

NEWS RELEASE

Sage Gold Inc.'s Nigel Lees alive and well

Toronto, Ontario, January 26, 2009

During the course of the weekend of January 24 to 25, 2009 a notice was posted on a financial website that Nigel Lees, President and CEO of Sage Gold Inc., had passed away from a heart attack. In addition to this obvious inaccuracy, the posting contained additional inaccuracies. The perpetrator has been contacted, the posting withdrawn and an apology posted. The Company is considering its remedies including possible legal action. Market surveillance has been advised.

SAGE is a mineral exploration and development company which has interests in exploration properties in Ontario, Nevada and Arizona. Its main properties are the Jacobus, Paint Lake, Solomon Pillars and Onaman properties in the Beardmore Geraldton Gold camp and the Kerrs property in Ontario; the Pony Spur and Sugarloaf properties situated in Nevada; and the Gold Hill property in Arizona. Technical reports relating to the properties can be obtained from the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

For further information, contact: Nigel Lees, President and C.E.O., or
Mike O'Brien, Manager/Investor Relations
Phone: 416-204-3170 Fax: 416-260-2243

For all Sage Gold Inc. Investor relations needs, investors are asked to visit the Sage Gold Inc. IR Hub at <http://www.agoracom.com/IR/sagegold> where they can post questions and receive answers within the same day, or simply review questions and answers posted by other investors. Alternatively, investors are able to e-mail all questions and correspondence to sgx@agoracom.com where they can also request addition to the investor e-mail list to receive all future press releases and updates in real time.

This release was prepared by management of the Company who takes full responsibility for its contents. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

Some statements contained in this release are forward-looking and, therefore, involve uncertainties or risks that could cause actual results to differ materially. Such forward-looking statements include comments regarding mining and milling operations, mineral resource statements and exploration program performance. Factors that could cause actual results to differ materially include metal price volatility, economic and political events affecting metal supply and demand, fluctuations in mineralization grade, geological, technical, mining or processing problems, exploration programs and future results of exploration programs, future profitability and production. The Company disclaims any obligation to update forward-looking statements.

SAGE GOLD INC.
365 Bay Street
Suite 500
Toronto, Ontario
Canada. M5H 2V1
Tel.: 416 204-3170
Fax: 416 260-2243
info@sagegoldinc.com