

**SUMMARY OF MERGER AGREEMENT
BETWEEN
KLONDIKE STAR MINERAL CORPORATION AND KLONDIKE GOLD CORP.**

On December 20, 2016, Klondike Star Mineral Corporation, a Delaware corporation (“Klondike Star”) and Klondike Gold Corp. (“Klondike Gold”), a British Columbia corporation entered into an Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which Klondike Star will merge with and into Klondike Gold on the terms and subject to the conditions set forth in the Merger Agreement (the “Merger”), with Klondike Gold surviving the Merger. The Klondike Star’s board of directors (the “Board”) has unanimously determined that the Merger Agreement and the transactions contemplated thereby are advisable, fair to and in the best interests of Klondike Star and its stockholders and recommended the adoption of the Merger Agreement and approval of the Merger by Klondike Star’s stockholders. A majority of the Shareholders of Klondike Star, in sufficient number as to approve the merger, did so approve.

Merger Agreement

Pursuant to the Merger Agreement, at the effective time of the Merger when the Certificate of Merger is filed with the state of Delaware (the “Effective Time”), on the terms and subject to the conditions set forth in the Merger Agreement, each issued and outstanding share of Klondike Star’s common stock, par value \$0.001 per share (the “Klondike Star Common Stock”), other than any shares cancelled in accordance with the terms of the Merger Agreement or any Dissenting Shares (as defined in the Merger Agreement), will automatically be converted into the right to receive either: 1) .025 shares of common stock of Klondike Gold, if the shareholder is an accredited investor or non-US citizen living outside of the United States; or 2) \$0.0035 per share of Klondike Star in cash, without interest (the “Merger Consideration”).

Each party’s obligation to consummate the Merger is subject to certain other customary conditions, including the accuracy of the other party’s representations and warranties contained in the Merger Agreement (generally subject to certain materiality standards) and the other party’s performance in all material respects of all of its obligations under the Merger Agreement. In addition, the obligations of Klondike Gold and Klondike Star to consummate the Merger are subject to certain other conditions.

The Merger Agreement contains representations and warranties customary for transactions of this type. Klondike Gold has agreed to various covenants and agreements, including, among others, customary covenants to conduct the business of Klondike Star in the ordinary course consistent with past practice prior to the Effective Time.

This Summary of the Merger Agreement has been provided to inform Klondike Star’s stockholders and other investors of its terms. The Merger Agreement will be provided in full by sending an email to info@klondikegoldcorp.com , with a request to Klondike Gold, and by providing an email or regular address for return receipt. This Summary is to provide Klondike Star’s stockholders with information regarding the terms of the Merger Agreement and it is not intended to provide any other factual information about Klondike Gold and is not intended to modify or supplement any factual disclosures about Klondike Gold in Klondike Gold’s public reports filed. Klondike Star’s stockholders should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations. The representations, warranties and covenants contained in the Merger Agreement were made only for the purposes of the Merger Agreement as of specific dates, and solely for the benefit of the parties to the Merger

Agreement. The representations, warranties and covenants contained in the Merger Agreement may be subject to limitations agreed upon by the parties to the Merger Agreement and may be qualified by certain confidential disclosures not reflected in the text of the Merger Agreement. Moreover, certain representations, warranties and covenants in the Merger Agreement may apply standards of materiality in a way that is different from what may be viewed as material by Klondike Star's stockholders, and may have been used for the purpose of allocating risk among the parties rather than establishing matters of fact. Klondike Star's stockholders are not third-party beneficiaries under the Merger Agreement and should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of Klondike Gold or any of its subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in Klondike Gold's public disclosures.

The foregoing summary of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety, by the full text of the Merger Agreement, which is incorporated herein by reference.

