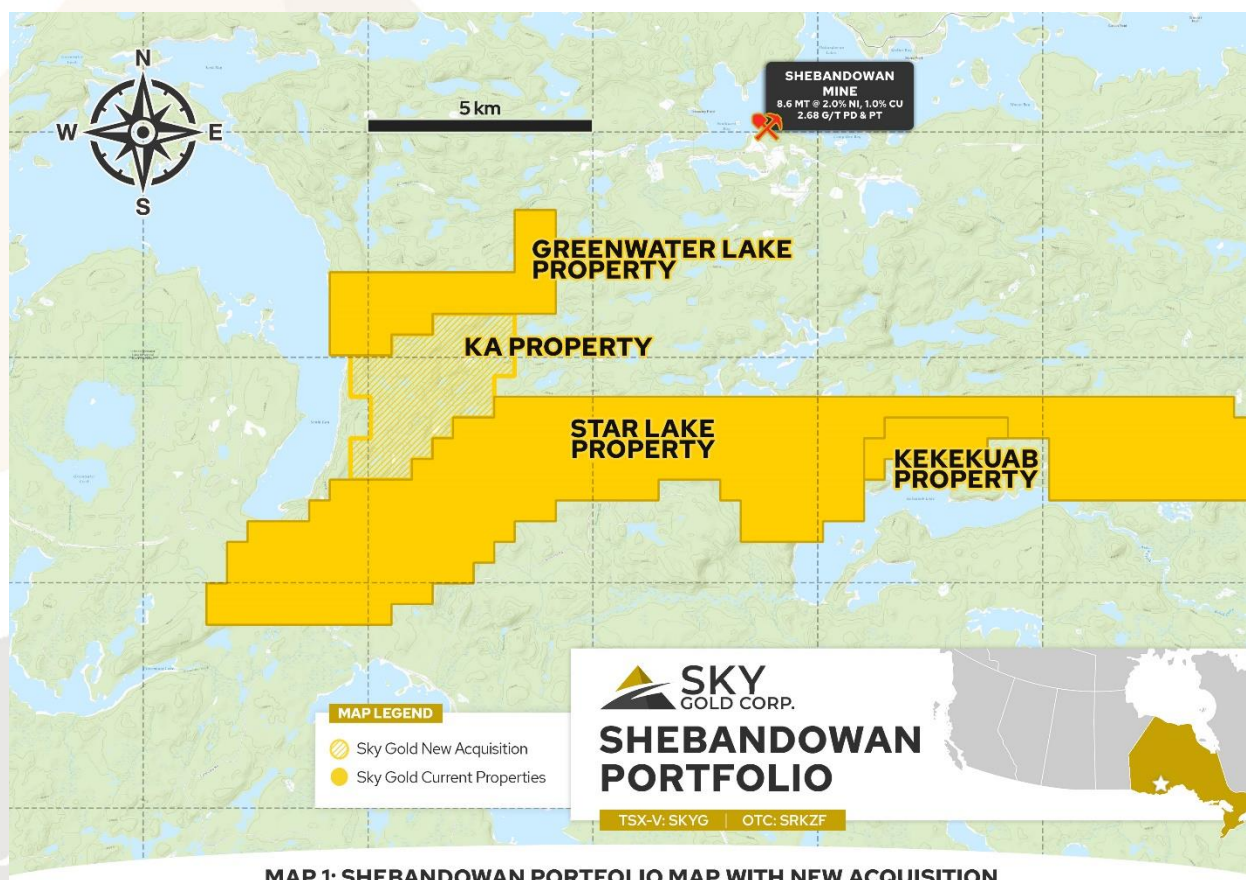




SKY GOLD CONSOLIDATES LAND POSITION IN THE SHEBANDOWAN GREENSTONE BELT, WITH THE ACQUISITION OF THE KA NI-CU-CO-CR-PGE PROPERTY, NORTHWESTERN ONTARIO

July 12, 2023, Vancouver, BC, Canada – SKY GOLD CORP. (“Sky” or the “Company”) (SKYG-TSX:V) (US:SRKZF) is pleased to announce the acquisition of the KA nickel-copper-cobalt-chrome-platinum group element property (the “Property”), situated approximately 60 kilometres west of the City of Thunder Bay, in northwestern Ontario. This acquisition bolsters the Company’s dominant land position, proximal to the past-producing **Shebandowan Ni-Cu-Co-Cr-PGE mine** (five km southwest), operated by Inco Ltd., during the period of 1970 to 1998. **The Shebandowan mine is a world-class example of a primary magmatic Ni-Cu-Co-Cr-PGE deposit, with produced tonnage and grade of 8.7 million tonnes at 2.0% nickel, 1.0% copper and 3.0 g/t platinum-group-elements (cobalt and chrome grades are unknown).**

