SKY GOLD SET TO COMMENCE SPRING EXPLORATION PROGRAM ON OROGENIC GOLD AND MAGMATIC NICKEL SULPHIDE TARGETS ON ITS CONSOLIDATED SHEBANDOWAN PROPERTY, NORTHWESTERN ONTARIO

Highlights:

- **Exceptional exploration opportunity for orogenic Au and magmatic Ni-Cu-Co-Cr-PGE discoveries**
- **Mingold Au soil anomaly (2 km by 2 km) is a high-priority orogenic gold target**
- **Large Ni-Cu-Co-Cr-PGE anomaly (5 km by 7 km) highly prospective for Ni-sulphide deposits**
- **Integrated spring exploration program to commence shortly at Consolidated Shebandowan**
- **Updated corporate presentation now available at www.skygoldcorp.com**

May 7, 2024, Vancouver, BC, Canada – SKY GOLD CORP. ("Sky' or the "Company") (TSX.V:SKYG) (US:SRSZF) is pleased to announce that it will shortly commence exploration on its Consolidated Shebandowan nickel-copper-cobalt-chrome-platinum group element-gold property (the "Property"), located in northwestern Ontario. The exploration program involving detailed geochemical sampling, geological mapping and prospecting, will focus on 2 high-quality exploration targets known as the Mingold Au Soil Anomaly (orogenic gold target) and a strong, extensive Ni-Cu-Co-Cr-PGE Anomaly (magmatic nickel-sulphide target).

Mackenzie (Mac) Watson, Technical Advisor to Sky Gold Corp. commented: "This is one of the best greenfield exploration projects that I have been associated with. The potential for discovery for both nickel and gold are high, particularly when viewed within the favorable structural and lithologic setting."

The Property, comprising 5,894 hectares, is situated 70 km west of the City of Thunder Bay and 6 km southwest of the past-producing Shebandowan Ni-Cu-Co-Cr-PGE mine, operated by Inco Ltd during the period of 1970 to 1989. **The Shebandowan mine is a world-class example of a primary magmatic nickel sulphide deposit with production tonnage and grade of 8.7 MT at 2.0% nickel, 1.0% copper & 3.0 g/t platinum + palladium (cobalt & chrome grades are unknown).**

Mingold Au Soil Anomaly:

The primary gold target on the Property comprises a 2 km by 2 km gold-in-soil anomaly, defined by Mingold, a previous explorer in the Shebandowan area in 1990. Heavy mineral concentrates obtained from widely-spaced sampling returned values of up to 5,250, 1,580, 1,370 & 1,050 ppb gold, with some samples yielding pristine and

delicate gold grains, suggesting a local bedrock source for the gold.

The gold anomaly is contained within a regional-scale, 7-kilometre-long multi-element anomaly containing arsenic, antimony, zinc as well as nickel, copper, cobalt, chrome and platinum-group-elements obtained in regional-scale glacial till and lake sediment sampling.

The soil and multi-element anomalies coincide in large part, with the Tinto Lake fault, a major ENE trending crustal-scale fault and with outcrops characterized by strong hydrothermal alteration.

Additional soil and glacial till geochemistry sampling are clearly warranted on the Mingold Au soil anomaly to provide detail on its size, strength and extent.

Ni-Cu-Co-Cr-PGE Anomaly:

An extensive 5 km by 7 km area characterized by highly anomalous values in nickel, copper, cobalt, chrome, platinum and palladium in glacial till sampling, comprises a high-priority target prospective for nickel sulphide deposits. All of the contour plots for the anomaly depicting Ni, Cu, Co, Cr as well as Pt and Pd are coincident and are intimately associated with a large magnetic high as well as several strong electromagnetic conductors, yielded by the VTEM airborne survey, flown in the fall of 2023.

The large anomaly appears to be bounded by the ENE-trending Tinto Lake fault and an unnamed parallel fault situated to the NW of it, suggesting that the anomaly as a whole is related to deep, crustal-scale faulting. The Shebandowan mine is hosted within ultramafic rocks (komatiites) proximal and within the crustal-scale Crayfish Creek fault. The Ni-Cu-Co-Cr-PGE anomaly is underlain by mafic and ultramafic rocks, similar to the host rocks containing mineralization at the Shebandowan mine.

The strong extensive Ni-Cu-Co-Cr-PGE geochemical anomaly is associated with mafic-ultramafic rocks, as well as a large magnetic feature (magnetic high) and strong EM conductors yielded by the VTEM survey. Collectively, this strongly suggests a local bedrock source for the subject geochemical anomaly.

Exploration Model:

The recent Eureka gold discovery made by Delta Resources Ltd in 2023, is located within the Shebandowan greenstone belt, approximately 30 km ENE from the Consolidated Shebandowan property. Gold mineralization at the Eureka discovery is intimately associated with deep crustal-scale faults (Shebandowan Structural Zone), in part reflected by the presence of subjacent younger Timiskaming-type, pull-apart sedimentary basins. The past producing Shebandowan NI-Cu-Co-Cr-PGE mine is situated in a similar structural-lithological setting along the Crayfish Creek fault, associated with an adjacent younger sedimentary basin.

In the case of the Eureka gold discovery, such mantle-tapping structures provided the plumbing system for the passage of gold-bearing mineralizing fluids and derived intrusions to reach their eventual sites of deposition. At the Shebandowan mine, numerous brittle and ductile structures associated with the Crayfish Creek fault enabled mafic and ultramafic intrusions to reach upper crustal levels to host nickel sulphide mineralization.

As seen within the framework of the exploration model, the Mingold Au soil anomaly and the main Ni-Cu-Co-Cr-PGE anomaly offer high discovery potential, in view of their structural, stratigraphic and geochemical similarities with the neighboring Eureka gold discovery and the Shebandowan Ni-Cu-Co-Cr-PGE mine. Additionally, the presence of strong extensive Ni-Cu-Co-Cr-PGE and Au geochemistry anomalies coupled with strong hydrothermal alteration

within highly deformed lithotypes present at both target areas, clearly enhances this potential.

Spring Exploration Program:

ALS Global will shortly commence the first-phase of exploration on the Property. The program will initially involve detailed soil and till geochemistry surveys over the Mingold Au soil and the main Ni-Cu-Co-Cr-PGE anomalies, to provide much-needed detail on the size, strength and extent of the target areas. Historical geochemical sampling completed over both target areas was regional in extent, featuring widely-spaced sample sites; detailed sampling is required to localize and more tightly define targets.

Modelling of the high-priority EM conductors yielded by the VTEM airborne survey will also be undertaken, to assist in nickel sulphide deposit targeting. Such modelling in combination with the detailed till and soil geochemistry for Ni-Cu-Co-Cr-PGE, will help prioritize targets in preparation for follow-up work involving trenching and eventual diamond drilling.

Concurrent with the above, geological mapping and prospecting will be completed over both target areas, in view of the abundance of outcrops and shallow overburden conditions prevalent on the Property.

Results for all of the above surveys will be released as they become available.

Qualified person

Sky Gold Corp.'s disclosure of a technical or scientific nature in this news release has been reviewed and approved by Don Hoy, P.Geo., who serves as a qualified person under the definition of National Instrument 43-101.

ON BEHALF OF THE BOARD
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uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including factors beyond the Company's control. These forward-looking statements are made as of the date of this news release.

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