VANCOUVER, British Columbia, July 12, 2017 (GLOBE NEWSWIRE) -- Scorpio Gold Corp. (“Scorpio Gold” or the “Company”) (TSX-V:SGN) is pleased to announce the Mineral Ridge Heap Leach resource estimate by Mine Technical Services (MTS) of Reno, Nevada. The confirmed resource estimate of 7.1 MT at an average grade of 0.017 oz./ton or 121,700 contained ounces of gold in the Measured & Indicated category provides the basis for conducting a feasibility study for milling of the material and additionally confirms reconciliation of tonnage, grade and contained ounces placed by the Company and its predecessors since operations commenced. Details of the resource estimate are available in the MTS Resource Report.

The MTS estimates are reasonably similar to expectations based on historic production and metal accounting data (130K oz. from 1st principal accounting versus 123K oz. from resource estimates). Total tons estimated (7.1 MT) is in line with the 7.2 MT placed on the pad by MRG and its predecessors. The average grade reported in the resource estimate (0.017 oz./ton Au) is slightly lower than expectations based on the historic production and metal accounting data although metallic screen assays completed on the bulk leach pad sample averaged 0.0185 oz./ton Au. This 8.2% difference between the fire assay grade and the metallic screen grade indicates a coarse gold component and provides an upside potential to the average grade that, if realized, will increase the potential project economics. Metallurgical test work completed by KCA also indicates that coarse gold should be recovered in a gravity circuit prior to fine grinding. Mineral Ridge Gold’s plan is to also process future mine production (not currently in Mineral Reserves) through the mill, thus improving its overall economics through increased recovery of contained gold.

Based on positive results from the resource estimate and metallurgical testing, MTS will be engaged to conduct a feasibility study for milling of the heap leach material that will provide the basis for determining the economics of the overall recovery project.

Brian Lock, interim CEO, comments, “This positive resource estimate provides Scorpio Gold with the necessary information to proceed with a feasibility study for constructing a milling facility at Mineral Ridge. We look forward to its completion, which should provide the basis for unlocking untapped value through exploration and development and benefitting our shareholders for many years to come.”

Mineral Ridge Leach Pad Mineral Resource Statement – June 29, 2017

Resource Category	Tons (kt)	Au (oz/ton)	Ag (oz/ton)	Contained Au (koz)	Contained Ag (koz)
Measured	2,895	0.017	0.016	48.5	46.4
Indicated	4,220	0.017	0.018	73.2	74.1
Measured & Indicated	7,115	0.017	0.017	121.7	120.4
Inferred	76	0.016	0.027	1.2	2.0

Notes:

1. The effective date of the mineral resource estimates is June 29, 2017.
2. Mineral resources are reported at or above a 0.0002 oz/ton Au cut-off grade.
3. Mineral resources are contained within the Mineral Ridge leach pad facility with the following assumptions: A long-term gold price of US$1,216/oz; assumed process costs are US$11.0/ton; metallurgical recovery for gold is 93%.
4. Rounding may result in apparent differences between when summing tons, grade and contained metal content.
5. Tonnage and grade measurements are in imperial units; grades are reported in oz/ton.
6. The resource estimate was prepared with reference to CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2003).
7. The resource estimate was prepared by qualified persons, Todd Wakefield, MSc, SME, Ian Crundwell, BSc, PGeo and Mike Drozd, PhD, SME of Mine Technical Services Ltd.
8. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

About Scorpio Gold

Scorpio Gold holds a 70% interest in the Mineral Ridge gold mining operation located in Esmeralda County, Nevada with joint venture partner Elevon, LLC (30%). Mineral Ridge is currently in production as a conventional open pit mining and heap leach operation. The Mineral Ridge property is host to multiple gold-bearing structures, veins and lenses at exploration, development and production stages. Scorpio Gold also holds a 100% interest in the advanced exploration-stage Goldwedge property in Manhattan, Nevada, with a fully permitted underground mine and 400 ton per day mill facility. The Goldwedge mill facility has been placed on a care and maintenance basis and can be restarted on short notice.

Scorpio Gold’s Chairman, Peter J. Hawley, PGeo, is a Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the content of this release.

ON BEHALF OF THE BOARD
SCORPIO GOLD CORPORATION

Brian Lock,
Interim CEO

Website: www.scorpiogold.com

Neither 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.

The Company relies on litigation protection for forward-looking statements. This news release contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur, and include, without restriction, any statements regarding the Company’s completion of a feasibility study for a milling facility for the Mineral Ridge operation. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements, including risks related to open pit mining and heap leach operations, including unanticipated changes in the mineral content of materials being mined; unanticipated changes in recovery rates; changes in project parameters; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; availability of skilled labour and the impact of labour disputes; delays in obtaining governmental approvals; the results of exploration and development programs and the timing and cost of such exploration and development programs; changes in metals prices; the availability of cash flows or financing to meet the Company's ongoing financial obligations; unanticipated changes in key management personnel; changes in general economic conditions; other risks of the mining industry; and those risk factors outlined in the Company's Management Discussion and Analysis as filed on SEDAR. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty thereof.

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