



**SKY GOLD APPLIES FOR DRILL PERMITS ON THE MUSTANG AND VIRGINIA PROPERTIES IN LABRADOR, CANADA: CONTIGUOUS TO NEW FOUND GOLD'S QUEENSWAY GOLD PROJECT AND LABRADOR GOLD'S GANDER SOUTH PROJECT**

**Vancouver, British Columbia – March 5<sup>th</sup>, 2020 – Sky Gold Corp. (TSX-V: SKYG) (US:SRKZF) ("Sky Gold Cop." or the "Company")** is pleased to announce it has begun the permitting process for diamond drilling on the newly acquired Mustang and Virginia Properties, located in Central Newfoundland. The Virginia Property is contiguous to the recently announced, Labrador Gold Corp.'s (TSX-V:LAB) Gander South project (see LAB press release dated March 3, 2020)

The Mustang property hosts the "Outflow Prospect", comprising the Mustang and Piper mineralized zones, and is located adjacent to New Found Gold Corporations' Queensway project, where they recently announced drill hole NFGC-19-01 which intersected 92.86 grams per tonne gold (g/t Au) over 19.0 m (see Mexican Gold Corp. press release dated January 26, 2020)\*. Gold mineralization at Mustang was discovered at the Outflow Prospect in 1987 by Noranda Exploration Company Limited, who completed geologic mapping, trenching and shallow (average 84 m) diamond drilling (12 holes totaling 1007.6 m). In late 2001, Altius Minerals Corp. held the current claim area, with the Mustang zone anchoring a major NE-SW structural feature of prospective geology covered by a large property project known as the "Mustang Trend."

Gold values of up to 28 g/t Au over 0.8 m reportedly occur in dark gray hydrobreccia units which are associated with higher arsenopyrite concentrations. Selected diamond-drill assay results from Noranda's drill program include 1.27 g/t Au over 11.3 m, 0.67 g/t Au over 18.3 m and 0.92 g/t Au over 9.0 m.\*

The Virginia property is contiguous with the northeastern portion of New Found Gold's Queensway Gold Project, as well as Labrador Gold Corp.'s newly acquired Gander South project (see press release dated March 3, 2020). The Virginia property hosts the "Virginia Holdings" prospect, comprising quartz veining developed over a 35 m wide zone within sheared gabbro and graphitic shale (main shear) (Manor Resources Inc., press release, 1992). A second shear zone is hosted in gabbro 35 m north of the main shear. Anomalous soil and till samples, followed by trenching led to the discovery in subcrop. **Grab samples collected from the main shear reportedly assayed up to 9.0 g/t gold and up to 109.6 g/t Au from the sheared gabbro** (Manor Resources Inc., press release, 1992). \*

A low-sulphidation epithermal model, similar to the setting at the Queensway Project, is proposed at both the Mustang and Virginia Properties, based on the presence of silicified zones, locally in association with fault zones. The silicified zones consist of chalcedonic silica in association with comb-textured and crustiform quartz and hydrothermal breccia. Epithermal gold systems commonly have a strong vertical zonation, indicated by textural, alteration and pathfinder mineral characteristics, with precious metal distribution highly variable. On the Mustang property, the average depth of drill holes is only 84 m, and on

