



JOINT NEWS RELEASE

SAGE GOLD AND CONSOLIDATED PUMA ANNOUNCE MERGER AGREEMENT

Toronto, Ontario – May 21, 2009

Sage Gold Inc. (TSX-V:SGX) (“Sage”) and Consolidated Puma Minerals Corp. (TSX-V:CPW) (“Puma”) are pleased to announce that the companies have entered into an arrangement agreement providing for Sage to acquire all of the outstanding shares of Puma in an all-share transaction. The combination of these two companies will significantly enhance the cash position of Sage and provides Puma shareholders with an investment in a company with a strong exploration team and an exciting gold property portfolio in the Beardmore Geraldton Gold camp in Northern Ontario. Puma currently has approximately \$3.5 million in cash (before closing and other costs).

Under the agreement, Puma shareholders will receive 1.137 common shares of Sage for each Puma common share held. Based on the currently issued and outstanding common shares of Puma, Sage will issue approximately 58.9 million common shares to acquire all of the currently outstanding Puma common shares, resulting in Puma shareholders holding approximately 25% of the combined entity. The post-merger issued and outstanding common shares of Sage will be approximately 236 million. The agreement has been negotiated at arm’s length and approved by the Boards of Directors of both companies.

The transaction is to be effected pursuant to a plan of arrangement under the Business Corporations Act (British Columbia), which will require approval of at least 66⅔% of the shares of Puma voted at Puma’s upcoming annual and special shareholders’ meeting, expected to be held in July 2009, with the transaction closing shortly thereafter. Completion of the transaction is subject to a number of other conditions precedent, including receipt by Puma of a favourable fairness opinion, and receipt of all necessary shareholder, stock exchange, court and regulatory approvals. The combined entity will retain the Sage Gold Inc. name and trading symbol SGX on the TSX Venture Exchange.

Full details of the transaction will be included in the Management Information Circular to be filed with the regulatory authorities and mailed to Puma shareholders in accordance with applicable securities laws.

Nigel Lees, Sage Gold’s President and CEO commented that, “Combining with Puma creates a strong platform to implement our business plan and continue an aggressive exploration program in the Beardmore Geraldton Gold camp in Ontario where Sage has extensive property holdings including the Golden Extension gold discovery. This is the first acquisition in the Company’s strategy to leverage its strong management team and exciting properties to grow Sage and enhance shareholder value.”

Vahan Kololian, Puma’s President and CEO, added, “The combination of our companies enables Puma’s shareholders to acquire a 25% share in a growing gold company in the Beardmore Geraldton area of Ontario.”

Fraser Mackenzie Limited is retained as financial advisor to the Board of Directors of Puma and will provide a fairness opinion with respect to the transaction.

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

**CONSOLIDATED PUMA
MINERALS CORP.**
2 Bloor Street West
Suite 3400
Toronto, Ontario
Canada, M4W 3E2
Tel.: (416) 644-6000
Fax: (416) 644-6001
www.consolidatedpuma.com



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; 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.

PUMA is a mineral exploration and development company which currently has two assets, a platinum group metals exploration property in the Kola Peninsula of Northwest Russia, and approximately \$3.5 million of cash. Further information can be obtained from the SEDAR website at www.sedar.com.

For further information, contact:

Sage:
Nigel Lees, President and CEO, or
Mike O'Brien, Manager/Investor Relations
Phone: 416-204-3170, Fax: 416-260-2243
<http://www.agoracom.com/IR/sagegold>
sgx@agoracom.com

Puma:
Vahan Kololian, President and CEO
Phone: 416-644-6000, Fax: 416-644-6001

This release was prepared by management of the Sage and Puma 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, future results of exploration programs, future profitability and production, and general market, economic and financing conditions. Sage and Puma disclaim any obligation to update forward-looking statements.

The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This press release does not constitute an offer of any of the securities described herein in any jurisdiction.

