

Scorpio Gold Announces 2016 Production Forecast

Scorpio Gold Corporation {TSX.V: SGN} announces its 2016 guidance and budget for the 70% owned Mineral Ridge project, located in Nevada.

Production will be lower in 2016, then rise again in 2017. Cash costs have risen slightly higher as a result.

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Vancouver, March 23, 2016 – **Scorpio Gold Corporation {TSX.V: SGN}** announces its 2016 guidance and budget for the 70% owned Mineral Ridge project, located in Nevada.

Peter J. Hawley, President & CEO reports, “*The Company forecasts 30,000-35,000 ounces of gold in its fifth year of commercial production at Mineral Ridge. 2016 will be a transition year for the operation, with expected growth coming in 2017 as at least two new production pits are expected to come on line. A successful 2015 exploration program resulted in further delineation of the Oromonte deposit and the discovery of the Custer zone. Both areas are currently in the permitting process for targeted extraction in 2017. The Company also acquired the Paris claim in December 2015, which encompasses the projected northwest strike extension of the Drinkwater mineralised trend and will be a high priority exploration target in 2016.*”

2016 Mineral Ridge Operations Forecast:

- Production: 30,000 to 35,000 ounces gold
- Total Cash Cost: US\$850 to US\$900 per ounce of gold sold

Production in 2016 is scheduled from the Mary LC Phase 3 pit and from the Bluelite, Solberry and Brodie satellite pits. Scorpio Gold is seeking approval from the Nevada Bureau of Land Management for its Environmental Assessment application to open pit mine the Custer and Oromonte deposits and any potential new resources outlined within the newly acquired Paris claim. The Company expects the permitting process to conclude in early Q2 2017, and as such will not impact the production schedule for 2016.

Key estimated parameters forming the basis for the 2016 forecast are:

- Average throughput: 2,484 short tons (2,253 metric tonnes) per day
- Average grade: 0.049 ounces per short ton (1.68 grams per tonne) gold
- Waste to ore ratio of Mary-Mary LC and satellite pits combined including development: 5.6 to 1

The Company expects these parameters to fluctuate throughout 2016 and as a result, these parameters should be treated as full-year averages and will not necessarily be reflective of quarterly operating results.

Capital expenditures in 2016 including development and exploration budgets are expected to total US\$5.7M. This

includes pre-stripping on the Mary LC Phase 3 and Brodie pits and approximately US\$1.8M designated for 17,000 meters of exploration drilling.

About Scorpio Gold

Scorpio Gold holds a 70% interest in the producing Mineral Ridge gold mining operation located in Esmeralda County, Nevada with joint venture partner Elevon, LLC (30%). Mineral Ridge is a conventional open pit mining and heap leach operation. The Mineral Ridge property is host to multiple gold-bearing structures, veins and lenses at exploration, development and production stages. Scorpio Gold also holds a 100% interest in the advanced exploration-stage Goldwedge property in Manhattan, Nevada, with a fully permitted underground mine and 400 ton per day mill facility. The Goldwedge mill facility has been placed on a care and maintenance basis and can be restarted immediately when needed.

Scorpio Gold's President & CEO, Peter J. Hawley, PGeo,, is a Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the content of this release.

ON BEHALF OF THE BOARD
SCORPIO GOLD CORPORATION

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