

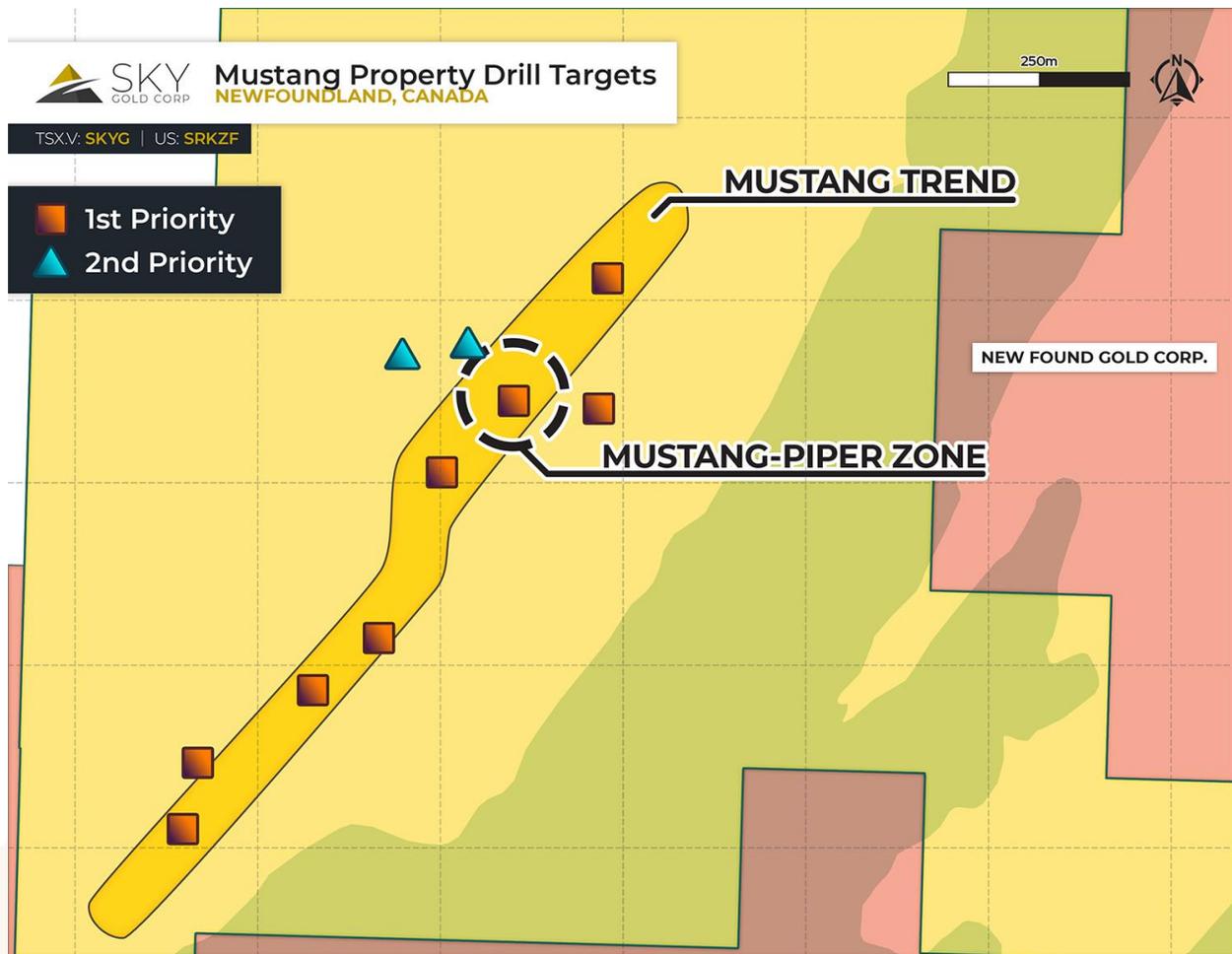


SKY GOLD COMMENCES DRILL PROGRAM CONTIGUOUS TO BOTH NEW FOUND GOLD AND LABRADOR GOLD PROJECTS IN NEWFOUNDLAND

Vancouver, British Columbia – November 18, 2020 – Sky Gold Corp. (TSX-V: SKYG) (US:SRKZF) ("Sky Gold Corp." or the "Company") is pleased to announce the commencement of diamond drilling on the Company's Mustang Property contiguous to the Queensway Gold Project, owned by New Found Gold Corp. ("New Found Gold") and the Virginia Property contiguous to both Labrador Gold Corp. (TSX-V: LAB) as well as New Found Gold. Cabo Drilling (Pacific) Corp. has been contracted to complete a minimum 3,000-metre diamond drill program over multiple target locations on both the Mustang property and the Virginia property, which are situated within the highly prospective Gander gold district.

