

Drill Assay Results from Mitchell Lake Zone Return 9.26 G/T Gold Over 0.5 Metres and a Broader Disseminated Intercept of 30.50 Metres Grading 0.70 G/T Gold

Vancouver, British Columbia--(Newsfile Corp. - March 1, 2018) - OSPREY GOLD DEVELOPMENT LTD. (TSXV: OS) (OTCQB: OSSPF) (the "Company" or "Osprey") is pleased to announce assay results from three holes drilled on the western portion of the Goldenville property in the Mitchell Lake Zone. The Company's Goldenville Property ("Goldenville") is located in Guysborough County, Nova Scotia, and was the subject of the recently completed 3,044 metre ("m") diamond drill program. This release includes results for three holes totaling 435 m; all three holes hit multiple intervals of gold mineralization, characterized by both high grade quartz vein hosted gold, as well as broad lower grade gold intercepts with mineralized host rock and veinlets.

Highlights:

- MIT17-01 intersected a broad zone of gold mineralization; 30.50 m of 0.70 grams per tonne ("g/t") gold, including 8.10 m of 1.10 g/t gold, and 9.40 m of 1.02 g/t gold;
- MIT17-01 also intersected high grade mineralization, 9.26 g/t gold over 0.50 m
- MIT17-02 intersected multiple zones of mineralization, with 23% of the assay intervals returning between 0.50 – 3.65 g/t gold;
- MIT17-03 intersected another broad zone of gold mineralization, with 25.10 m of 0.41 g/t gold, including 8.30 m of 0.89 g/t gold

Company President Cooper Quinn said, "The results from Mitchell Lake continue to show the potential for broad zones of disseminated mineralization within the host rock on the Goldenville project. The Mitchell Lake area is large, with little previous exploration work, however limited prior drilling by a former operator included 1.33 g/t Au over 20.2m in hole MIT-1. The potential for disseminated mineralization in the area has been known for some time as a report from 1898 in the *Industrial Advocate* indicates, 'In this vicinity are some of the largest low grade belts of [mineralization] in the district, and as this class of mining will be eventually the mainstay of the gold mining industry in this province...'. We see these results as very encouraging for our model at Mitchell Lake, and are looking forward to following up on these high grade veins and disseminated gold results with our 2018 exploration program."

The holes drilled at Mitchell Lake cover approximately 150 m of strike length, and are located roughly 4 kilometres from the center of Osprey's current NI 43-101 Inferred Resource of 2,800,000 tonnes at 3.20 g/t gold for 288,000 ounces of gold (2,800,000 tonnes at 4.96 g/t gold for 447,000 ounces of gold uncapped). Previous results from the resource expansion drill program successfully intersected mineralization outside of the existing resource area, as previously reported by way of news releases dated November 6, 2017, and February 21, 2018. The Mitchell Lake Zone remains open in all directions and at depth.

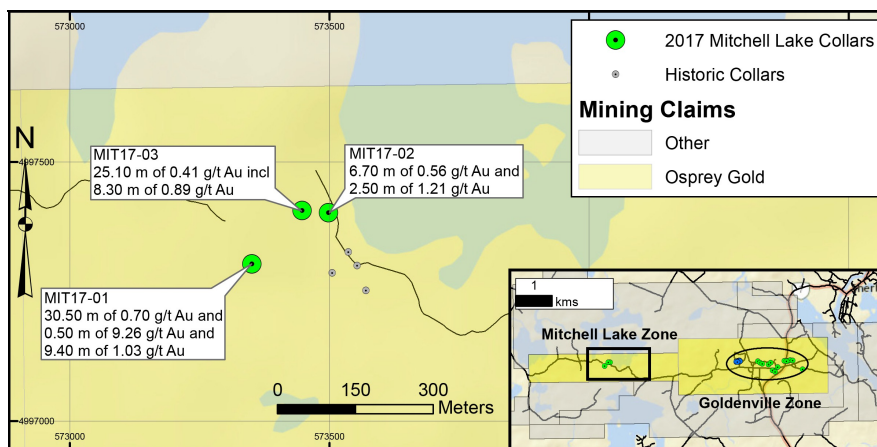
More complete assay results from the program are available below in Table 1, with collar location data in Table 2. In addition, a plan map displaying drill collars from this program in relation to historic drill collars and shaft locations for past producing mines on the property can be seen below in Figure 1, and at the Company's website (www.ospreygold.com).

