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OSPREY GOLD DEVELOPMENT LTD.

NEWS RELEASE

OSPREY CLOSSES FLOW THROUGH PRIVATE PLACEMENT FOR PROCEEDS OF \$100,050

TSXV– OS

VANCOUVER, December 31, 2018. OSPREY GOLD DEVELOPMENT LTD. (the “Company” or “Osprey”) (TSXV: OS, OTCQB: OSSPF) is pleased to report that it has closed its previously announced non-brokered private placement (the “Private Placement”) of 1,334,000 flow through units (FT Units) of Osprey at a price of \$0.075 per unit, for aggregate proceeds of \$100,050. Each unit consists of one common share and one-half share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at a price of \$0.12 per share for a period of 18 months from date of issuance.

The net proceeds of the private placement will be used for exploration and advancement of Osprey’s exploration projects located in Nova Scotia, Canada, and general working capital. All securities issued under the Private Placement are subject to a hold period expiring four months and one day after date of issuance.

The Company paid aggregate cash finders’ fees of \$7,004 and issued 93,380 Finders’ Warrants in connection with the Private Placement. Each Finder’s Warrant entitles the holder to acquire one common share of the Company at \$0.12 per share for 18 months from the date of closing.

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 (778)986-8192 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 and with respect to the financing and the properties. 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.