



SKY GOLD HIGHLIGHTS GOLD IN SOIL GEOCHEMICAL ANOMALIES ON THE MUSTANG PROPERTY, NEWFOUNDLAND

Vancouver, British Columbia –June 2nd, 2021 – Sky Gold Corp. (TSX-V: SKYG) (US:SRKZF) ("Sky Gold Corp." or the "Company") reports on the identification of several new gold-in-soil geochemical anomalies in the northern and western portions of the Mustang Property, Newfoundland. The Company plans to follow up these anomalies with diamond drilling and intends to drill possible extensions of interpreted structural trends identified on the contiguous Mt. Peyton project, owned by Exploits Discovery Corp. ("NFLD").

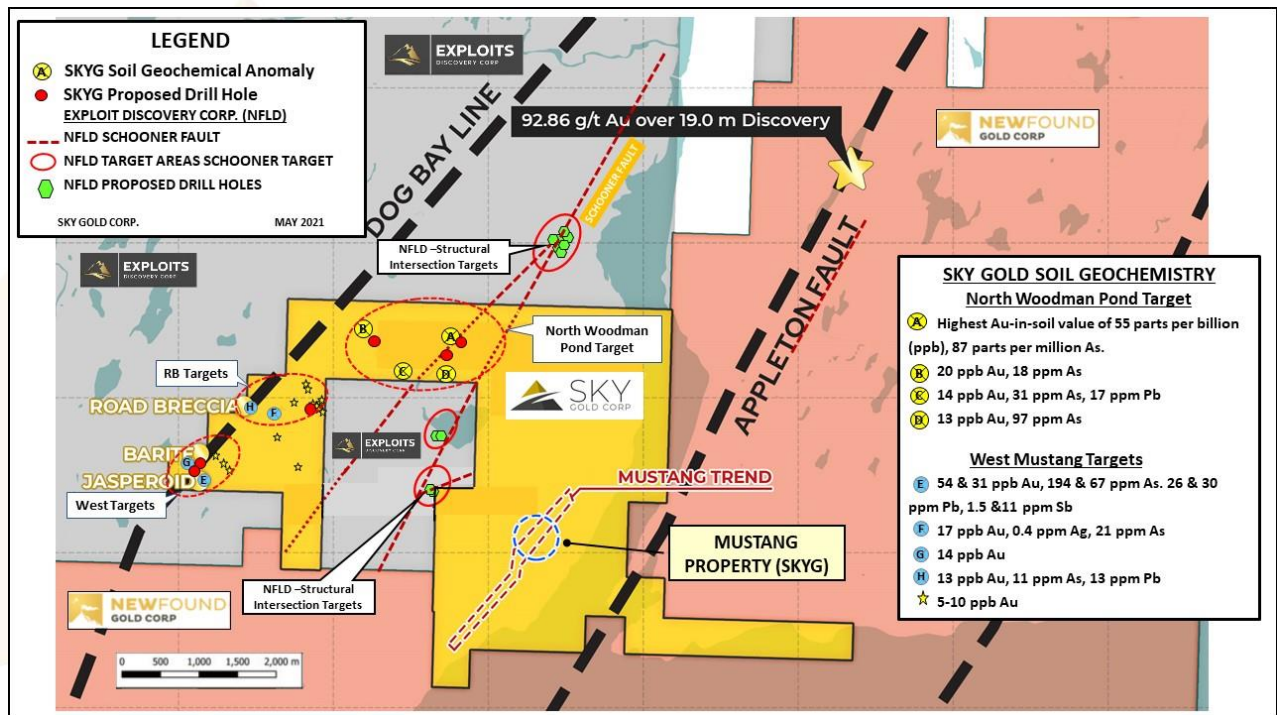
"We are excited to have such a strong geochemical signature along the border with Exploits in the same area they have high priority drill targets now being tested." stated Mike England, CEO of Sky Gold. "We are also encouraged with the identification of other new gold targets at Mustang that will be further investigated to define potential drill targets later in the summer."