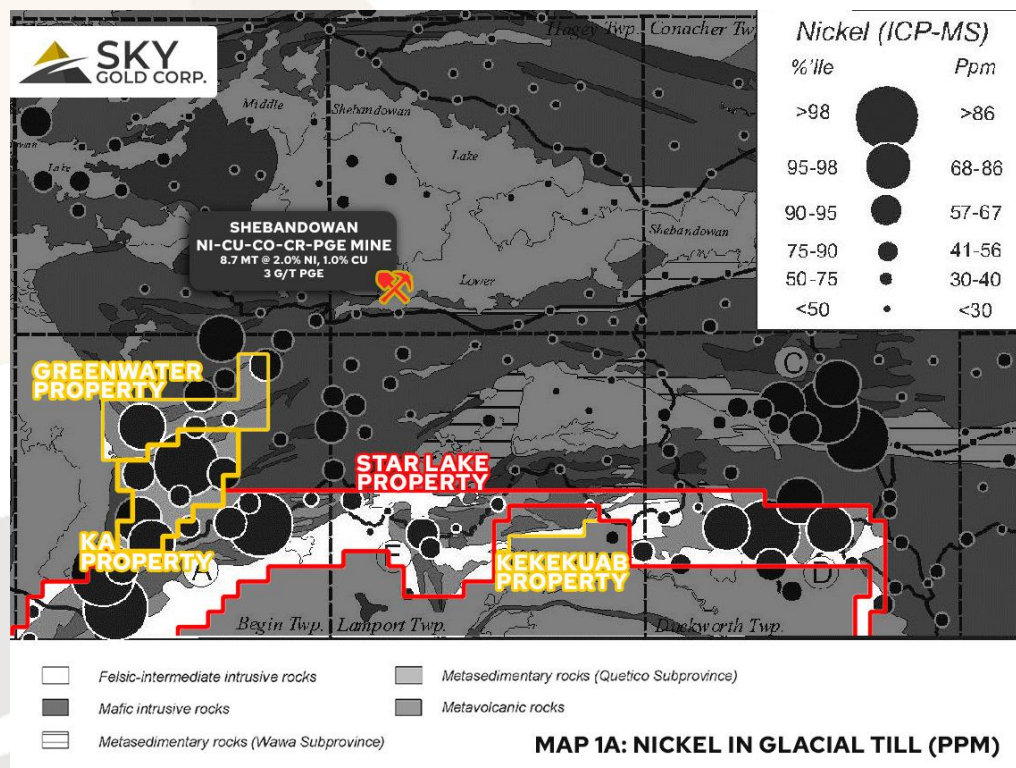


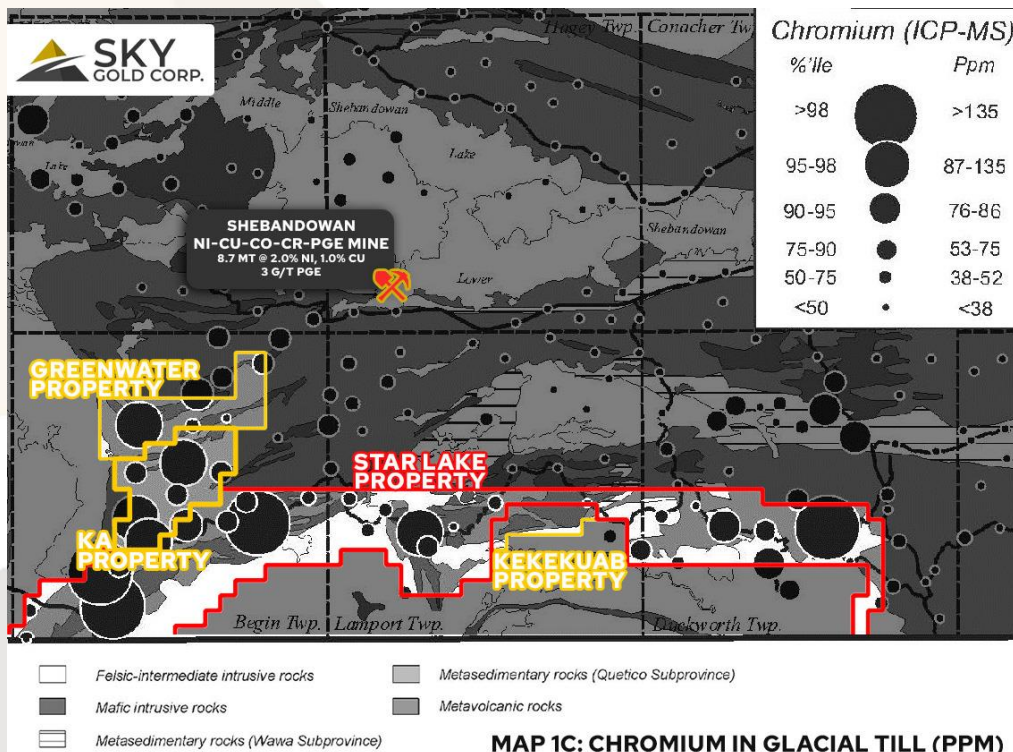