TO KLONDIKE STAR SHAREHOLDERS:

IN ORDER TO SURRENDER YOUR SHARE CERTIFICATES AND RECEIVE EITHER CASH OR SHARES OF KLONDIKE GOLD COMMON STOCK, PLEASE MAIL YOUR PHYSICAL SHARE CERTIFICATES, PROPERLY ENDORSED, TO KLONDIKE GOLD AT THE FOLLOWING ADDRESS:

**KLONDIKE GOLD CORP.
ATTN: CORPORATE SECRETARY
SUITE 3123 – 595 BURRARD STREET
PO BOX 49139
VANCOUVER, BC V7X 1J1
CANADA**

PLEASE REVIEW THE ENCLOSED ACCREDITED INVESTOR QUESTIONNAIRE AND IF YOU QUALIFY AS AN ACCREDITED INVESTOR, PLEASE COMPLETE AND RETURN WITH YOUR PROPERLY ENDORSED SHARE CERTIFICATE. FAILURE TO COMPLETE AND DELIVER AN ACCREDITED INVESTOR QUESTIONNAIRE WILL RESULT IN YOU BEING CONSIDERED AN UNACCREDITED INVESTOR AND YOU WILL RECEIVE CASH FOR YOUR SHARES.

PLEASE PROVIDE A CURRENT ADDRESS WHERE THE CASH OR SHARES OF KLONDIKE GOLD WILL BE SENT.

ON BEHALF OF THE BOARD OF DIRECTORS
OF KLONDIKE GOLD CORP.



Peter Tallman, President and CEO

KLONDIKE GOLD CORP.

(The "Company")

ACCREDITED INVESTOR OFFEREE QUESTIONNAIRE

The purpose of this Statement is to obtain information relating to whether or not you are an accredited investor as defined in Securities and Exchange Regulation D, as well as your knowledge and experience in financial and business matters and to your ability to bear the economic risks of an investment in the Company. As used in Regulation D, the following terms shall have the meaning indicated:

- a. *Accredited investor.* *Accredited investor* shall mean any person who comes within any of the following categories, or who the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:
 - 1. Any organization described in section 501(c)3 of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
 - 2. Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
 - 3. Any natural person whose individual net worth or joint net worth with that person's spouse, at the time of purchase exceeds \$1,000,000. Except as provided below, for the purposes of calculating net worth under this paragraph:
 - a person's primary residence cannot be included as an asset;
 - indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, is not included as a liability *except* that if the amount of such indebtedness outstanding at the time of the sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess is included as a liability; and
 - indebtedness that is secured by the person's primary residence in excess of the estimated fair value of the primary residence at the time of the sale of securities is included as a liability.
 - 4. Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
 - 5. Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) and
 - 6. Any entity in which all of the equity owners are accredited investors.

1. Name, Home Address and Telephone Number:

_____ Name

_____ Address

Telephone (____) _____

2. Residence

(a) If an individual, what is your principal place of residence?

(b) If not an individual:

(1) Where is your principal place of business?

If a partnership, in which states(s) does (do) each of your partners reside?

(4) If a corporation, what is your state of incorporation?

(5) If a trust, in which state(s) does (do) each of the beneficiaries reside?

3. Business or occupation (including title):

5. Net Worth, Partners' Capital or Total Assets (check one):

_____ \$5,000,000 or more
_____ \$1,000,000-\$5,000,000
_____ Less than \$1,000,000

6. *For individual or married persons only* - Gross income for each of the last 2 years (check one):

_____ \$300,000 or more
_____ \$200,000 - \$300,000
_____ Less than \$200,000

Is this income amount combined with that of your spouse? Yes _____ No _____

Do you expect to reach the same level of income in the current year?

Yes _____ No _____

8. Personal data:

Age: _____

Marital Status: _____

Number of dependents: _____

9. I am an "accredited investor" as defined in Rule 501(a) of Securities and Exchange Commission Regulation

D. _____ (Initials)

10. I, together with my advisors, have specific knowledge and experience in related financial and business matters so as to be capable of evaluating the relative economic and operational merits and risks of an investment in the stock. _____ (Initials)

12. I hereby certify that I have answered the foregoing questions to the best of my knowledge and that my answers hereto are complete and accurate. _____ (Initials)

Name (Please Print)

Signature

Date