

NEWS RELEASE

Sage Adds Strategic Properties in Beardmore

Toronto, Ontario, October 22, 2009

Sage Gold (TSX-V: SGX) announces the addition of the following properties to its land position in the Beardmore-Geraldton Gold camp (BGG). The additional properties are part of Sage's plan to acquire properties that are considered to be strategic to the Company's existing property position. Details of these property acquisitions are detailed below.

Sage President & CEO Nigel Lees commented, "These property additions complement and strategically add to our existing portfolio in the Beardmore - Geraldton Gold camp. For instance, **King Solomon's Pillars** adds an important eastern section to our Solomon's Pillars property; the **Bearskin property** includes the southern extension of the Paint Lake shear and the **Spooner property** includes the eastern extension of the vein systems that were mined at **Roxmark's Northern Empire** mine.

In addition to these property acquisitions, Sage's strategy is to advance its properties through exploration and acquire advanced gold properties with resources that can be developed over the near term into production."

Sage is continuing to aggressively explore its properties in the BGG Camp. This program has included prospecting, trenching, and drilling. High grade channel and grab samples have been previously announced on its three principal properties; **Golden Extension, Paint Lake and Solomon's Pillars**. An extensive drill program is currently being conducted on the Paint Lake and Solomon's Pillars properties. Drill results should be available in November. A till testing drill program on Golden Extension is planned for the winter to target swampy areas which are not easily accessible during the rest of the year.

King Solomon's Pillars: Pursuant to a Purchase and Sale Agreement Sage has purchased a 100% interest in a 21 year lease, No. 107144 as well as four unpatented mining claims on the Solomon's Pillars Property. The property is situated contiguous to the eastern boundary of Sage's Solomon Pillar's property where Sage recently announced (September 4th, 2009) a channel sample of **351.58 g Au/T over 1.28 metres**. Historical drill hole SP-08-20 ran 4.32g Au/t over 6 metres. In consideration thereof, Sage will issue to the Vendor 400,000 common shares of Sage and a cash payment of \$30,000.

Spooner: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in one lease as well as 9 unpatented mining claims located in McComber Township. The Spooner property is located contiguous to Roxmark Mines Limited's Northern Empire property and includes the eastern extensions of the Power and Contact veins which were mined at the Northern Empire Mine. Historical drilling included DDH #2 which ran 7.9 g/t over 0.76m and DDH #7 which ran 19.9 g/t over 0.31m The earn-in consideration is \$48,000 over 3 years plus 60,000 common shares of Sage plus work expenditures.

Bearskin Lake: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in 14 unpatented mining claims located in Walters Township. The property is located 5km east - southeast of the Ontex Brookbank property.

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

Exploration in the Americas

TSX-V: SGX


SAGE GOLD INC.
Precious Metals In The Americas

The earn-in consideration is \$42,000 over 3 years plus 150,000 common shares of Sage.

Crooked Green Creek: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in one unpatented mining claim in Pifher Township. The earn-in consideration is \$20,000 over 3 years plus 50,000 common shares of Sage plus work expenditures

Final Lake: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in 2 unpatented mining claims located in the Fullerton Lake area. The earn-in consideration is \$20,000 over 3 years plus 50,000 common shares of Sage plus work expenditures.

Vincent Lake: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in one unpatented mining claim located in the Leopard Lake area, comprising 16 units. The earn-in consideration is \$40,000 over 3 years plus 100,000 common shares of Sage plus work expenditures.

Crooked Green Lake: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in one unpatented mining claim located in the Martin Lake area. The earn-in consideration is \$20,000 over 3 years plus 50,000 common shares of Sage plus work expenditures.

Clist Lake: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in one unpatented mining claim located in the Clist Lake area. The earn-in consideration is \$40,000 over 3 years plus 100,000 common shares of Sage plus work expenditures.

Pauloski: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in 3 unpatented mining claims, located in the Coughlan Lake area. The earn-in consideration is \$37,500 over 2 years plus \$12,000-worth of common shares of Sage.

Missing Link Extension: Sage has entered into an option agreement to earn an undivided one hundred percent (100%) interest in 2 unpatented mining claims located in the Lapierre Lake area. The earn-in consideration is \$37,500 over 2 years plus \$12,000-worth of common shares of Sage.

South Rickaby: Sage has purchased and undivided one hundred percent (100%) interest in one claim for a consideration of 75,000 shares of Sage.

To summarize, Sage will pay \$71,000 in cash and issue an aggregate of 659,000 shares as the initial payment for the acquisition of strategic properties.

The issue of shares under the above mentioned option and purchase agreements by Sage Gold Inc. is subject to the approval of the TSX Venture Exchange.

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.

Exploration in the Americas

TSX-V: SGX



SAGE GOLD INC.

Precious Metals In The Americas

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.