



NEWS RELEASE

December 29, 2021

LABRADOR GOLD REVIEWS A SUCCESSFUL 2021 AND LOOKS FORWARD TO 2022

TORONTO, ON, December 29, 2021 – Labrador Gold Corp. (TSX.V:LAB | OTCQX:NKOSF | FNR: 2N6) (“LabGold” or the “Company”) is pleased to review its 2021 exploration success along the Appleton Fault Zone and to give an update on plans for 2022 at its 100% controlled Kingsway project near Gander, Newfoundland. The Kingsway project is located in the highly prospective central Newfoundland gold belt.

Drilling

In early April, 2021 LabGold began a 10,000 metre diamond drilling program began at Kingsway, testing the Big Vein target where visible gold in quartz vein boulders was found in late 2020. The drilling program was increased to 50,000 metres in June following completion of two private placements.

Between the start of drilling in April and the break for the festive season in December, a total of 26,767 metres were drilled in 116 holes primarily at Big Vein. Drilling at the new “Pristine” target began in November and nine holes totalling 2,229 metres have been drilled to date. Assays have been received for 56% of samples submitted to the laboratory or approximately 15,000 metres of core.

Highlights from the drilling program include high grade intersections of 276.56 g/t Au over 0.5m in hole K-21-31 and 75.86 g/t Au over 1m in hole K-21-49 from the Big Vein zone and 44.08 g/t Au over 4.28m in hole K-21-39, and 128.51 over 1.12g/t Au in hole K-21-47 from the HTC Zone.

Regional Exploration

LabGold continued its systematic exploration along the Appleton Fault Zone during 2021, using prospecting, mapping, geophysics, soil and till sampling to great effect with two significant results.

Prospecting following up coincident structures and geochemical anomalies led to the discovery of the Golden Glove occurrence on the east side of the Appleton Fault Zone approximately 3.4km southwest of Big Vein. The occurrence consists of an outcrop of quartz vein containing visible gold that assayed from 2.99 g/t Au to 338.08 g/t Au. Soil sampling, ground magnetics and VLF-EM have been carried out in the Golden Glove area to assist in drill targeting with results expected early in the new year.

Two till samples taken approximately 700 metres northeast (down ice) of Big Vein returned 165 and 311 gold grains of which 96% and 83%, respectively were pristine. The large number of pristine grains in these samples indicates a short transport distance suggesting a source other than Big Vein closer to the sample locations. Follow up work in the area immediately up ice of these samples found quartz veins containing pyrite and arsenopyrite. Diamond drilling at this “Pristine” target began in November and assays from the first holes are pending.

Numerous other gold anomalies were uncovered along the Appleton Fault Zone that will be aggressively followed up during 2022 to define additional targets for drilling.

Financings

During the year, the Company raised \$24.8 million at an average price of \$0.81 in two private placements with Mr. Eric Sprott and New Found Gold. As at December 24, 2021, the Company had \$30.8 million in cash and a market cap of \$124.5 million.

Outlook for 2022

LabGold will continue to explore the entire 12km strike length of the Appleton Fault Zone during 2022 including:

- Continued diamond drilling at Big Vein and the “Pristine” target testing along strike and at depth.
- Initial drilling at Golden Glove following receipt of survey results and drill permit.
- Upgrading of gold anomalies and generation of new targets using the same techniques that produced discoveries during 2020 and 2021.

“2021 was an exciting year for us as the LabGold team built on the exploration success achieved in 2020. The drilling at Big Vein demonstrated the presence of high grade epizonal style gold mineralization at Kingsway and the discovery of visible gold at Golden Glove and pristine gold grains at the “Pristine” target reinforces the prospectivity of the Appleton Fault Zone,” said Roger Moss, President and CEO of Labrador Gold. “Given the number of gold anomalies we have uncovered along the 12km length of the Appleton Fault Zone 2022 is shaping up to be another year of discovery for LabGold. Many assays remain outstanding from 2021 which, together with our continued drilling, will result in a steady flow of news next year. With over \$30 million in cash and no debt the Company is well capitalized for its planned exploration programs. I would like to express my thanks to the LabGold exploration team for their commitment to the project and to the Newfoundland government for their continued support and assistance. Finally, to our shareholders, we wouldn’t be here without you, and we look forward to sharing with you what we expect to be another year of discovery in 2022.”

QA/QC

True widths of the reported intersections have yet to be calculated. Assays are uncut. Samples of HQ and NQ split core are securely stored prior to shipping to Eastern Analytical Laboratory in Springdale, Newfoundland for assay. Eastern Analytical is an ISO/IEC17025 accredited laboratory. Samples are routinely analyzed for gold by standard 30g fire assay with ICP (inductively coupled plasma) finish with samples containing visible gold assayed by metallic screen/fire assay. The company submits blanks and certified reference standards at a rate of approximately 5% of the total samples in each batch.

Qualified Person

Roger Moss, PhD., P.Geo., President and CEO of LabGold, a Qualified Person in accordance with Canadian regulatory requirements as set out in NI 43-101, has read and approved the scientific and technical information that forms the basis for the disclosure contained in this release.

The Company gratefully acknowledges the Newfoundland and Labrador Ministry of Natural Resources' Junior Exploration Assistance (JEA) Program for its financial support for exploration of the Kingsway property.

About Labrador Gold

Labrador Gold is a Canadian based mineral exploration company focused on the acquisition and exploration of prospective gold projects in Eastern Canada.

In early 2020, Labrador Gold acquired the option to earn a 100% interest in the Kingsway project in the Gander area of Newfoundland. The three licenses comprising the Kingsway project cover approximately 12km of the Appleton Fault Zone which is associated with gold occurrences in the region, including those of New Found Gold immediately to the south of Kingsway. Infrastructure in the area is excellent located just 18km from the town of Gander with road access to the project, nearby electricity and abundant local water. LabGold is drilling a projected 50,000 metres targeting high-grade epizonal gold mineralization along the Appleton Fault Zone following encouraging early results. The Company has approximately \$32 million in working capital and is well funded to carry out the planned program.

The Hopedale property covers much of the Florence Lake greenstone belts that stretches over 60 km. The belt is typical of greenstone belts around the world but has been underexplored by comparison. Work to date by Labrador Gold show gold anomalies in rocks, soils and lake sediments over a 3 kilometre 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 km along the southern section of the greenstone belt (see news release dated January 25th 2018 for more details). Labrador Gold now controls approximately 40km strike length of the Florence Lake Greenstone Belt.

The Company has 153,711,033 common shares issued and outstanding and trades on the TSX Venture Exchange under the symbol LAB.

For more information please contact:

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Or visit our website at: www.labradorgold.com

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other metals, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements, except as required by law. Shareholders are cautioned not to put undue reliance on such forward-looking statements.