

Vancouver, British Columbia--(Newsfile Corp. - March 2, 2017) - [Osprey Gold Development Ltd.](#) (formerly, Gonzaga Resources Ltd.) (TSXV: OS) (the "Company" or "Osprey") is pleased to announce the closing of its previously announced acquisition (the "Acquisition") of Crosby Gold Ltd. ("Crosby"), which holds an option (the "Option") to acquire a 100% interest (subject to certain royalties) in the Goldenville Gold Project located in Guysborough County, Nova Scotia (the "Goldenville Property"). The terms of the Option are more fully described in the Company's news release dated January 10, 2017.

On closing of the Acquisition, the Company has acquired all of the issued and outstanding shares of Crosby (the "Crosby Shares") in consideration of the issuance of an aggregate of 5,840,000 common shares of the Company to Crosby's shareholders. Upon completion of the Acquisition, Crosby has become a wholly owned subsidiary of the Company.

The Company is also pleased to report that it has closed its previously announced non-brokered private placement (the "Private Placement") of 7,200,000 units of Osprey at a price of \$0.25 per unit, for aggregate proceeds of \$1,800,000. Each unit consists of one common share and one half of one share purchase warrant, entitling the holder to purchase an additional common share at a price of \$0.40 per share for a period of 18 months from date of issuance.

The Company paid aggregate cash finders' fees of \$90,480 and issued 433,920 Finders' Warrants in connection with the Private Placement. Each Finder's Warrant entitles the holder to acquire one common share of the Company at \$0.40 per share for 18 months from the date of closing.

The net proceeds of the private placement will be used for exploration, advancement of the Goldenville Property, and general working capital. All securities issued under the Acquisition and the Private Placement are subject to a hold period expiring July 3, 2017.

In conjunction with closing the Acquisition, the Company has commissioned a technical report titled "TECHNICAL REPORT on the GOLDENVILLE PROPERTY, GUYSBOROUGH COUNTY, NOVA SCOTIA, CANADA" (the "Technical Report"). Brandon Macdonald, P.Geo., authored the Technical Report with an effective date of February 15th, 2017. A copy of the Technical Report will be available under the Company's profile at www.sedar.com.

About Goldenville

As disclosed in the Technical Report, the Goldenville Gold District, where the Goldenville Property is located, is regarded as one of the most important gold mining districts in Nova Scotia with past gold production between 1862 and 1942 of approximately 212,300 ounces from 551,797 tonnes indicating an historic recovered grade of 11.97 g/t, as reported in the Technical Report.

The Goldenville Property consists of three contiguous mineral titles totaling approximately 970 ha in Northeastern Nova Scotia. The Goldenville Property has a historical inferred mineral resource of 244,730 ounces of gold in 533,739 tonnes grading 14.26 g/t and a historical indicated mineral resource of 37,000 ounces of gold in 106,976 tonnes grading 10.76 g/t, using a cutoff of 2.0 g/t gold as reported in the Technical Report. The reader is cautioned that a Qualified Person has not done sufficient work to classify this historical estimate as current resources and Osprey is not treating this historical estimate as a current mineral resource. While this estimate was prepared, in accordance with National Instrument 43-101 and the "Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Mineral Reserves Definition Guidelines" in effect at the time, there is no guarantee that it would be consistent with current standards and it should not be regarded as consistent with current standards.

The technical information in this release has been reviewed and approved by Brandon Macdonald, P.Geo, a 'Qualified Person' under NI 43-101.

ON BEHALF OF [Osprey Gold Development Ltd.](#)

"Cooper Quinn"
Cooper Quinn, President

For further information please contact Osprey at (236)521-0944 or info@ospreygold.com

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All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to Osprey within the meaning of applicable securities laws, including statements with respect to the proposed acquisition of the Goldenville Property Option and the transactions contemplated in connection therewith. Osprey provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future and readers are

cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. These risks and uncertainties include but are not limited to those identified and reported in Osprey's public filings under Osprey's SEDAR profile at www.sedar.com. Although Osprey has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Osprey disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.

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