Skyharbour’s Partner Company Azincourt Energy Completes Earn-In of Interest and Forms JV with Skyharbour at the East Preston Project

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ANCOUVER, Feb. 17, 2021 - Skyharbour Resources Ltd. (TSX-V: SYH) (OTCQB: SYHBF) (Frankfurt: SC1P) (the "Company") partner company Azincourt Energy Corp. ("Azincourt") is pleased to announce that it has completed the earn-in of a seventy percent interest in the East Preston Uranium Project, located in the western Athabasca basin, Saskatchewan, Canada. Azincourt previously held an option to acquire the interest through a property option agreement entered into with Skyharbour and Dixie Gold Inc. ("Dixie Gold"; TSX-V: DG).

Project Location - Western Athabasca Basin, Saskatchewan, Canada:
https://skyharbourltd.com/_resources/maps/SYH-Patterson-Lake.pdf

Azincourt has now earned their interest in the project by completing CAD $2.5 million in staged exploration expenditures and making a total of CAD $1 million in cash payments over the previous four years as well as issuing a total of 9.5 million common shares of Azincourt divided evenly between Skyharbour and Dixie Gold.

Following acquisition of the interest, Azincourt has formed a joint venture with Skyharbour and Dixie Gold for the future advancement and development of the Project. Azincourt now holds a seventy percent interest in the joint venture, with the remaining interest split evenly between Skyharbour and Dixie Gold with each company retaining a fifteen percent interest in the Project.

As previously announced, road preparation and placement of bridges to allow access to the primary drill sites at the East Preston property is underway. The 2021 exploration program is anticipated to cost approximately $1M to $1.4M and consists of a 10 - 12 hole, 2000-to-2500 meter diamond drill program. Drilling is anticipated to commence later this month.

Skyharbour's President and CEO, Jordan Trimble commented: "Skyharbour continues to execute on its business model by adding value to its project base in the Athabasca Basin through focused mineral exploration at its 100% owned flagship Moore Uranium Project as well as utilizing the prospect generator model to advance its secondary projects with strategic partners. We are excited to have the opportunity to work with Azincourt as a joint-venture partner at East Preston going forward and will benefit from any upside at the Project with our minority interest. This partnership also complements the recent option agreement we signed with Valor Resources at our North Falcon Point Uranium Project as well as our partnership with Orano Canada at our Preston Project adjacent to East Preston. Skyharbour maintains a dominant land position in the Athabasca Basin with six drill-ready uranium projects."

Skyharbour's Uranium Project Map in the Athabasca Basin:
http://skyharbourltd.com/_resources/maps/SYH-Athabasca-Map.pdf

"We are pleased to reach this important milestone," said Alex Klenman, President and CEO of Azincourt. "We'd like to thank our partners at Skyharbour and Dixie for being flexible along the way by adjusting some of the timeline to accommodate market conditions. We look forward to working with them as we move forward with the next phases of development at East Preston," continued Mr. Klenman.

About East Preston:

Skyharbour and Dixie Gold entered into an Option Agreement (the "Agreement") with Azincourt whereby

Azincourt has an earn-in option to acquire a 70% working interest in a portion of the Preston Uranium Project known as the East Preston Property. Under the Agreement, Azincourt has issued common shares and will contribute cash and exploration expenditure consideration totaling up to CAD $3,500,000 in exchange for up to 70% of the applicable property area over three years. Of the $3,500,000 in project consideration, $1,000,000 will be in cash payments to Skyharbour and Dixie Gold, as well as $2,500,000 in exploration expenditures over the initial three-year period. Skyharbour and Dixie Gold agreed to extend the deadline for the remaining obligations owing to complete the acquisition of a 70% interest in the Project, which include incurring a small portion of the exploration expenditures remaining on the Project and completion of a final cash payment of CAD $400,000 (see News Release dated April 16, 2020). The deadline for these obligations was extended through until March 31st, 2021 and in consideration for the extension, Azincourt issued common shares to Skyharbour and Dixie Gold. Azincourt has now completed the acquisition of the seventy percent interest in the East Preston and Skyharbour retains a fifteen percent interest in the joint venture.

Three prospective conductive, low magnetic signature corridors have been discovered on the property. The three distinct corridors have a total strike length of over 25 km, each with multiple EM conductor trends identified. Ground prospecting and sampling work completed to date has identified outcrop, soil, biogeochemical and radon anomalies, which are key pathfinder elements for unconformity uranium deposit discovery.

The East Preston Project has multiple long linear conductors with flexural changes in orientation and offset breaks in the vicinity of interpreted fault lineaments - classic targets for basement-hosted unconformity uranium deposits. These are not just simple basement conductors; they are clearly upgraded/enhanced prospectivity targets because of the structural complexity. The targets are basement-hosted unconformity related uranium deposits similar to NexGen's Arrow deposit and Cameco's Eagle Point mine. East Preston is near the southern edge of the western Athabasca Basin, where targets are in a near surface environment without Athabasca sandstone cover; therefore, they are relatively shallow targets but can have great depth extent when discovered. The project ground is located along a parallel conductive trend between the PLS-Arrow trend and Cameco's Centennial deposit (Virgin River-Dufferin Lake trend).

Qualified Person:

The technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed and approved by Richard Kusmirski, P.Geo., M.Sc., Skyharbour's Head Technical Advisor and a Director, as well as a Qualified Person.

About Skyharbour Resources Ltd.:

Skyharbour holds an extensive portfolio of uranium and thorium exploration projects in Canada's Athabasca Basin and is well positioned to benefit from improving uranium market fundamentals with six drill-ready projects. Skyharbour has acquired from Denison Mines, a large strategic shareholder of the Company, a 100% interest in the Moore Uranium Project which is located 15 kilometres east of Denison's Wheeler River project and 39 kilometres south of Cameco's McArthur River uranium mine. Moore is an advanced stage uranium exploration property with high grade uranium mineralization at the Maverick Zone that returned drill results of up to 6.0% U_3O_8 over 5.9 metres including 20.8% U_3O_8 over 1.5 metres at a vertical depth of 265 metres.

Skyharbour has and option agreement with Orano Canada Inc. and a joint venture agreement with Azincourt Energy. Orano can earn in up to 70% of the Preston and Azincourt recently earned in 70% of the East Preston Project, respectively, through a combined $9,800,000 in total exploration expenditures, as well as $1,700,000 in total cash payments and Azincourt shares. Preston and Preston East are large, geologically prospective properties proximal to Fission Uranium's Triple R deposit as well as NexGen Energy's Arrow deposit.

The Company owns a 100% interest in the South Falcon Uranium Project on the eastern perimeter of the Basin which contains a NI 43-101 inferred resource totaling 7.0 million pounds of U_3O_8 at 0.03% and 5.3 million pounds of ThO_2 at 0.023%. Skyharbour has signed a Definitive Agreement with Australian company Pitchblende Energy, which is being acquired by ASX-listed Valor Resources, on the North Falcon Uranium

Project whereby Pitchblende can earn-in 80% of the project through $3,500,000 in total exploration expenditures, $475,000 in total cash payments over three years and an initial share issuance.

Skyharbour's goal is to maximize shareholder value through new mineral discoveries, committed long-term partnerships, and the advancement of exploration projects in geopolitically favourable jurisdictions.

Skyharbour's Uranium Project Map in the Athabasca Basin:
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To find out more about Skyharbour Resources Ltd. (TSX-V: SYH) visit the Company's website at www.skyharbourltd.com.

Skyharbour Resources Ltd.

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