financial or operating results or (as applicable) their securities.

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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