Skyline Gold Corp.: Shareholders Approve Share Consolidation, New Board of Directors Elected, Share Rights Offering and Company Name Change to Proceed

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VANCOUVER, 05/22/12 - Skyline Gold Corporation (TSX VENTURE: SK) ("Skyline" or the "Company") is pleased to announce significant advances for the Company.

Highlights

- Over 98% of voting Shareholders approve 10:1 share consolidation at AGM
- New members elected to the Board of Directors
- Exploration and Technical Committee expanded
- Company moves forward with Share Rights Offering
- Company Name to change to SnipGold Corp.
- 2012 Exploration Program Scheduled to begin

Share Consolidation

Skyline is pleased to announce that over 18% of Shareholders voted in the Annual General Meeting, with over 98% voting in support of the 10:1 share consolidation. The Board believes that the strong support to consolidate the Company's share structure, in combination with the efforts of the technically strong exploration team, will enable the Company to attract the necessary capital to explore for high-grade gold in the Company's extensive land package held in the Iskut River area of British Columbia.

New Members Elected to Board of Directors

Elected to the Board of Directors are Mr. Ron Netolitzky as Chairman, Mr. Steve Cook, Mr. Maurice Tagami and Mr. John Zbeetnoff. Continuing on the Board are Mr. Patrick Soares, Mr. Robert Matthews and Mr. Cliff Grandison.

Upon being elected Chairman of the Board, Mr. Netolitzky commented, "I am pleased to again be in a key role in the exploration of the Iskut region of British Columbia." Mr. Netolitzky was instrumental in the discovery of the Snip and Eskay Creek mines.

Management is excited about adding these very experienced individuals to the Board of Directors and is confident that their contributions, combined with Management's strong technical skills, will guide the Company to success.

Mr. Cook, Mr. Matthews, Mr. Soares, Mr. Tagami and Mr. Zbeetnoff were all teamed with Mr. Netolitzky's leadership as Chairman of Brett Resources Inc. ("Brett") in the exploration driven growth of the Hammond Reef gold deposit in northwestern Ontario. The Brett team increased the market capitalization of that company from approximately $54 million to approximately $444 million, when Brett was acquired by Osisko Mining Corp. in May 2010.

Exploration and Technical Committee Expanded

The core of the exploration and technical committee includes Mr. Netolitzky, Mr. Zbeetnoff, Mr. Jim Sparling, Mr. Tagami and Mr. Adam Travis.

Share Rights Offering

Shareholder approval of the Share Consolidation allows Skyline to proceed with its previously announced

Share Rights Offering ("SRO"). Under the SRO, the Company will issue rights (the "Rights") to each of its current shareholders on a date (the "Record Date") to be determined. Once issued, the Rights will be exercisable for approximately 21 days. The Rights will entitle their holders to subscribe for additional securities of the Company at an attractive price. The Company plans to file a short-form prospectus with applicable regulatory authorities in order to qualify the distribution of the Rights. Details of the SRO will be contained in the prospectus.

The price of the securities issuable upon exercise of the Rights will be determined by the Company's Board of Directors, in accordance with the requirements of securities regulatory authorities and the TSX Venture Exchange.

The SRO remains subject to regulatory approval. Upon receiving all necessary regulatory approvals, the Company will announce the Record Date for the SRO.

Company Name Change

Subject to the approval of the TSX Venture Exchange, the Company will formally change its name to "SnipGold Corp." to reflect its new focus on high-grade gold exploration within its expanded land position which substantially surrounds the historic Snip mine currently held by Barrick Gold Corporation. The Company expects its common shares to begin trading under the new name sometime later this week. The new trading symbol will be announced when it has been assigned.

2012 Exploration Program Scheduled Start-Up

The 2012 exploration program will be focused on drill testing high priority drill targets. Drilling is expected to start in early July 2012. Details on the drill targets will be the subject of a separate news release.

ON BEHALF OF THE BOARD

John Zbeetnoff
Chief Executive Officer

Statements in this press release include certain "forward-looking information". Statements in this news release regarding the timing and completion of the consolidation and name change, the terms of the SRO, and the timing and focus of the 2012 exploration program contain forward-looking information. Readers are cautioned that actual events may vary from the forward-looking information contained in this news release. Material risk factors that could cause actual results to differ materially from the forward-looking information in this news release include, but are not limited to, changes in market conditions or regulatory requirements applicable to the consolidation, name change, SRO, and all of the risks normally associated with mineral exploration. The forward-looking information in this news release is based on the assumptions that market conditions and regulatory requirements will not change in any material respect, that the Company will be able to obtain all approvals required for the completion of the name change, consolidation and SRO, and that there are no unforeseen technical issues in completion the 2012 exploration program. The Company does not assume any responsibility for updating forward-looking information, except as required by law.

About the Iskut Property

Skyline has assembled 247 square kilometre land package in the Iskut region of British Columbia which has been partially explored over the past 30 years by several independent junior exploration companies, typically holding small claim groups. The Company continues to compile key components of historical data from the historical exploration efforts into a single digital database.

The main focus of the 2012 exploration at the Iskut Property is for high-grade gold mineralization, similar to the adjacent Snip Gold Mine, a past producer which yielded over 1 million ounces at an average grade of 24.5 g/t Au (BC Minfile).

Precious metals at the Snip Mine were carried both in sulphides (typically pyrite or pyrrhotite) as well as in an alteration halo surrounding the sulphide core. These sulphides are highly responsive to electro-magnetic ("EM") geophysical surveys.

Skyline's management believes that it is the association with gold to sulphides that will be the key to vectoring the discovery of high-grade gold-bearing structures.

About Skyline

Skyline Gold is an exploration company focused on the exploration and expansion of gold resources in northwestern British Columbia. Skyline's board and management have significant experience in both the discovery and development of gold projects in this area.

On Behalf of the Board of Directors Skyline Gold Corporation

John Zbeetnoff
Chief Executive Officer

Statements in this press release include certain "forward-looking information". Statements in this news release regarding the terms of the Offering and the Company's use of the proceeds of the Offering contain forward-looking information. Readers are cautioned that actual events may vary from the forward-looking information contained in this news release. Material risk factors that could cause actual results to differ materially from the forward-looking information in this news release include, but are not limited to, changes in market conditions or regulatory requirements applicable to the Offering. The forward-looking information in this news release is based on the assumptions that market conditions and regulatory requirements will not change in any material respect and that the Company will be able to obtain all approvals required for the completion of the Offering. The Company does not assume any responsibility for updating forward-looking information, except as required by law.

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