

NEWS RELEASE

March 31, 2009

SAGE GOLD'S LYNX Cu-Ag-Au PROJECT: RESOURCE ESTIMATE

Sage Gold Inc. (SGX: TSX-V) has completed a NI43-101 compliant resource estimate for the Lynx Cu-Ag-Au project located on its 100% controlled Onaman property in the Beardmore-Geraldton Gold Camp. Highlights are:

- The Inferred Resource defined to date comprises **1,936,000 tonnes** at an average grade of **1.44% Cu, 39.6 g Ag/T and 0.58 g Au/T** and contains **61.3 million pounds of copper, 2.24 million troy oz of silver and 33,000 troy oz of gold**. These resources are reported at a cut-off grade of 0.5% copper.
- Lersch-Grossman Pit Optimization techniques were utilized to evaluate the near surface potential of the resource that could be amenable to mining by **open pit** methods. The results indicate the potential for one pit located in the Lynx North area. Using cut-off grade sensitivity scenarios of 1% Cu and 0.5% inferred resources ranging from **485,000 tonnes at 2.1% Cu, 45.3 g Ag/T and 0.70 g Au/T to 845,000 tonnes at 1.55% Cu, 34.6 g Ag/T and 0.51 g Au/T** could potentially be mined from two tonnage blocks determined by the cut-off grades.
- The Lynx deposit zones are located in North area and South area. The Resource modeling indicates that there is scope to expand the high grade resource in the South area down dip to the southwest and updip to the northeast. Further, the North area has not been closed off to the north and all zones have only been drilled down dip to an average depth of 200 metres. Refer to www.sagegoldinc.com for illustrative models of the North and South areas.

Nigel Lees stated "This resource estimate is the first step in developing the economic potential of polymetallic mineralization on the Onaman property. The Onaman property is characterized by a number of high grade Cu-Ag-Au and Pb-Zn-Ag-Au showings including Lynx, Cane Copper, Cane Gold, Abitibi, D9 and Headway. Sage has reported on drilling and sampling results from all of these showings in press releases from 2006 to 2009 (refer to www.sagegoldinc.com). The work to date shows the potential for additional resources at surface and at depth in the North and South areas".

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Lynx Project, Beardmore Ontario

W. A. Hubacheck Consultants Ltd. (HCG) and Kirkham Geosystems Ltd. (KG) have completed a National Instrument 43-101 Mineral Resource Estimate on the Lynx Cu/Ag/Au Deposit based on the phase 1 and phase 2 drill programs completed in 2006 and 2008 along with historic drill holes from 1975. HCG/KG estimates that the **Inferred** Mineral Resources of the Lynx Deposit total **1,936,000 tonnes** at an average grade of **1.44% Cu, 39.6 g Ag/T and 0.58 g Au/T** and contains **61.3 million pounds of copper, 2.24 million troy oz.'s of silver and 33,000 troy oz.'s of gold**. These resources are reported at a cut-off grade of 0.5% copper.

The Lynx Deposit resource estimate is supported by 106 drill holes arrayed on a grid layout on 35 drill fence sections with zone correlations involving 240 composite zones. The evaluators have employed a geometric sectional method to compare with two geostatistical models to estimate the polymetallic resources within the Lynx Cu/Ag/Au Deposit.

The geological interpretation is based on 35 cross-sections covering 2 en-echelon zones each having a strike length of 300 meters along the 1 km mineralized trend. Level plans spaced 50 metres apart were used to check the geological interpretation. The classification of inferred resources is supported by drill holes that are spaced at approximately 20 metres to 40 metres apart on section with section spacing of 15 metres to 30 metres for the South area. A wider spaced drilling array, generally 30 metres to 50 metres apart, was employed on the North area.

The main Lynx [LX] zone modeled in the resource estimation is a pyrrhotite-pyrite-chalcopyrite-quartz horizon hosted in interflow tuffaceous sediments. This horizon exhibits reasonable correlation of stratigraphic contacts as well as moderate to good continuity in grade reflecting consistency in both the Lynx South and Lynx North areas. This zone generally has a westerly dip ranging from 60 degrees to 75 degrees and displays an "S" type fold symmetry along strike and to depth. Grade x thickness contouring of the LX in the South area shows a shallow northerly plunge with a flattening fold hinge indicating additional shallow resource potential. Grade x thickness contouring of copper, silver and gold show uniform distribution within the main polymetallic sulphide body of the LX Zone. In the Lynx North Area, the three sub-zones [LS1-North1,2 and LN1] are more variable in thickness hosted in interflow pillow selvages which are stratiform [generally 30 to 40 metres apart] and limited laterally to sub-basins in the volcanic pile. In the North area, the cross-sectional 3D model illustrates a 70 metre offset separating the main LX North 1 and LX North 2 zones. Refer to www.sagegoldinc.com for grade X thickness models for the Lynx zones.

