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OSPREY GOLD DEVELOPMENT LTD.

NEWS RELEASE

OSPREY INCREASES PRIVATE PLACEMENT FOR PROCEEDS OF UP TO \$1,350,000

TSXV– OS

VANCOUVER, FEBRUARY 1, 2018. OSPREY GOLD DEVELOPMENT LTD. (the "Company" or "Osprey") (TSXV: OS, OTCQB: OSSPF) is pleased to announce that the non-brokered private placement offering of up to 13,333,333 units at \$0.075 per unit for gross proceeds of up to \$1,000,000 previously announced in the Company's news release of January 19, 2018 (the "Private Placement") has been increased to up to 18,000,000 units (the "Units") at \$0.075 per unit for gross proceeds of up to \$1,350,000 (the "Offering"). The Offering is not subject to any minimum subscription.

Each Unit will consist of one common share in the capital of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"), with each Warrant entitling the holder thereof to acquire an additional Common Share at an exercise price of \$0.12 per Common Share for 24 months from the date of issuance (the "Closing Date").

Subject to the approval of the Exchange, finders' fees, which may consist of cash and/or finders' warrants exercisable to acquire one Common Share at a price of \$0.12 per share for a period of 24 months, may be paid in respect of subscriptions by certain arm's length subscribers.

Closing of the private placement remains subject to the approval of the TSX Venture Exchange. The net proceeds of the private placement will be used for exploration and advancement of Osprey's properties located in Nova Scotia, Canada, and general working capital. All securities to be issued in connection with the private placement will be subject to a hold period of four months and one day from the date of issuance.

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.

The technical information in this release has been reviewed and approved by the Company's Vice President of Exploration Perry MacKinnon, P. Geo, a 'Qualified Person' under NI 43-101.

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

ON BEHALF OF OSPREY GOLD DEVELOPMENT LTD.,

"Cooper Quinn"

Cooper Quinn, President and Director

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

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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. 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, exploration findings, results and recommendations, as well as those risks and uncertainties 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.

UNITED STATES ADVISORY. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), have been offered and sold outside the United States to eligible investors pursuant to Regulation S promulgated under the U.S. Securities Act, and may not be offered, sold, or resold in the United States or to, or for the account of or benefit of, a U.S. Person (as such term is defined in Regulation S under the United States Securities Act) unless the securities are registered under the U.S. Securities Act, or an exemption from the registration requirements of the U.S. Securities Act is available. Hedging transactions involving the securities must not be conducted unless in accordance with the U.S. Securities Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall

there be any sale of securities in the state in the United States in which such offer, solicitation or sale would be unlawful.