Target area highlights include:

- North Woodman Pond Target – Covering an area of 2,000 by 750 metres, this target includes the highest gold-in-soil values received to date of 55 parts per billion gold ("ppb" Au), with highly anomalous arsenic (As) at 87 parts per million ("ppm"). This target is flanked on both sides by the Schooner Fault and offset structures, as identified on NFLD's contiguous Mt. Peyton project, where NFLD has recently announced (see news release dated May 27th, 2021) plans to drill approximately 3,000 m in twelve HQ-diameter diamond drill holes. The Schooner Fault represents a sub-parallel trending fault system, identified by GoldSpot Discoveries Corp. (TSX.V: SPOT) for NFLD, located approximately 3.5 km west of the known gold bearing Appleton Fault that hosts New Found Gold's Keats, Lotto, and Knob Zone gold discoveries.
- West Targets – Comprises multiple gold-in-soil anomalies with values up 54 ppb Au, 194 ppm As, and anomalous lead (Pb), and antimony (Sb) over an area measuring approximately 1,000 metres x 600 metres oriented in a NE-SW direction, paralleling the interpreted Dog Bay Line regional structure. The soil anomalies are located east of the Jasperoid and Barite Showings. Rock grab sampling (six samples) in 2012 on the Jasperoid Showing ranged from 26 ppb

to 1071 ppb Au (Assessment Report 002D/15/0865 - M. Quinlan, Owner, September 2012). Earlier sampling in 2004 returned up to 940 ppb Au (Assessment Report 002D/15/0865 - M. Quinlan, Owner, September 2012). The Barite showing in 2012 (six samples) returned up to 940 ppb Au in grab samples. Other anomalous elements include Pb (ranging from 0.57% to 1.23%), Zinc (Zn) (ranging from 0.30 to 0.57%) and Silver (Ag) (10.2 g/t AG, 26.6 g/t, and 30.0 g/t Ag) were also reported in the 2012 assessment report.

- **RB (Road Breccia) Target** - The RB Target comprises low level gold-in-soil anomalies ranging from 5 to 17 ppb Au, with associated anomalous As values. The anomaly area measures roughly 1,200 metres by 600 metres, in an east-west direction, with anomalous copper (Cu) values being more widespread. Grab rock sampling from the Road Breccia showing sampling in 2012 (10 samples) ranged from 21 to 421 ppb Au.



Soil Geochemistry Survey Details

Soil sampling recently completed by Sky Gold comprised 445 samples collected across three sample grids. All grids were oriented 315°-135° and varied from 100 m (13 lines), to 350 m (5 lines) to 400 m (five lines) line spacing. Sample processing and assays were completed by Eastern Analytical Labs of Springdale, Newfoundland. The minus-80 mesh fractions of the samples were analyzed by Fire Assay for Au, and Induction-Coupled Plasma optical emission analysis (ICP-OES), after four-acid

(HCl/HNO₃/HClO₄/HF) digestion for Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, In, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Se, Sn, Sr, Ti, U, V, W, Zn and Zr.

The Company also owns the Virginia property in Newfoundland, located contiguous to the southern margin of Labrador Gold Corp.'s Kingsway property where drilling is active on the Big Vein target. The Virginia property has received all necessary permits for its maiden diamond drill program planned for this summer.

Qualified Person

Catherine Fitzgerald, P.Geo., a Qualified Person under National Instrument 43-101, and Independent Director of Sky Gold, is the Qualified Person responsible for reviewing and approving the technical contents of this news release as they pertain to the Mustang and Virginia properties.

About Sky Gold Corp.

Sky Gold Corp. is a junior mineral exploration company engaged in acquiring and advancing mineral properties in Canada and the USA. In addition to the Company's Newfoundland properties, the Company also owns the Evening Star property, located 12 km southeast of Hawthorne, NV, which is prospective for gold mineralization and CRD (Carbonate Replacement Deposit) base and precious (silver and gold) mineralization.

ON BEHALF OF THE BOARD

"Mike England"

Mike England, CEO & Director

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