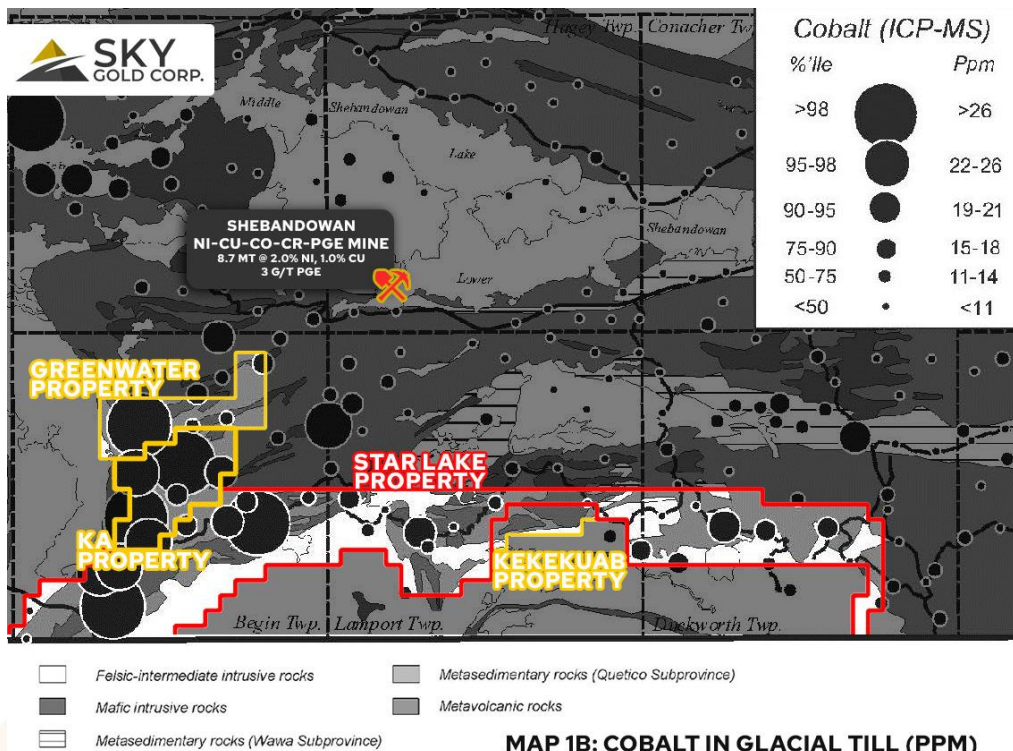
MAP 1: SHEBANDOWAN PORTFOLIO MAP WITH NEW ACQUISITION

