



HY LAKE
GOLD INC

NEWS RELEASE

**CNQ: HYL
FRANKFURT: HYK**

HY LAKE COMPLETES 6342 METRE FIRST STAGE 2008 DRILL PROGRAM

Testing high potential Rowan Property structural targets and the Red Summit Mine Property

FOR IMMEDIATE RELEASE, October 7, 2008 – Toronto, Ontario.

Hy Lake Gold Inc. (CNQ: HYL; FRANKFURT: HYK) (“Hy Lake Gold” and “the Company”) is pleased to announce that it has completed the first phase of the 2008 diamond drilling program at the Red Lake project, including the Rowan Property optioned from Red Lake Gold Mines (Goldcorp), (see news release dated December 13, 2007) and the Red Summit Mine Property recently acquired from Claude Resources Inc. (see news release dated March 3, 2008). This first phase of drilling consisted of 15 holes totaling 6342 metres.

Highlights:

- **Testing the extension of the Porphyry Hill mineralized zone along strike toward the Newman-Todd Au occurrence**
- **Testing of the mineralized zone at the Red Summit Mine downdip and along strike of the historic workings**
- **Testing a structural target represented by the intersection of the Pipestone Bay – St. Paul Bay Deformation Zone with the Golden Arm Structure**
- **Testing for strike extensions of the Rowan Mine Structure**

The Porphyry Hill Zone Extension is the continuation of the mineralized zone that Redstar Gold Corp recently drilled on its Newman Todd Property, contiguous to Hy Lake Gold’s Rowan Property.

At the adjacent Newman Todd property, Redstar Gold Corp. has intersected high grade gold mineralization within an extensive area of alteration and brecciation. Multiple gold zones, strong carbonate alteration and the proximity to folded ultramafic rocks are some of the similarities of the Newman Todd mineralization to the main producing mines in the Red Lake gold camp, including Goldcorp’s Red Lake and Campbell mines. This same package of rocks continues onto Hy Lake Gold’s Rowan Property. The gold mineralization at Newman Todd is hosted within an extensive breccia corridor defined by extensive carbonate alteration, silicification, quartz veining and sulphide/magnetite replacement zones. Drilling and geophysics have traced this zone for over 2.0 kms with widths up to 250 metres. Hy Lake is testing the strike extension of this corridor and mineralization. In a press release dated April 28, 2008, Redstar Gold Corp. reported new high grade intersections of 25.70 grams of gold per tonne over 1.0 metres drilled midway between two previously announced high grade intercepts that are 800m apart that reported 61.02 grams of gold per tonne over 1.0 metres and 16.35 grams of gold per tonne over 1.0 metres.

Hy Lake Gold is drilling the steeply dipping gold mineralization which trends east-west for 10 kms on the Red Summit Mine Property and adjacent Rowan Property. The program is targeting gold mineralization associated with the favorable Red Lake geology along strike and below the historic Red Summit Mine workings and along the Pipestone Bay – St. Paul Bay Deformation Zone. Surface grab samples collected

by Hy Lake Gold Inc from the Red Summit Mine ore stockpile returned an average grade of 10.45 grams of gold per tonne from six samples, with a range of 0.22 grams of gold per tonne to 47.33 grams of gold per tonne.

A key target developed by both Goldcorp and Hy Lake Gold geologists is the intersection of the Pipestone Bay – St Paul Bay Deformation Zone and the Golden Arm structure. Several holes will test this target, the first of which was drilled during this phase. The Golden Arm Structure lies east of, and subparallel to, the Newman Todd corridor and the Porphyry Hill trends.

The Red Lake greenstone belt is host to some of the richest gold deposits in the world. The Red Lake Gold Camp has produced more than 24 million ounces of gold to date (source: Ontario Ministry of Northern Development and Mines).

The Hy Lake Gold properties lie on the Pipestone Bay - St. Paul Bay Deformation zone and hosts three historic gold producers: the Rowan Lake Gold Mine (Hy Lake Gold and Goldcorp), the Mount Jamie Mine (Hy Lake Gold) and the Red Summit Mine (Hy Lake Gold and Claude Resources). The properties, which have been explored only to very shallow depths, are underlain by the same geology and structure as these three past producers and have been subjected to limited underground exploration. The properties host numerous gold occurrences which have seen limited drill testing and potential exists to expand upon these gold mineralized zones both along strike and at depth.

All exploration work was conducted under Kenneth Guy, P. Geo., designated Qualified Person for Hy Lake Gold, who has reviewed this press release. Gold analyses of samples collected by Hy Lake Gold are being made by SGS Canada Inc., Mineral Services in Red Lake, Ontario.

Hy Lake Gold is a junior exploration company focused on the gold exploration and development business in the prolific Red Lake mining district of northwestern Ontario, Canada. Hy Lake Gold has assembled two significant property packages totalling approximately 3,000 hectares in west Red Lake. The properties cover a 10 kilometre distance along the west Red Lake Trend, containing three former producing gold mines, and the Company intends to explore these properties both along strike and at depth. To find out more about Hy Lake Gold Inc. (CNQ: HYL; FRANKFURT: HYK) visit our website at www.hylake.com.

There are 24,649,195 shares of the Company outstanding.

On behalf of the board:
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