

## NEWS RELEASE

### SAGE OPTIONS CLAVOS PROPERTY IN TIMMINS

February 9, 2010

Sage Gold (TSX.V-SGX) has entered into an Option Agreement with St. Andrew Goldfields Ltd. (TSX-SAS) ("SAS" or "St. Andrew Goldfields") on the Clavos Property ("Clavos") located in the Timmins Mining District in Northeastern Ontario, within the Abitibi greenstone belt.

Nigel Lees, Sage President & CEO commented "We are very pleased to option the Clavos Property in the Timmins gold camp which has historically produced over 68 million ounces. Clavos, which was previously mined briefly, has a mining permit and significant mining infrastructure. Several operating gold mills are close by; we would expect to be able to take advantage of custom milling which could significantly reduce the capital cost to production. We feel that there is an excellent opportunity to increase the resource. Sage intends to re-interpret the historical data in light of current models of gold mineralization in the Timmins camp. Drilling will follow with the objective of expanding the resource and identifying potential mineable resources and advance the property into production.

This transaction meets our stated objective of acquiring assets with near term production potential. This very advanced project will complement our exploration properties in the Beardmore Geraldton gold camp where we plan a follow up program this summer after a highly successful 2009 campaign".

Highlights of Clavos property:

- Prior gold resource reported for the project by St. Andrew Goldfields in October 2006. The resource was calculated by Scott Wilson RPA & Associates and supported by a 43-101 report filed on SEDAR by St. Andrew Goldfields.
- Existing Mining permit until 2019.
- Existing infrastructure in place including underground ramp access to the 300 metre level, underground levels developed every 25 metres, power to site, surface ventilation system, water management facility.
- \$72 million has been invested on the Clavos Property including \$46 million on underground development.
- Strategically positioned 10 kilometres from Apollo Gold's 2,000 tonne per day Mill located in Stock Township.
- Located in the prolific Timmins Mining camp and very close geographically (20kms) to Goldcorp's (TSX-G) Hoyle Pond mine which has produced more than 2.4 Mozs since 1985 and is still in operation.

Sage has the option to earn a 60% undivided interest in the Clavos property. The Option will be deemed to be fully exercised upon Sage incurring Exploration expenditures on the property, issuing shares to St. Andrew Goldfields and making cash payments during the term of the three year Option period as summarized below:

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# Exploration in the Americas

## TSX-V: SGX

  
**SAGE GOLD INC.**  
Precious Metals In The Americas

- Sage will issue 500,000 SGX shares and make a cash payment of \$25,000 to SAS upon Exchange approval of the Option Agreement.
- SGX shares having an aggregate market value of \$105,000 and \$105,000 in cash payments on the first, second and third anniversaries of the effective date of the Option agreement.
- \$500,000 expenditures in the first year with \$3.0 million Exploration expenditures for the three year period.

Upon being vested with a 60% interest in the Property, Sage Gold and SAS shall enter into a Joint Venture Agreement and the further development of the Property shall be governed by the Joint Venture Agreement. Without limitation, the Joint Venture Agreement shall provide that, in the event that SAS's interest in the Property is diluted at any time to less than 10%, SAS's interest in the Property will revert to a 2% NSR.

The Clavos property is located in German, Stock and Clergue townships and comprises 69 patented and leased claims and 14 unpatented claims. The patents leases and claims are wholly owned by SAS save three claims where SAS has a 40% interest in a joint venture arrangement with Goldcorp. The Clavos property comprises 2,540 hectares in total area. The deposit was mined briefly between mid 2005 until August 2006 and again until May 2007.

The geology and mineralization of the Clavos property is summarised below. Refer to the Roscoe Postle Associates Inc. report of 2003 prepared for United Tex – Sol Mines Inc.

“The Clavos Property is transected in an east-west direction by a contact between mafic and ultramafic volcanic rocks of the Tisdale Group to the north, and Hoyle Assemblage clastic sedimentary rocks to the south. The contact dips, overall, very steeply to the south but locally has been interpreted from drilling to dip northerly. North of, and parallel to the contact, is the Pipestone Fault (PFZ), a major regional structural feature that also traverses the entire property. The PFZ is a major offshoot of the Destor Porcupine Break. Between the PFZ and the contact are a number of irregular and discontinuous felsic porphyry intrusive bodies. These intrusions strike and dip parallel to the stratigraphy and are the loci for much of the gold mineralization on the property.

Gold mineralization occurs in a series of quartz and quartz-carbonate veins which are interpreted from the drilling to be steeply dipping and east-west striking, roughly parallel to the PFZ. The veins, while appearing to be consistent in orientation from section to section, are observed in the drill core to occur in a wide variety of orientations. The quartz veins occur most often in the mafic and ultramafic volcanic rocks, usually in proximity to porphyry intrusives.

Scott Wilson RPA who prepared the Technical Report on the Clavos Project for St Andrew Goldfields in October 2006, identified a series of zones of mineralization (zones A-E) in the Hanging Wall (HW) zone. The author recommended additional drilling in these zones to both upgrade resources and expand the resource. The full Technical Report was filed on SEDAR([www.sedar.com](http://www.sedar.com)) by St Andrew Goldfields Ltd. Sage plans to confirm the previously reported resource for this project and file a 43-101 technical report on SEDAR in the near future. The longitudinal sections for the Hanging wall (HW) and Footwall (HW) zones and the Scott Wilson RPA zone locations are provided at [www.sagegoldinc.com](http://www.sagegoldinc.com).

The technical content of this news release has been reviewed by Sage's consulting geologist Peter Karelse, P.Ge of PK Geologic Services Ltd. who is a qualified person as defined by NI-43-101.

*Correction to Previous NR* - The News Release dated October 22, 2009 contained an inaccurate summary of the initial payment for the acquisition of the new Beardmore properties. The summary should have read as follows:

Sage will pay \$101,000 in cash and issue an aggregate of 1,435,000 (\$24,000-worth of shares @ \$0.06 = 400,000) shares as the initial payment for the acquisition of the properties listed above.

# Exploration in the Americas

**TSX-V: SGX**



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SAGE is a mineral exploration and development company which has primary interests in exploration properties in Ontario. Its main properties are the Cox Cu-Ni deposit and the Golden Extension on the Jacobus property, the Lynx deposit on the Onaman property, the Paint Lake and Pillars properties in the Beardmore-Geraldton Gold camp. Technical reports relating to the properties can be obtained from the System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com)

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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](mailto: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.

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