Block modeling using the Inverse Distance Cubed method employed a database of 11,970 assays as well as incorporating the sectional shapes generated by the geological interpretation. The sectional interpretations were then wireframed to create a 3D solid with which to constrain the block interpolation process. The

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block modeling exercise took into account a 200 metre gap where the Lynx South and Lynx North areas are offset by northwest trending fault structures. The grade estimation process included modeling the mineralized structures, statistical analysis, drillhole composite data, variography, cut grade analysis, along with block estimation using inverse distance to the third power and nearest neighbor and polygonal estimation for validation and verification purposes. Cut-off grades were determined by natural limits based on lithologic control, cumulative frequency distribution curves and geologic continuity. These minimum grade cut-offs [0.5% Cu, 15 g Ag/T and 0.5 g Au/T] combined with a minimum mining true thickness [3m] were incorporated into a 3D grade x thickness contour model which shows discrete zone boundaries illustrating the deposit geometry.

LYNX DEPOSIT: NI 43-101 Inferred Mineral Resource

LX ZONE (LS1, LN1 sub- zones)	TONNAGE Tonnes (T)	COPPER %	GOLD g/T	SILVER g/T	METAL Cu pounds	METAL Au troy oz.	METAL Ag troy oz.
LX-Lynx South	571,100	1.71	0.91	49.1	21,530,000	15,200	817,800
LX-Lynx North 1	531,200	0.98	0.33	26.7	11,476,600	5,100	413,700
LX-Lynx North 2	346,800	1.42	0.40	45.8	3,315,200	1,200	141,400
LS1 Lynx 1	206,700	1.50	0.36	34.3	6,835,500	2,200	206,700
LS1-Lynx North 2	105,900	1.42	0.40	45.8	10,856,700	4,000	463,300
LN1-Lynx North	<u>174,300</u>	1.90	1.03	38.0	<u>7,301,000</u>	<u>5,300</u>	<u>193,100</u>
TOTAL	1,936,000				61,315,000	33,000	2,236,000

Assumptions:

Verification and Validation of Lynx geological database performed with Mapinfo Discover™ software.

Mineral outlines / zone shapes / grade x thickness modeling exported to Encom Discover™ 3D module in order to perform a cross-section polygonal check calculation.

CROSS-SECTION POLYGONAL MODEL: CHECK CALCULATION

Mineral outlines constrained by minimum true thickness = 1.5m; grade x true thickness modeling of LX Zone used minimum true thickness of 3m @ cut-off grades of 0.5% Cu, 15 g Ag/T and 0.5 g Au/T.

Section widths from 15.5m to 50m with average section width = 24.4m; Average true thickness of LX Zone = 3.37m; Section block volumes were weighted section by section; An average density [SG] of 3.31 was used.

ID³ GEOSTATISTICAL NI 43-101 MINERAL RESOURCE ESTIMATION

- 106 drillholes were utilized to interpolate five zones
- Drillholes were composited to the zone
- Sectional interpretations were wireframed to create 3D solids of the zones
- Zones were coded to the composites and the block model to constrain the modeling process
- Composites for each zone were used to interpolate into the blocks for those zones
- Inverse distance to the third power was utilized as the interpolator
- Decreasing ellipse sizes were employed to ensure the blocks were adequately formed
- Ellipse orientations were determined by orientation of zones
- A minimum of 2 composites were used for each block and a maximum of 2 composites were used per drillhole
- A cutting factor was applied for copper, gold and silver with high composites limited to 9% Cu, 3 g Au/T and 180 g Ag/T.
- A 0.5% Cu cut-off grade was used.
- Minesight™ Software was used to perform the geostatistical modeling and estimations
- Tonnage comparisons with the sectional calculation check within a variance of +7%. Grade comparisons show an average variance of +16% for Cu, -6% for gold and +13% for Ag.
- Rounding factors have been applied to the tonnage and grade table.

Lersch-Grossman Pit Optimization techniques were utilized to evaluate the near surface potential of the resource that could be amenable to mining by **open pit** methods. The results indicate the potential for one pit located in the Lynx North area. Using cut-off grade sensitivity scenarios of 1% Cu and 0.5% Cu, conceptual geologic resources ranging from 485,000 tonnes at 2.1% Cu, 45.3 g Ag/T and 0.70 g Au/T to 845,000 tonnes at 1.55% Cu, 34.6 g Ag/T and 0.51 g Au/T could potentially be mined from two tonnage blocks determined by the cut-off grades. Further work planned would involve metallurgical bulk testing, detailed specific gravity determinations and in-fill drilling to support a scoping study.

At Sage's request, HCG/KG conducted independent validation and verification of

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drill hole collars, borehole surveys, assay databases which are included in a NI43-101 technical report that will be published on SEDAR within 45 days. The geotechnical information in this press release was prepared and verified by Peter Hubacheck, P. Geo. and Garth Kirkham, P. Geo., who are qualified persons under NI 43-101 responsible for the mineral resource estimation contained in this release. Garth Kirkham is the independent reviewer of the geotechnical data contained in this news release.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for minability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to indicated and measured mineral resource categories through further drilling, or into mineral reserves once economic considerations are applied.

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. Technical reports relating to the properties can be obtained from the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

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