

TORONTO, ONTARIO--(Marketwired - Sept. 1, 2017) - [Sage Gold Inc.](#) (the "Company") (TSX VENTURE:SGX) is pleased to announce the following update on the Clavos gold mine. Clavos, situated in Timmins, Ontario, is fully permitted for 700 tons a day, and has a life-of-mine toll milling agreement with the Stock mill. The final tranche of \$3.26 million to finance production has been recently drawn down.

Highlights

- Building a stockpile of potentially mineralized materials on surface and underground for a bulk sample shipment.
- Underground stockpile of broken potential mineralization left by the previous operator.
- Plan an initial mill run in 6 weeks.
- The underground workings are 87% dewatered with planned drill station to be placed at the 240 metre-level ("mL") at the end of the month to target potential additional high grade mineralization.
- Encouraging drill intersections: - 17.78g/t Au- 4.0 metres - 100mL east, 10.59g/t Au - 1.9 metres 150mL east - related to Grade Thickness mode

Sage currently plans to complete a reserve estimate and a prefeasibility 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.

Nigel Lees, Sage's President and CEO commented;

"The re-opening of the Clavos mine continues to progress well in terms of dewatering of the existing underground structure, rehabilitation and the development of stope blocks. Definition drilling which progressed slowly at first primarily due to shortage of experienced drillers and equipment is now operating normally. This delay has been offset by the existence of mineralized material previously developed but not mined by the previous owners. Disclosure regarding the stope block definition program will be ongoing as there is currently a backlog of unlogged and unsampled core. We are encouraged by the success of drilling in the grade thickness highs at the 100mL and 150mL east levels. These holes are part of ongoing drilling into grade thickness highs which are outside of the resource blocks."

Exploration drilling on the 240 metre level will commence shortly in order to test the high grade zones between the 250 metre to 700 metre elevations principally targeting the historic Kinross hole KC 99-137 (61.59g/t over 3 metres - see press release of May 3, 2017). We expect to be dewatered to the 261 level by mid September. The 261 level was developed but not mined by previous owner with sample grades of 19.55g/t gold."

Mining and Dewatering

Mining has commenced on the 150 east metre level, the 100 east metre level and shortly on the 150 west metre level and the 200 metre level. Definition drilling is ongoing on all dewatered levels down to the 200 metre level. The mine is currently dewatered to the 260 metre Level and dewatering will continue until the 300 metre Level (mine bottom) is reached. A list of levels remaining to be dewatered are:

240 E Level, 240 W Level, 240 ACC Level, 250 m Level, 259 m Level, 260 m Level, 261 m Level, 280 m Level, 290 DDB Level, Internal Ramp, Main Ramp.

Definition Drilling Results

The drilling has been focused on the Hangingwall and Footwall zones comprised of gold, pyrite, arsenopyrite, quartz mineralization. The quartz vein stockworks and breccias flank porphyry intrusions in altered ultramafic rocks in contact with the Porcupine Group sediments demarked by the Pipestone Thrust Fault. The ring drilling layouts have been conducted on the 100L, 150L and 175L employing a drill hole spacing varying from 7 metres to 15 metres along strike and to depth between levels.

The drilling has been targeting existing stope blocks as defined in the PEA referred to as 100 L: 16B, 02A and 175 L: 480 stope. Also, several holes have tested gold enrichment trends identified on the grade times thickness [GXTW] model on 100 L East at 513100E and 150 L East at 513300E. Composite intervals were based on a minimum cut-off grade of 2.75 g/t over a minimum true width of 1.2 metres. An allowance of 1.5 metres for internal dilution was employed factoring in the stockwork and vein breccia style of gold mineralization. True widths were calculated by applying an average correction factor of 15% to the assay core lengths.

The composites related to testing the grade * thickness trends on 100 and 150mL have been disclosed in the table below. Stope

definition drilling is ongoing with 117 holes drilled for a total of 4726 metres to date. The stope definition drill program is designed to delineate stope blocks for subsequent mining.

HOLE_ID	FROM (m)	TO (m)	RESOURCE TARGET	GRADE (g/t)*	TRUE width (m)**	G X TW***
CL-3125-1	41.7	46.4	100L E G X TW Model	17.78	4.0	71.0
CL-3065-21	25.5	27	[section 513100 E]	13.30	1.3	17.0
CL-3125A-3	34	37		2.86	2.6	7.3
CL-3312-10	34.8	37	150L E- G X TW Model	10.59	1.9	19.8
CL-3297-12	14.7	16.5	[section 513300 E]	3.37	1.5	5.1

*grams/tonnes **metres ***grade thickness

QA /Q C Program Protocols

[Sage Gold Inc.](#) has implemented a rigorous QA/QC program using best practice principles which are being applied to the sampling/analysis of the drill core and complies with National Instrument 43-101 requirements for the Clavos property.

AQ, BQ, and NQ core is delivered to the secure core shack facility on site by Cabo Drilling personnel and/or Sage personnel. The AQ and BQ core is not split and the whole core is assayed at the Black Fox mill prior to a selected round of check assaying at SGS Laboratories based in Cochrane, Ontario. Prior to core sawing (in the case of NQ core) and core logging, all drill core is photographed. Core logging is focused on identifying the type and style of mineralization recording structure, lithology contacts, and alteration including quartz veining % and total sulphide percentage. Core splitting is done with a diamond core saw for NQ core only 1/2 of the drill core is submitted to SGS, an accredited laboratory for analysis. The AQ and BQ core were not split and the check assaying at SGS was based on the rejects. The remainder of the core is stored at the Clavos Mine Property. All samples are shipped in sealed rice bags with numbered security tags and transported in a SGS company truck from the property to SGS Laboratories in Cochrane, ON.

Sage routinely inserts certified standards, blanks and field duplicate samples into the sample stream such that every 20 sample batch contains a blank and standard. The sample preparation procedures for drill core samples consist of crushing the samples to 75% minus 9 mesh (2mm), pulverizing a 500g sub-sample to 85% minus 200 mesh (75um), and analyzed by standard fire assay (FA) method using a 50 gram sample with AA finish and any samples assaying greater than 10 g/t Au are re-analyzed using a gravimetric finish. For mineralized zone intervals where visible gold is observed to be present, samples are submitted for analysis using the metallic screen method where the entire half core is crushed, pulped and screened to 100 mesh. The screen coarse and fine fractions are analyzed by fire assay (FA) method with a gravimetric finish and the total assay result is calculated.

The geotechnical content of this news release relating to the definition drilling program has been reviewed and approved by Sage's consulting geologist, Peter Hubacheck, P. Geo, who is a Qualified Person ("QP") as defined in National Instrument 43-101.

The operational plans disclosed in this news release have been reviewed and approved by Robert Ritchie P. Eng, who is a Qualified Person ("QP") as defined in National Instrument 43-101

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, 100% owned, in Timmins and the 100% owned Onaman 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.

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