Sage Gold Inc. Updates Status Report

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Sage Gold Inc. (“Sage Gold” or the “Company”) (TSX-V: SGX) reports that on July 30, 2018 the Ontario Superior Court of Justice Commercial List (the “Court”) issued a Court Order (the “Order”) against the Company, appointed Deloitte Restructuring Inc. as receiver over all of the assets, undertakings and properties of the Company. The applicant, CRH Funding II Pte. Ltd. (“CRH”) had brought the receivership application, alleging that Sage Gold had become insolvent and as such, was unable to fulfil its obligations to CRH under a gold prepayment agreement (the “Agreement”).

Sage opposed the appointment of a receiver on the basis that there was an arbitration clause in the Agreement with CRH. The Court ordered that the appointment of the receiver was without prejudice to Sage to seek leave to commence arbitration proceedings. The endorsement of the Court also provided that if Sage is actively and seriously pursuing a restructuring alternative to receivership, it will have an opportunity to make that case to the Court.

Nigel Lees, President and CEO stated, “First and foremost, we would like to thank all of our employees, shareholders, consultants and creditors for their incredible support as we undertook to restart the Clavos mine. From all of our suppliers, to the mining community in Timmins, to our investors, and partners in First Nations, we owe you a debt of thanks for continuing to support the Company.

CRH is a Singapore based company sponsored by Cartesian Capital Group, a New York based private equity group. As the secured lender, they have aggressively pursued appointing a receiver over the assets of Sage Gold. Despite this, be assured that management, directors, consultants and contractors of Sage Gold have worked tirelessly, and often without pay, in an attempt to resolve the situation over the past several months. Unfortunately, without the support of CRH, the Company's major stakeholder, it became almost impossible to raise urgently needed funding.

Nevertheless, we are pleased the Court is prepared to hear an application for leave to commence arbitration proceedings and will reconsider the appointment of a receiver if Sage is able to present a credible restructuring alternative to receivership. To this end, we plan to continue working to find a satisfactory outcome for all stakeholders and would encourage any parties interested in working with the Company on a strategic financial plan to contact us.”

About Sage Gold

Shares Outstanding: 110,183,926

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 from the Company’s website at www.sagegoldinc.com.

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