

Scorpio Gold announces Q1 2019 financial results



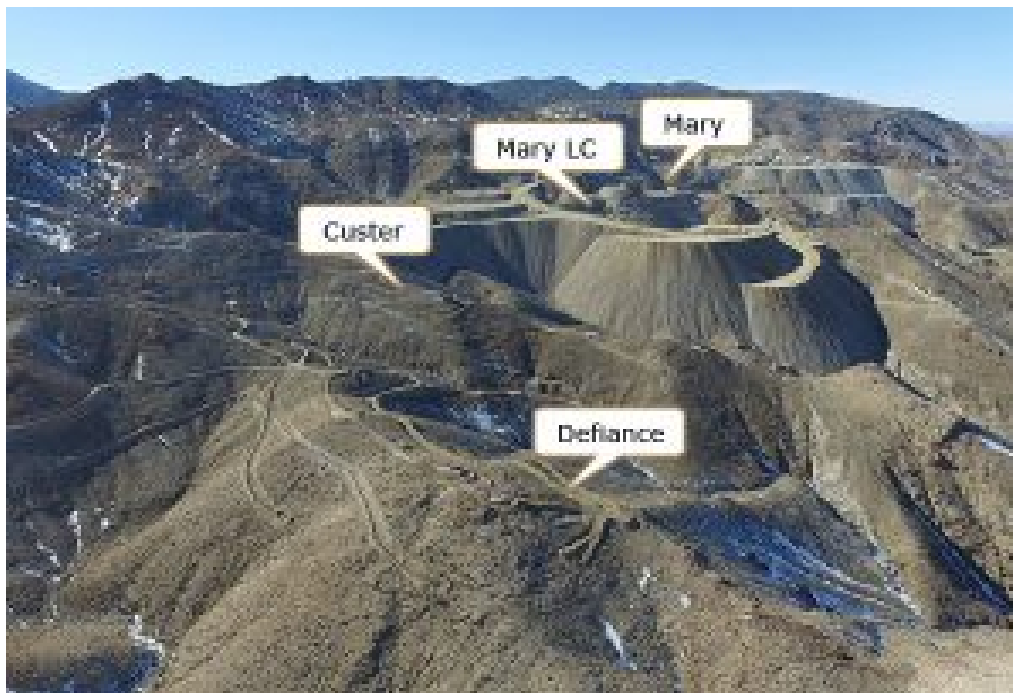
Scorpio Gold Corporation {TSX-V: SGN}

Announced its financial results for the first fiscal quarter ("Q1") ended March 31, 2019.

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Vancouver, May 22, 2018 – [Scorpio Gold Corporation](#) (“Scorpio Gold” or the “Company”) ([TSX-V: SGN](#)) announces its financial results for the first fiscal quarter (“Q1”) ended March 31, 2019.

This press release should be read in conjunction with the Company’s condensed interim consolidated financial statements for the three-months ended March 31, 2019 and Management’s Discussion & Analysis (“MD&A”) for the same period, available on the Company’s website at www.scorpiogold.com and under the Company’s SEDAR profile at www.sedar.com. All monetary amounts are expressed in US dollars unless otherwise specified.

On April 15, 2019, the Company completed a 2 for 1 consolidation of its outstanding common shares. All share and per share amounts are shown on a post-consolidated basis retroactively throughout this news release.

PERFORMANCE HIGHLIGHTS:

	Q1 2019	Q1 2018
	\$	\$
Revenue (000’s)	1,486	3,026
Mine operating earnings (000’s)	111	1,111
Net earnings (000’s)	3,425	144
Basic and diluted earnings (loss) per share	0.05	(0.00)
Adjusted net earnings ⁽¹⁾ (000’s)	100	435

Adjusted basic and diluted net (loss) earnings per share ⁽¹⁾	(0.00)	0.00
Adjusted EBIDTA ⁽¹⁾ (000's)	259	690
Adjusted basic and diluted EBIDTA per share ⁽¹⁾	0.00	0.01
Cash flow (used for) from operating activities (000's)	(205)	828
Total cash cost per ounce of gold sold ⁽¹⁾	1,129	832
Gold ounces produced	1,216	2,833
Gold ounces sold	1,211	2,300

HIGHLIGHTS FOR THE FIRST QUARTER ("Q1") ENDED MARCH 31, 2019 AND SUBSEQUENT EVENTS

- 1,216 ounces of gold were produced at the Mineral Ridge mine, compared to 2,833 ounces produced during Q1 of 2018.
- Revenue of \$1.5 million, compared to \$3.0 million during Q1 of 2018.
- Total cash cost per ounce of gold sold⁽¹⁾ of \$1,129, compared to \$832 during Q1 of 2018.
- Mine operating earnings of \$0.1 million, compared to \$1.1 million during Q1 of 2018.
- Net earnings of \$3.4 million (\$0.05 basic and diluted per share), compared to a net loss of \$0.1 million (\$0.00 basic and diluted per share) during Q1 of 2018.
- Adjusted net earnings⁽¹⁾ of \$0.1 million (\$0.00 basic and diluted per share), compared to \$0.4 million (\$0.00 basic and diluted per share) during Q1 of 2018.
- Adjusted EBITDA⁽¹⁾ of \$0.3 million (\$0.00 basic and diluted per share), compared to \$0.7 million (\$0.01 basic and diluted per share) million during Q1 of 2018.
- Subsequent to March 31, 2019, the Company completed a \$7

Million convertible debenture private placement financing, and the Company used part of the proceeds therefrom to extinguish certain debts and buy back the remaining 30% interest in Mineral Ridge (Refer to “Debenture Financing and Waterton Buyout” in the Company’s Management discussion & Analysis for the period ended March 31, 2019).

⁽¹⁾This is a non-IFRS measure; refer to Non-IFRS Measures section of this press release and the Company’s Management Discussion & Analysis for Q1 of 2019 for a complete definition and reconciliation to the Company’s financial statements for Q1 of 2019.

Outlook

The Company’s main focus is to raise sufficient funds through financings to improve its financial position in order to proceed with the construction of a new processing facility at Mineral Ridge with a view to process heap leach materials and additional open-pit mineral reserves.