Exploration in the Americas

TSX-V: SGX

SAGE GOLD INC.

Precious Metals In The Americas

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

NEWS RELEASE

Exploration Update
Beardmore Geraldton Gold Camp

July 31, 2008

Sage Gold Inc (Sage) is pleased to provide an update on its exploration activities in the **Beardmore - Geraldton Gold Camp (BGGC)** in Ontario. The **BGGC** near Thunder Bay in northern Ontario has historically produced over four million ounces of gold.

Sage is one of the most active exploration companies in the area and holds a very large and strategic land position. The company has targeted six key properties:

Jacobus (East) Gold Property, Elmhirst Twp.

High Grade Gold Grab Samples

This property lies along strike and directly to the north-west from Kodiak Exploration's Hercules gold veins including the Golden Mile. Winter work included line cutting, a magnetometer survey, channel sampling and prospecting. A limited number of assays have been received to date with two grab samples from quartz veins hosted by the Elmhirst intrusion, yielding **30.1 and 47.9 g Au/T** respectively from an area near the eastern property boundary within a range of 0.008 g Au/T to 47.93 g Au/T. A second vein located near Hindson Lake returned a grab sample of **14.8 g Au/T** approximately two kilometres west of the eastern vein system.

Further trenching and sampling is ongoing and a drill program is planned for the fall.

Jacobus (South) Cu-Ni Property, Elmhirst Township.

The southern part of this property, 100% owned, hosts a copper nickel deposit with historical indicated reserves of 937,538 tons grading 0.43% Cu and 0.41% Ni. Sage is evaluating results of the latest drill program. An ongoing geochemical study is designed to evaluate the possibility that the currently outlined disseminated mineralization represents a magmatic conduit from a large body of massive sulphides at depth.

Lynx Copper-Silver-Gold Deposit, Onaman Property.

A total of 13,983 metres, representing 64 holes have been drilled this year on the 100% owned volcanogenic massive sulphide (VMS) Lynx deposit. The mineralization has been traced over a **strike length of one kilometre** and is **open to the north and south**. In addition, parallel structures have been identified to the east of the Lynx zones. The press release of May 28, 2008 included the results for 18 holes. The highlights included hole S08-52 with **10.89% Cu, 8.2 g Au/T and 318 g Ag/T over 2.72 metres.**

Delineation drilling is continuing and assays are pending. Results to date are very encouraging and Sage has engaged an independent mining consulting group to commence a preliminary economic review of the project.

Paint Lake Gold Property, Irwin Township.

Sage has begun trenching quartz-carbonate-pyrite veins within and sub- parallel to the Paint Lake "Shear" Zone. Grab samples from this year's exploration program have yielded between **4.1 and 10.1 g Au/T**. Ongoing trenching and sampling will provide a basis for selecting drill targets. The zone has been traced for 1,500 feet (457 m) and yielded channel samples of up to 0.54 oz/T (18.51 g Au/T) over 5 feet (1.5 m) (Ontario Assessment Report #42E12NE0134, 1974).

The Sage property is on strike and is contiguous to the Ontex Resources Brookbank gold deposit, with has NI-43-101 compliant inferred and indicated mineral resource. In a July 23, 2008 news release, Ontex cited some of the best drill results ever recorded on their property, which included 17.4 g Au/T (0.51 oz/T) over 21.0 metres (68.9 feet). Their news release also stated that there is potential to increase the resource to both east and west and at depth.

Sage's Paint Lake property boundary is only 750 m east and along strike of the Foxear zone of the Brookbank deposit.

King Solomon Pillars Gold Property, Walters Township

Line-cutting is ongoing in preparation for trenching and channel sampling. Target mineralization consists of gold-bearing quartz-calcite-arsenopyrite-pyrite veins in fine-grained siliceous sediments, with a trend of approximately 70°, that strike sub-parallel to an iron formation. Historical work approximately 400 m east of the Sage property boundary has defined a 2 m wide system with at least 550 m of strike length. The best assay in the area was taken approximately 100 m from the eastern boundary of Sage's claims and contained 1.42 oz/T (49.49 g Au/T) (Ontario Assessment Report #42E12NE0073, 1966).

Missing Link Gold Property, Leduc and Legault Townships

The Missing Link property is located along strike from the same structural corridor as the Paint Lake property. Sage has now completed line cutting and

will follow up with prospecting, ground geophysics and channel sampling. Past work on the property revealed carbonate-sericite-silica altered metavolcanics with assays as high as 2.6 g Au/T and quartz-arsenopyrite veins with assays as high as 17.9 g Au/T (Ontario Assessment Report #42E11NW0031, 1991).

Further Land and Property Acquisitions

Sage holds 362 claims representing 135,285 acres or 54,149 hectares. The company has increased its land position in the BGGC by approximately 700 per cent since the beginning of 2008. Refer to www.sagegoldinc.com for a property location map.

Summary

Sage plans to continue the current drill program in the BGGC. The company believes that the BGGC is an underexplored gold camp and has selected key properties with excellent historical results and significant potential. The company will continue to develop the Lynx Deposit in order to delineate an economic resource of copper, silver and gold. Sage will conduct metallurgical testing of the Lynx mineralized material. The Paint Lake, Solomon Pillars, Missing Link and Jacobus East gold occurrences will be trenched and sampled prior to a fall of 2008 drill program. Sage awaits the results of the geochemical study of the Jacobus Copper – Nickel deposit to define the next stage of development.

Sage assays reported in this news release were completed by ALS Chemex in Thunder Bay. Sample preparation was completed in the Thunder Bay facility of ALS Chemex and prepared samples were shipped to the ALS facility in Vancouver. The copper-silver-gold samples were assayed using *induced couple plasma* (ICP) testing with a fire assay finish for high grade precious metal samples and atomic absorption finish for high grade Cu, Zn and Pb samples.

The above Jacobus historical grade and tonnage estimates predate and are non-compliant with NI 43-101 reporting standards. The estimates should not be relied on except as an order-of-magnitude indication of mineral resources. Sage believes the estimates are based on reliable information, and were prepared by reputable individuals using accurate analytical techniques. Sage is digitizing and re-evaluating analytical and historical drill data, which when combined with results from the recent drilling, will conform to CIM Standards for Mineral Resource and Mineral Reserve estimates.

The BGGC project is supervised by Exploration Geoscience Associates of Orillia, under the direction of Ulrich Kretschmar, Ph.D, P.Geo (APGO #1160). Dr. Kretschmar has extensive mineral exploration experience in Archean terrain, is a qualified person as defined by NI 43-101 and is responsible for the technical content of this news release.

SAGE is a mineral exploration and development company which has interests in exploration properties in Ontario and Quebec, Nevada and Arizona. Its main properties are the Jacobus, Onaman and Kerrs properties in Ontario, the Dixie Fork, Triple Junction, Pony Spur and Dike 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.