

TORONTO, ONTARIO--(Marketwired - Feb 5, 2016) - THE CLAVOS GOLD DEPOSIT - [Sage Gold Inc.](#) (the "Company") (TSX VENTURE:SGX) continues to have discussions with third parties concerning the potential joint venture, production financing and/or sale of the Clavos gold deposit in Timmins, Ontario. The permitted Clavos deposit was the subject of a Preliminary Economic Assessment (PEA) released March 1st 2013 (see details on the Sage Gold website, www.sagegoldinc.com). The recent rise in the gold price appears to have renewed interest amongst various financial and mining groups to deploy financial and mining resources in the belief that the precious metal market may have reached a correction bottom for this cycle.

Sage has been reviewing and will be revising potential mining scenarios for Clavos. The potential viability of the project has improved due to the favourable price of gold at approximately Cdn \$1600 an ounce; the increased availability of experienced miners, technical expertise; and moderated labour costs. In addition, Clavos has the added benefit of a natural gas line on its property. Sage is studying the economic benefits of using compressed natural gas as a replacement for diesel fuel as well as providing a source of electricity and economic mine air heating.

Recent data compilation on Clavos has been completed and suggests that there is considerable potential to increase the resources through drilling. This new work has uncovered numerous drill intersections, the grade of which are above the cut-off grade and were not included in the latest resource study of October 2012 potentially further expanding the current resource.

Nigel Lees, President and CEO commented, "The Clavos gold deposit is one of the few gold deposits permitted in Canada and is located in one of the most prolific and active gold camps in Canada. Despite the most difficult recent period for precious metals and especially for junior mining stocks, we have managed to advance both the Clavos gold and Lynx polymetallic deposits, both located in Ontario. While we are aware that the current difficult environment may continue for a longer period, we are encouraged by the recent price performance of gold and silver and trust that this will, in time, favourably affect share prices and facilitate financing activity."

EXTENSION OF DEBT FACILITY

Sage has extended its unsecured promissory note for Cdn \$1,122,846 due to a shareholder from February 7th 2016 to February 7th 2017. The interest rate is payable at a rate of 12 % per annum and will be accrued and paid at maturity.

ABOUT SAGE GOLD

The Company is a mineral exploration and development company which has primary interests in near-term production and exploration properties in Ontario. Its main properties are the 100% polymetallic owned Lynx property and other exploration properties in the Beardmore-Geraldton Gold Camp and the Clavos Gold property in Timmins. Technical reports and information relating to the properties can be obtained from the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com and www.sagegoldinc.com.

CAUTIONARY STATEMENT: 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. This news release may contain forward looking information and the Company cautions readers that forward looking information is based on certain assumptions and risk factors that could cause actual results to differ materially from the expectations of the Company included in this news release. This news release includes certain "forward-looking statements", which often, but not always, can be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. Forward-looking statements include estimates and statements with respect to the Company's future plans, objectives or goals, to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Actual results relating to, among other things, results of exploration, metallurgical processing, project development, reclamation and capital costs of the Company's mineral properties, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as, but are not limited to: failure to identify mineral resources; failure to convert estimated mineral resources to reserves; the preliminary nature of metallurgical test results; delays in obtaining or failures to obtain required governmental, environmental or other project approvals; political risks; uncertainties relating to the availability and costs of financing needed in the future; changes in equity markets, inflation, changes in exchange rates; fluctuations in commodity prices; delays in the development of projects; capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry; and those risks set out in the Company's public documents filed on SEDAR. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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