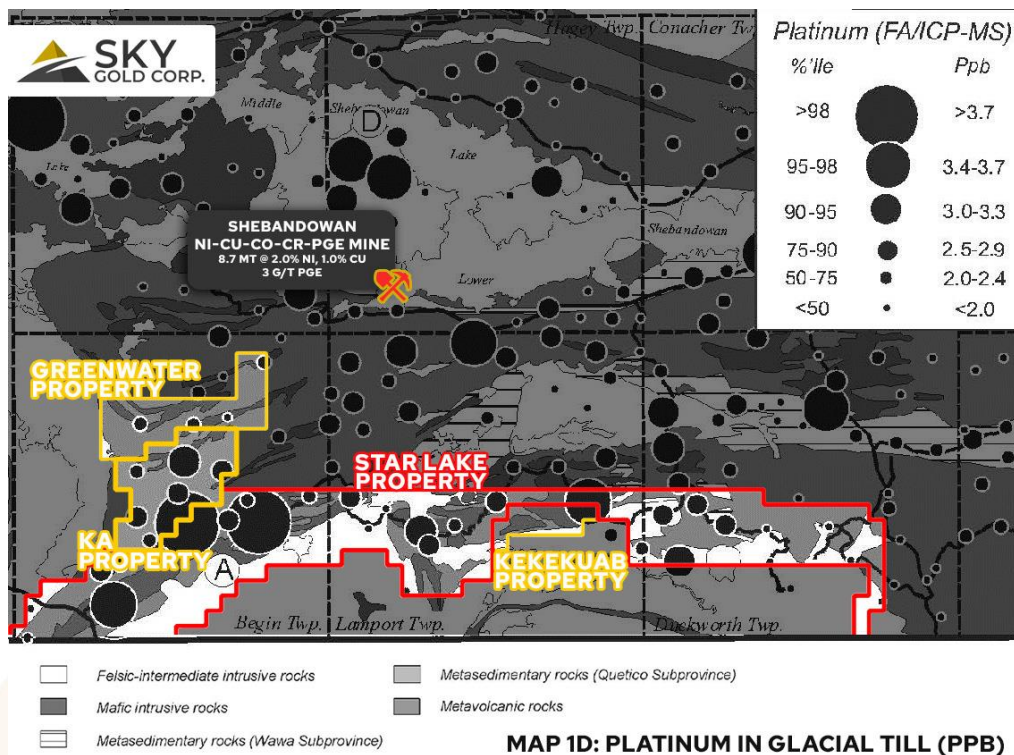
The Consolidated Property:

Consistent with the Company's strategy of acquiring high-quality strategic, battery-metal properties, proximal to world-class assets, the Property comprises 37 unpatented claims totaling 655 hectares, situated in the Begin Township in the Thunder Bay Mines and Minerals Division. The Property can be explored 12 months a year and has an exploration permit in place, enabling exploration to commence immediately.

The addition of the KA property in combination with the earlier acquired Greenwater Lake and Star Lake properties (see Sky news releases dated March 2, 2023 & May 2, 2023 respectively) provide the Company with a commanding land position (the 'Consolidated Property') in the central portion of the Shebandowan greenstone belt (Figure 1). Highlighting the exploration opportunity on the Consolidated Property (7,269 hectares), is a large cluster of strongly anomalous nickel, cobalt, chrome and platinum-in-glacial till geochemical anomalies, delineated by an Ontario Geological Survey investigation of the Shebandowan greenstone belt (Bajc 2000). The highest Ni-Co-Cr-PGE values reported in the entire till survey area occur within the Consolidated Property confines, in the Begin Township, just to the east of Greenwater Lake. **In these locales, values of up to 345 ppm nickel, 44 ppm cobalt, 398 ppm chrome, 4,15 ppb platinum & 4.13 ppb palladium occur, collectively forming a discrete cluster of strongly anomalous sample sites, over a large area of several square kilometres (see Figures 1A to 1D).**







The geochemical anomalies on the Consolidated Property are closely related to mafic and ultramafic rocks and several electromagnetic anomalies (EM conductors) occur along stratigraphic trend from these anomalies, as well. Mapped lithologies include peridotite, pyroxenite and gabbroic flows and sill-like bodies, similar to the hosting rocks at the neighboring Shebandowan Ni-Cu-Co-Cr-PGE mine, situated to the northeast. Only minimal historic drilling has been completed on the Consolidated Property.

Additional detailed geochemical sampling as well as geological mapping and prospecting are required on the Consolidated Property to more accurately define these attractive anomaly patterns, in preparation for follow-up systematic geophysical surveys and diamond drilling. The original till geochemical survey featured samples collected every 4 square kilometres; more detailed sampling is clearly warranted to enable enhanced anomaly definition. Such a field program is anticipated to commence in early August.

Qualified Person:

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

Agreement Terms (the “Agreement”):

To acquire a 100% interest in the Property, the Company will issue 815,000 shares of Sky Gold and pay \$125,000 in cash to the vendors, over a 4-year period. The Company will additionally grant a 2.0% Royalty to the vendors. Advance Royalty payments of \$20,000 are due annually to the vendors, between years 5 and 10 of this Agreement.

1.00% of the Royalty can be bought back from the vendors at any time for the sum of \$250,000. SKY shall retain the right of first refusal on purchasing the remaining 1.00% of the NSR from the vendors.

This transaction is subject to TSX Venture approval.

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 for the benefit of its shareholders.

ON BEHALF OF THE BOARD

“Mike England”

MIKE ENGLAND, CEO, PRESIDENT & DIRECTOR

FOR FURTHER INFORMATION PLEASE CONTACT:

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