



NEWS RELEASE

Toronto: January 11, 2011

HY LAKE GOLD CLOSES FLOW-THROUGH PRIVATE PLACEMENT

Hy Lake Gold Inc. (CNSX: HYL; FRANKFURT: HYK) is pleased to announce the closing, on December 23, 2010 and December 31, 2010, respectively of two tranches of a non-brokered flow-through private placement totaling 3,569,953 Units of the Company at \$0.55 per Unit for gross proceeds of \$1,963,474.15.

Each Unit consists of one flow-through common share and one common share purchase warrant. Each warrant has a 24 month term and entitles the holder to purchase one additional common share of Hy Lake Gold at a price of \$0.75 for a period of 12 months from the date of closing and at a price of \$1.00 for the subsequent 12 month period.

Proceeds of the financing will be used for the continued exploration and development of the Company's West Red Lake properties and to assist the Company in qualifying the common shares of Hy Lake Gold for listing on the TSX Venture Exchange.

The flow-through private placement included the subscription of 1,818,181 Units (\$1,000,000) by the MineralFields Group and 864,000 Units (\$475,200) by Pavilion Flow-Through L.P. (2010). "We are pleased to continue our relationship with MineralFields Group and Pavilion Funds", commented Robert Seitz, Hy Lake Gold President and CEO. "We have now funded our previously announced, early 2011 exploration programs and Hy Lake Gold looks forward to working with our supporting fund groups as we continue to explore and develop our properties in the Red Lake Camp.

About Hy Lake Gold Inc.

Hy Lake Gold is a well financed, Toronto-based mineral 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 several significant property packages totalling approximately 3,300 hectares in west Red Lake. The properties cover a 12 kilometre distance along the west Red Lake Trend, containing 3 former producing gold mines, and the Company continues to explore these properties both along strike and at depth. To find out more about Hy Lake Gold Inc. (CNSX: HYL; FRANKFURT: HYK) visit our website at www.hylake.com.

About MineralFields, Pathway and First Canadian Securities ®

MineralFields Group (a division of Pathway Asset Management), based in Toronto, Vancouver, Montreal and Calgary, is a mining fund with significant assets under administration that offers its tax-advantaged super flow-through limited partnerships to investors throughout Canada as well as hard-dollar resource limited partnerships to investors throughout the world. Pathway Asset Management also specializes in the manufacturing and distribution of structured products and mutual funds (including the Pathway Multi Series Fund Inc. corporate-class mutual fund series). Information about MineralFields Group is available at www.mineralfields.com. First Canadian Securities ® (a division of Limited Market Dealer Inc.) is active in leading resource financings (both flow-through and hard dollar PIPE financings) on competitive,

effective and service-friendly terms, and offers investment banking, mergers and acquisitions, and mining industry consulting, services to resource companies. MineralFields and Pathway have financed several hundred mining and oil and gas exploration companies to date through First Canadian Securities @.

Shares Issued: 40,024,148 after taking into account the completion of this financing.

On behalf of the board:

Mr. Robert B. Seitz, President & CEO
office@hylake.com

Forward-Looking Statements

This release contains forward-looking statements, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to, statements with respect to exploration activities and results (including the timing of results), the timing and success of exploration activities generally, permitting timelines, government regulation of exploration and mining operations, environmental risks, title disputes or claims, limitations on insurance coverage, timing and possible outcomes of any pending litigation and timing and results of future resource estimates or future economic studies, and in particular include statements with respect to the timing of the reporting of drilling results at Rowan Lake and the other properties. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “planning”, “planned”, “expects”, or “looking forward”, “does not expect”, “continues”, “scheduled”, “estimates”, “forecasts”, “intends”, “potential”, “anticipate”, “does not anticipate”, or “belief”, or describes a “goal” or variation of such phrases or state that certain actions, events or results “may”, “could”, “would”, or “will” be taken, occur or be achieved.

Forward-looking statements are based on a number of material factors and assumptions, including the result of drilling and exploration activities, the expected geological conditions or formations are not located, that contracted parties provide goods and/or services on the agreed timeframes, that the equipment necessary for the exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other related services are available and perform as contracted.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration. Although Hy Lake has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurances that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The CNSX has neither approved nor disapproved of the contents of this press release.