

TORONTO, ONTARIO--(Marketwired - Jul 27, 2017) - [Sage Gold Inc.](#) ("Sage" or the "Company") (TSX VENTURE:SGX) has drawn down the third and final tranche of the gold prepayment facility from Cartesian Royalty Holdings Pte. Ltd. ("CRH") to fund the ongoing re-opening of its Clavos gold project ("Clavos") in Timmins, Ontario.

The third and final tranche draw down of \$3.26 million was subject to certain conditions which have been fully satisfied. The CRH gold prepayment facility has provided \$9.65 million to Sage, of which \$7.22 million has now been received to fund the ongoing start-up and capital expenditures at Clavos.

Nigel Lees, President and CEO commented, "We are pleased to receive the final tranche of the gold prepayment financing. Our mine restart program is going well and the underground workings are in excellent condition. We are on time and on budget to ship to the mill for processing mineralized material in September."

The historical underground workings include roughly 7 kilometres of underground development and extend down to the 300 metre level. Historical expenditures incurred by the previous operator and the Company prior to the restart of Clavos have exceeded \$70.0 million.

Mine dewatering at Clavos commenced in the beginning of 2017 and is currently at the 225 metre level. The dewatering of the entire underground infrastructure is expected to be complete by the fourth quarter of this year. Currently, several stopes are available for mining above the 225 metre level. The Company is beginning to stockpile mineralized material extracted from the 150 metre East level using a combination of broken stope material that was left in place by the previous operator, and material developed through Sage's ongoing definition drilling. An extensive definition drilling program has been underway since May 2017 and the exploration phase of the planned 9,300 metre underground drilling program will commence next month. The Company will provide a full operational update and initial drilling results on Clavos shortly.

Sage currently plans to complete a reserve estimate and a pre-feasibility study on Clavos. 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 a production decision.

Robert Ritchie P.Eng., the General Manager of the Clavos Project, is a qualified person ("QP") under National Instrument 43-101 and has reviewed and approves the technical content of this news release.

Shares for Debt

Sage further announces that it intends to complete a debt settlement transaction (the "Debt Settlement") with certain creditors ("Creditors"), providing for the settlement of \$94,544 through the issuance of an aggregate of 472,000 common shares of the Corporation ("Common Shares") at a deemed issue price of \$0.20 per Common Share. The Debt Settlement is subject to regulatory approval. The Corporation expects to complete the Debt Settlement shortly after such approval is obtained.

About Sage Gold

The Company is a mineral exploration and development company with primary interests in advanced exploration properties in Ontario. Its main properties are the 100%-owned Clavos Gold property in Timmins, 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.

Shares outstanding: 76.6 million

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