

Scorpio Gold announce Q2 2016 results

Scorpio Gold {TSX.V: SGN} have announced their Q2 2016 results and Management discussion.

10,089 ounces of gold were produced at the Mineral Ridge mine, compared to 8,738 ounces produced during Q2 of 2015.

Scorpio Gold Q2 2016 results highlights.

- 10,015 ounces of gold sold, compared to 10,217 ounces sold during Q2 of 2015.
- Revenue of \$12.4 million, compared to \$12.1 million during Q2 of 2015.
- Total cash cost per ounce of gold sold of \$879, compared to \$800 during Q2 2015.
- Mine operating earnings of \$3.1 million, compared to \$2.4 million during Q2 2015.
- Net earnings of \$1.2 million compared to \$1.7 million during Q2 2015.
- Adjusted net earnings (1) of \$2.2 million, compared to \$1.8 million during Q2 2015.
- Adjusted EBITDA (1) of \$2.8 million, compared to \$2.9 million during Q2 of 2015.
- Cash flow from operating activities of \$4.9 million, compared to \$4.6 million during Q2 of 2015.
- *On August 3, 2016, the Second Judicial District Court of Washoe County, Nevada issued an oral ruling for summary judgment awarding a drilling company, National EWP, Inc. ("National"), US\$2.3 million in its lawsuit against the Company's 70% indirectly owned subsidiary Mineral Ridge Gold, LLC ("MRG"), the operator of the Mineral Ridge gold operation.*

The Company and its legal advisors strongly disagree with both the Court's legal conclusions and its factual findings, and it is currently evaluating its options to contest the ruling and stay execution of the judgement, once entered. (See Contingencies).