

HY LAKE GOLD INC.

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**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**EXCHANGE: CNQ
SYMBOL: HYLK
SHARES: 13,164,987**

HY LAKE GOLD INC. INITIAL CLOSING ON FLOW-THROUGH FINANCING

22 December 2006 - Toronto, ON

HY Lake Gold Inc. (CNQ:HYLK) ("HY Lake" or the "Company") today announced the completion of the initial closing of a non-brokered private placement of 1,607,928 flow-through common shares of the company at \$0.35 per share, for gross proceeds of \$562,774.80. This private placement financing of up to 2,000,000 flow-through common shares was previously announced on the 7th November, 2006. A finder's fee of 3% cash and 5% in shares is being paid to eligible finders. The Company anticipates the final closing to take place in January for subscribers who wish to participate in the 2007 flow through year.

The proceeds from the private placement will be used for exploration, including exploration of the Company's Jamie Frontier property. The Jamie Frontier property is on the Red Lake trend situated to the west of several significant gold mining operations.

HY Lake is a junior exploration company currently focussed on gold exploration in the Red Lake region of northwestern Ontario. The Company has an option to earn a 75% interest in the Mount Jamie property owned by Jamie Frontier Resources Inc. Terms of the option agreement require HY Lake to spend \$1,000,000 in exploration on the property over a four year period ending January 19, 2009.

There are 13,164,987 shares of the Company outstanding after the completion of this closing.

For further information on Hy Lake Gold Inc, please visit the Company's web site at www.hylake.com or contact Mr. John M. Siriunas, P.Eng., a director and President of the Company at 416-203-3957.

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