The initial two holes are directed at deeper depth than previously tested at the southern portion of Mustang zone. Two historic holes intersected low grade gold mineralization at very shallow vertical depths, (10 meter vertical depth, 0.48 grams per tonne gold (g/t Au) over core interval of 13.8 meters, hole GO-98-05, and 25 meter vertical depth, 0.42 g/t Au over 8.0 meters, GO-98-06)*. The style of mineralization in nearby rehabilitated trenches and these historic holes appears consistent with a low sulphidation epithermal model, comprising hydrobrecciation and vuggy quartz veining and stockworks. Current drilling will explore for multiple, parallel zones and will test the vertical profile of the epithermal systems at depths of 75-90 meters vertically, and 120-130 meters vertically.

Subsequent drilling will investigate the 3-kilometer strike length of the Mustang zones, followed by drilling on the Barite, Jasperoid and Road Breccia showings on the western portion of the Mustang property. Ongoing trenching and soil geochemistry is also in progress on the remainder of the property.



Company President and CEO Mike England commented "We are very excited to commence drilling on our 2 prospective gold projects in this hot area of activity in Newfoundland."

All of the Company's field activities are conducted under Federal and Provincial COVID-19 operating protocols and safety measures as required. Planet X Exploration Services Ltd.'s field crews, retained through Grassroots Prospecting, a local, Newfoundland-based prospect generation company, are undertaking all field and drill activities on the Company's Newfoundland properties.

SKY GOLD'S NEWFOUNDLAND PROJECTS

Virginia Property

The Virginia property comprises 100 hectares and is approximately 5.7 kilometres northeast of New Found Gold's drill hole NFGC-19-01 which intersected 92.86 g/t Au over 19 metres (see Mexican Gold Corp. press release dated Jan. 26, 2020). Historic results completed in the early 1990s by Manor Resources Ltd., and documented in assessment file NFLD_2244, which reports two areas of mineralization (Zone A-2). One showing comprised quartz veining developed over a 35-metre-wide zone within

sheared gabbro and graphitic shale (main shear) returning up to 8.7 g/t Au, and a second showing comprised a sheared gabbro returned a grab sample up to 109.6 g/t Au*. The Company is focused on confirming and extending these known mineral showings.

Mustang Property

The recently expanded Mustang property comprises 1,625 hectares and is contiguous to New Found Gold's Queensway project and approximately five kilometres southwest of their discovery hole. The Mustang property hosts numerous gold prospects including the Mustang and Piper zones, on trend with New Found Gold Corp's current drill program, and the Road Breccia, Jasperoid, and Barite showings on the western portion of the property.

Gold mineralization was discovered at the Mustang zone in 1987 by Noranda Exploration Company Ltd., who completed geologic mapping, trenching and shallow (average 84 metres) diamond drilling (12 holes totaling 1,007.6 metres). Altius Resources Inc. ("Altius") completed diamond drilling over the Mustang zone in 1998 (10 holes, 1,197.6 meters). In late 2001 Altius held the current claim area, with the Mustang zone anchoring a major northeast-southwest structural feature of prospective geology covered by a larger property project known as the Mustang trend. Altius optioned the property to Barrick Gold Corp. who undertook reconnaissance exploration in 2002, resulting in the discovery of several new gold showings on the western portion of the property including the Road Breccia, Barite, and Jasperoid showings.

Highest surface gold values from the Mustang zone include up to 28 g/t Au over 0.8 metres, occur in dark grey hydrobreccia units, associated with higher arsenopyrite concentrations*. Selected diamond drill assay results from Noranda's drill program include 1.27 g/t Au over 11.3 metres, 0.67 g/t Au over 18.3 metres and 0.92 g/t Au over 9.0 metres*. The company is focused on confirming and extending these known mineral showings with the proposed diamond drill program.

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

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.

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

FOR FURTHER INFORMATION PLEASE CONTACT:

Tel. 1-604-683-3995

Toll Free. 1-888-845-4770

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FORWARD-LOOKING STATEMENTS: This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward-looking statements are neither promises nor guarantees and are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All of the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at WWW.SEDAR.COM).