

Scorpio Gold Announces Positive FS for Processing the Heap Leach Mineral Resource at Mineral Ridge

Scorpio Gold Corp. {TSX V: SGN} announced the results of a positive feasibility study to reprocess the heap leach residual material at its Mineral Ridge property, located in Esmeralda County, Nevada.

Scorpio Gold holds a 70% interest in the project with joint venture partner Elevon, LLC (30%).



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Vancouver, October 10, 2017 – **Scorpio Gold Corporation** (“**Scorpio Gold**” or the “**Company**”) (TSX V:SGN) is pleased to announce the results of a positive feasibility study (“the Project”) to reprocess the heap leach residual material at its Mineral Ridge property, located in Esmeralda County, Nevada. Scorpio Gold holds a 70% interest in the project with joint venture partner Elevon, LLC (30%).

Brian Lock, Interim CEO comments, *“I would first like to take this opportunity to thank Novus Engineering Inc. (“Novus”), Mine Technical Services (“MTS”), NewFields and our Scorpio Gold employees for their dedicated effort in completing this study. The combined effort of all parties involved produced a very thorough study of our Mineral Ridge heap leach resource and proposed milling facility. This economically positive study provides the foundation for recovering a substantial portion of the 122,000 ounces of gold resources contained on the heap leach pad. This project, when completed, will provide Mineral Ridge with five years of additional of mine life. Additionally, due to higher expected recovery rates provided by the new milling circuit, the Company is proceeding with a third-party analysis of its other known mineral resources. When complete, and if determined economically viable, this study should add additional reserves and further extend the Mineral Ridge life of mine. Further exploration at Mineral Ridge may also add additional resources.”*

Feasibility Study Description

About 68% recovery of gold was realized from the previous heap

leach operations at Mineral Ridge. Sonic core drilling was completed to create a mineral resource estimate from the heap pad, which was previously issued by MTS on July 12, 2017. Independent testing of the residual heap leach material indicates 91% recovery by further grinding the heap material and reprocessing using the carbon-in-leach ("CIL") process. Novus was engaged by Scorpio Gold to design a processing facility and develop capital expenditure ("CAPEX") and operating expenditure ("OPEX") estimates related to the new processing facility. NewFields developed the methodology for "mining" the heap residual material and for returning the tailings material from the processing facility to the lined pad. NewFields also provided the CAPEX and OPEX estimates related to the mining and filtered-tailings placement activities. Scorpio Gold provided information on the balance of project costs and general and administrative cost estimates.