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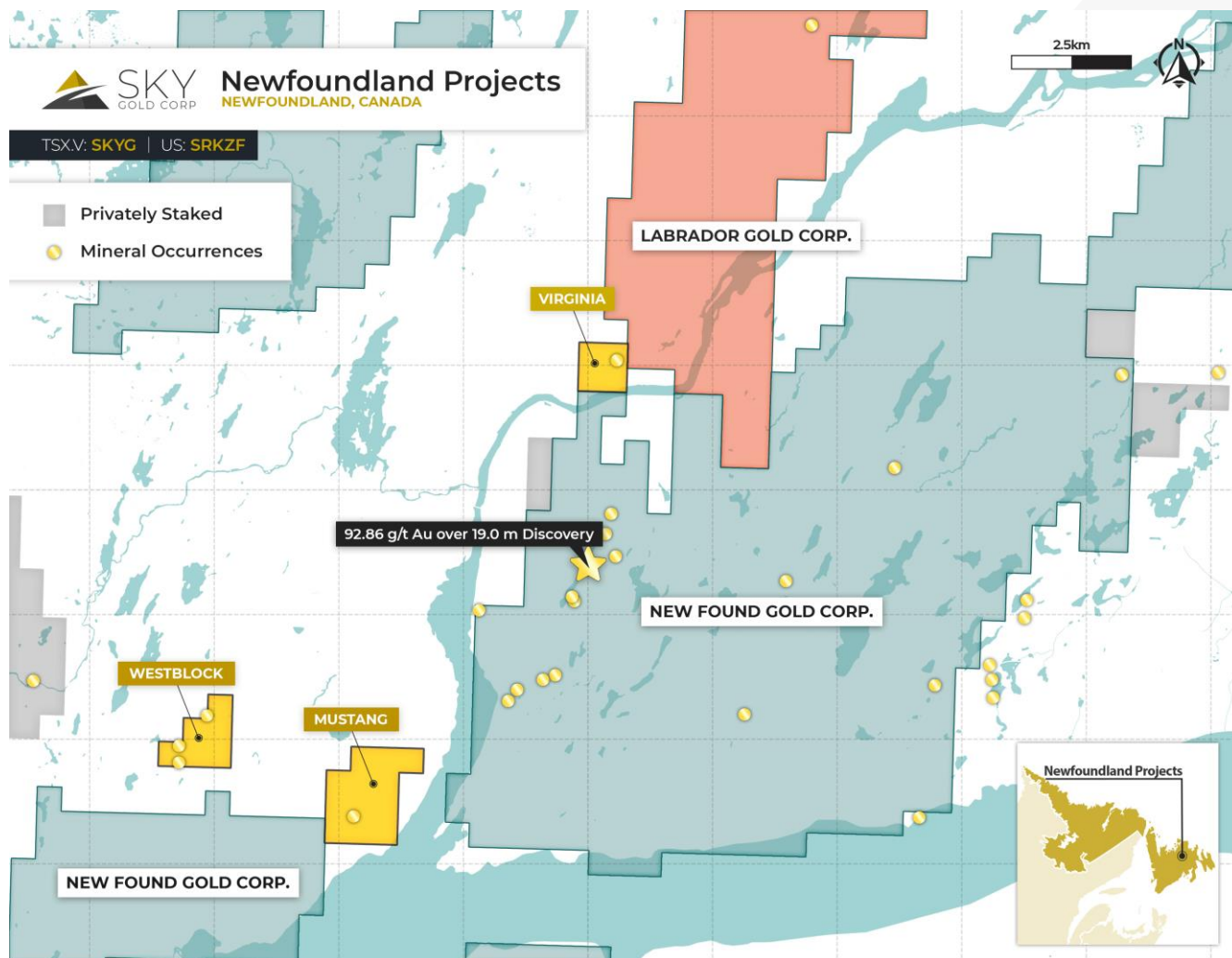


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the Virginia property, only four diamond drill holes have an average depth of 70 m. **There remains excellent potential to intersect significant gold mineralization at depth within the interpreted epithermal system on both properties.**

*\* Gold values on adjacent properties in similar rocks, and assays based on historical work, are not representative of the mineralization on the property, have not been verified, and should not be relied upon.*

President Mike England states: “The amount of data available in government assessment files is both detailed, thorough and beneficial on both projects, and allows our geological team to fast-track the identification of drill targets, with field activities estimated to start in April of this year.”



### Qualified Person

Catherine Fitzgerald, P.Geo., a Qualified Person under National Instrument 43-101, 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.

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## **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. 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”*

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*Mike England, PRESIDENT, CEO&DIRECTOR*

*FOR FURTHER INFORMATION PLEASE*

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