

TORONTO, ONTARIO--(Marketwired - Oct. 31, 2016) - [Sage Gold Inc.](#) (TSX VENTURE:SGX) ("Sage") has received notification that the Ministry of Northern Development and Mines (MNDM) has changed the status of its Clavos gold project from Inactivity to Mine Production and Development. The change in project status allows Sage to begin the process of mine dewatering, mine rehabilitation and to eventually produce up to a maximum daily tonnage of 700 tonnes/day.

Nigel Lees, President and CEO commented, "This Change of Project Status is a very significant development for Sage and, together with the recently announced agreement to acquire [Kirkland Lake Gold Inc.](#)'s remaining 40% minority interest in Clavos, is a major milestone towards completing the previously announced financing package of \$11.5 million to fund the restart of Clavos. We expect to close the equity portion of \$1.85 million in early November followed by the gold prepayment funding of \$9.65 million by the end of November."

Sage has an approved Production Closure Plan on file with the MNDM from previous mining activities and will be resuming the activities described under the filed Closure Plan. Financial Assurance for the Closure Plan is in place with the MNDM, in accordance with the Ontario Mining Act. Sage has the Environmental Compliance Approvals and Permits to allow for mine dewatering, development and production activities, and will be required to report environmental performance information to regulatory authorities as required by site-specific permits, as well as provincial and federal legislation.

Sage currently plans to complete a reserve estimate and a pre-feasibility study regarding the Clavos project. In the event that a production decision is made that is not based on a feasibility study of mineral reserves demonstrating economic and technical viability prepared in accordance with National Instrument 43-101, readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.

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 Clavos Gold property in Timmins and the 100% owned Lynx copper, gold, silver property and other exploration properties in the Beardmore-Geraldton Gold Camp. 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.

Contact

Sage Gold Inc.

Nigel Lees
President and CEO
416-204-3170
nlees@sagegoldinc.com
www.sagegoldinc.com