



## SKY GOLD SELECTS DRILL CONTRACTOR FOR MUSTANG AND VIRGINIA PROPERTIES CONTIGUOUS TO NEW FOUND GOLD'S QUEENSWAY GOLD PROJECT

**Vancouver, British Columbia - October 15, 2020 - Sky Gold Corp. (TSX-V: SKYG) (US:SRKZF) ("Sky Gold Corp." or the "Company")** is pleased to announce that Cabo Drilling (Pacific) Corp. ("Cabo") has been retained to complete a minimum 3,000 meter diamond drill program on the Company's **"Mustang Property"** and the **"Virginia Property"**, contiguous to the north-eastern portion of the Queensway gold project owned by New Found Gold Corp. ("New Found Gold").

"Newfoundland is currently one of the hottest exploration areas in Canada, led by New Found Gold with an active 100,000-metre diamond drill program at its 100-percent-owned Queensway project. We are very excited to start drilling at targets such as the Outflow prospect where surface samples have been recorded as high as 28 grams per tonne gold (g/t Au) over 0.8 meters." stated Mike England, CEO of Sky Gold.

This is the maiden drill program by the Company on the Mustang and Virginia properties, with targets defined by surface sampling, geological mapping and rock and soil geochemistry. Both the field contractors and the drill contractor will exercise COVID-19 operating protocols and safety measures as required.

Cabo is a local company based in Springdale, Newfoundland with extensive experience having completed drill projects throughout the province. The drill will be mobilized in about three weeks with the initial sites located on the Virginia property, followed by drilling on the Outflow Prospect and Barite, Jasperoid and Road showings on the Mustang property.

### SKY GOLD'S NEWFOUNDLAND PROJECTS

**Virginia Property** - The Virginia property is approximately 5.7 kilometres northeast of New Found Gold's drill hole NFGC-19-01 which intersected 92.86 grams per tonne gold over 19 metres (see Mexican Gold Corp. press release dated Jan. 26, 2020)\*. The Virginia property comprises 100 hectares and is located 3.3 kilometres north-east of the village of Glenwood, which is situated on the Trans-Canada Highway. Results to date support the work completed in the early 1990's by Manor Resources Ltd. ("Manor"), 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 grams per tonne gold (g/t Au), and a second showing comprised a sheared gabbro returned a grab sample up to 109.6 g/t Au \*. The Virginia property was drilled by Manor in 1991, with a series of short holes on geophysical targets, before the mineralization in the A2 trench was defined in 1992, and the gold showing area has not been drilled. The Company is focused on confirming

and extending these known mineral showings.

**Mustang Property** - The Mustang property comprises 1,550 hectares and is contiguous to New Found Gold's Queensway project and approximately 5 km from their discovery hole. The northern part of the Mustang property is only 2.5 kilometers south of the village of Glenwood, with abandoned logging road accessing the area. The property also hosts the Outflow prospect, a target for the upcoming drill program.

Gold mineralization was discovered at the Outflow prospect in 1987 by Noranda Exploration Company Ltd. ("Noranda"), which completed geologic mapping, trenching and shallow (average 84 metres) diamond drilling (12 holes totaling 1,007.6 m). In late 2001, Altius Minerals Corp. held the current claim area, with the Mustang zone anchoring a major northeast-southwest structural feature of prospective geology covered by a large property project known as the Mustang trend. Altius optioned the property to Barrick Gold Corp. which undertook reconnaissance exploration in 2002 which resulted in the discovery of several new gold showings on the western portion of the property, including the Road Breccia, Barite, Jasperoid, and Gervase's Lane showings.

Highest surface gold values from the Outflow prospect include up to 28 grams per tonne gold (g/t Au) over 0.8 meters, 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 m, 0.67 g/t Au over 18.3 m and 0.92 g/t Au over 9.0 m.\* 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

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