Table 1 — Drill results from 2017 Exploration Program

Hole ID	From	To	Width*	Au (g/t)
MIT17-01	115.35	116.20	0.85	4.17
MIT17-01	120.00	120.60	0.60	1.52
MIT17-01	126.80	157.30	30.50	0.70
<i>incl</i>	129.50	137.60	8.10	1.10
<i>and</i>	146.30	155.70	9.40	1.02
MIT17-01	146.30	155.70	9.40	1.03
<i>incl</i>	155.00	155.70	0.70	5.17
MIT17-01	168.50	169.00	0.50	9.26
MIT17-01	174.00	174.50	0.50	1.36
MIT17-02	23.80	25.60	1.80	1.36
<i>incl</i>	23.80	24.30	0.50	3.65
MIT17-02	43.70	50.40	6.70	0.56
<i>incl</i>	45.20	47.70	2.50	1.21
MIT17-02	67.00	69.50	2.50	1.42
MIT17-02	102.00	102.50	0.50	1.87
MIT17-03	31.70	56.80	25.10	0.41
<i>incl</i>	34.50	52.30	17.80	0.50
<i>incl</i>	44.00	52.30	8.30	0.89

*Core axis angles of the bedding planes vary but average approximately 45 degrees in MIT17-01, and 60 degrees in MIT17-02 and 03.

Figure 1 - 2017 Mitchell Lake Drill Collar Locations



Cannot view Figure 1? Please visit https://orders.newsfilecorp.com/files/5059/33213_a1519880003083_7.jpg

Table 2 — Drill Hole Collar Data

Hole ID	Location	Easting	Northing	Depth	Azimuth	Dip
MIT17-1	Mitchell Lake W	573350	4997303	178	0	-45
MIT17-2	Mitchell Lake	573498	4997402	151	180	-45
MIT17-3	Mitchell Lake	573447	4997406	106	180	-45

About Goldenville and Osprey

Osprey is focused on exploring five historically producing gold properties in Nova Scotia, Canada. Osprey has the option to earn 100% (subject to certain royalties) in all five properties, including the Goldenville Gold Project, Nova Scotia's largest historic gold producer. Goldenville hosts a current NI 43-101 Inferred Resource of 2,800,000 tonnes at 3.20 g/t gold for 288,000 ounces of gold (2,800,000 tonnes at 4.96 g/t gold for 447,000 ounces of gold uncapped) near the town of Sherbrooke, NS. All five properties in Osprey's current portfolio have a history of high-grade gold production. A copy of the Company's technical report titled "Technical Report on the Goldenville Property, Guysborough County, Nova Scotia Canada" prepared by David G. Thomas, M.Sc., P. Geo. and Neil Pettigrew, M.Sc., P. Geo. is available under the Company's profile at www.SEDAR.com.

Samples from the 2017 exploration program are cut with a diamond saw, and placed in sealed bags and shipped to Bureau Veritas Commodities in Timmins, ON for sample preparation, with pulps subsequently shipped to Vancouver, BC for gold and multi-element ICP analysis. A Quality Control/Quality Assurance program, including the insertion of Duplicates, Standards, and Blanks, has been implemented. All quality control samples were acceptable. The 2017 exploration program is performed under the supervision Perry MacKinnon, P. Geo, Vice President of Exploration of Osprey and a 'Qualified Person' under NI 43-101. Mr. MacKinnon has reviewed and approved the technical content of this release.

Additional information regarding Osprey and the Goldenville property is available under the Company's profile at www.sedar.com and at www.ospreygold.com.

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ON BEHALF OF OSPREY GOLD DEVELOPMENT LTD.,

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