



NEWS RELEASE

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LABRADOR GOLD BEGINS 2018 GOLD EXPLORATION PROGRAM AT HOPEDALE

VANCOUVER, BC, July 16, 2018 – Labrador Gold Corp. (TSX-V: LAB) (“Labrador Gold” or the “Company”) is pleased to announce the mobilization of field crews to begin detailed gold exploration of the Florence Lake greenstone belt (FLGB). The company controls a 50-kilometre strike length of stratigraphy prospective for gold in the belt.

The exploration program at Florence Lake is intended to follow up on successful results of 2017 and will include detailed soil sampling, geological mapping, rock sampling and prospecting along the length of the belt. Detailed work is scheduled for the three-kilometre strike length of gold in soil and lake sediment anomalies encompassing the Thurber Dog occurrences where grab samples have assayed up to 7.87g/t Au.

Results of the soil and lake sediment sampling during 2017 demonstrated the potential for gold mineralization along the entire length of the FLGB with anomalous gold in soil samples found over an approximately 40-kilometre strike length of the belt (see News Release dated January 25, 2018). Initial prospecting during the exploration program resulted in assays up to 7.87 g/tonne Au (range <5ppb to 7.87) in a composite grab sample from carbonatized ultramafic rock. Labrador Gold’s data, combined with results of work during the 80s and 90s, show a trend of significant gold anomalies in rocks and soils stretching over a 3km strike length that encompasses the known Thurber Dog gold showings. In addition to the gold values found by Labrador Gold, highlights of historical data include grades of 3.97 g/t Au in a 5m chip channel sample of a quartz carbonate vein with 4.1 g/t Au in a sample from the wall rock to the vein and 1.89 g/t Au in 6m chip channel sample through a quartz vein containing arsenopyrite. (See News release dated March 1, 2018).

Gold is typically associated with quartz-carbonate veins in carbonatized ultramafic metavolcanic rocks accompanied by arsenopyrite and pyrite. Felsic metavolcanic rocks, commonly altered to quartz-sericite schist, that occur adjacent to the ultramafic rocks also host gold mineralization in places.

“We have spent significant time during the off season acquiring and interpreting data covering the area and have a much better understanding of the potential of the belt,” said Roger Moss, Chief Executive Officer of Labrador Gold. “As such we expect to hit the ground running and quickly delineate the areas of highest potential within the belt. We look forward to an exciting summer in Labrador.”

Three soil sampling and three geological crews have been mobilized to the belt along with support staff for drone mapping, portable XRF and GIS. The three soil teams will sample the entire belt, with detailed grids in areas of higher potential. Two geological crews will focus on regional mapping and sampling of the belt while the third will be responsible for detailed mapping and sampling of the Thurber Dog area and following up areas of interest elsewhere in the belt. Due to the good correlation of gold and arsenic in the rocks, it is expected that XRF analyses of the soil samples for arsenic will be useful for guiding the geological follow up. In addition, interpretation of detailed drone imagery should provide information on outcrop location, structure and alteration.

Roger Moss, PhD., P.Geo., is the qualified person responsible for all technical information in this release.

About Labrador Gold:

Labrador Gold is a Canadian based mineral exploration company focused on the acquisition and exploration of prospective gold projects in the Americas. In 2017 Labrador Gold signed a Letter of Intent under which the Company has the option to acquire 100% of the 896 square kilometre (km²) Ashuanipi property in northwest Labrador and the Nain (503 km²) and Hopedale (458 km²) properties in eastern Labrador.

The Hopedale property covers much of the Hunt River and Florence Lake greenstone belts that stretch over 80 km. The belts are typical of greenstone belts around the world but have been underexplored by comparison. Initial work by Labrador Gold during 2017 show gold anomalies in soils and lake sediments over a 3-kilometer section of the northern portion of the Florence Lake greenstone belt in the vicinity of the known Thurber Dog gold showing where grab samples assayed up to 7.8g/t gold. In addition, anomalous gold in soil and lake sediment samples occur over approximately 40 kilometers along the southern section of the greenstone belt (see news release dated January 25th, 2018 for more details).

The Ashuanipi gold project is located just 35 km from the historical iron ore mining community of Schefferville, which is linked by rail to the port of Sept Iles, Quebec in the south. The claim blocks cover large lake sediment gold anomalies that, with the exception of local prospecting, have not seen a systematic modern-day exploration program. Results of the 2017 reconnaissance exploration program following up the lake sediment anomalies show gold anomalies in soils and lake sediments over a 15-kilometre-long by 2 to 6-kilometre-wide north-south trend and over a 14-kilometre-long by 2 to 4-kilometre-wide east-west trend. The anomalies appear to be broadly associated with magnetic highs and do not show any correlation with specific rock types on a regional scale (see news release dated January 18th, 2018). This suggests a possible structural control on the localization of the gold anomalies. Historical work 30 km north on the Quebec side led to gold intersections of up to 2.23 grams per tonne (g/t) Au over 19.55 metres (not true width) (Source: IOS Services Geoscientifiques, 2012, Exploration and geological reconnaissance work in the Goodwood River Area, Sheffor Project, Summer Field Season 2011). Gold in both areas appears to be associated with similar rock types.

The Company has 38,992,552 common shares issued and outstanding and trades on the TSX Venture Exchange under the symbol LAB.

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