

Scorpio Gold Expands High-Grade Soil Anomaly in the Keystone-Jumbo Area at Goldwedge, Nevada

Scorpio Gold Corporation {TSX.V: SGN} reported results from Phases 2 and 3 of its 2016 soil sampling program in the Keystone-Jumbo project area at its 100% owned Goldwedge property.

Scorpio Gold Expands High-Grade Soil Anomaly in the Keystone-Jumbo Area at the Goldwedge Property, Nevada

Vancouver, December 15, 2016 – **Scorpio Gold Corporation {TSX.V: SGN}** reports results from Phases 2 and 3 of its 2016 soil sampling program in the Keystone-Jumbo project area at its 100% owned Goldwedge property.

As previously reported, Scorpio Gold initiated a three-phased soil sampling program and ground magnetic/VLF electromagnetic survey over the Keystone-Jumbo project area in mid-2016. The geophysical survey was designed to assist in structural interpretation of the area and utilised 50 meter line spacing to provide high resolution of structural breaks. The soil sampling program was conducted at 100 meter sampling intervals to detect anomalous gold mineralisation in areas covered by

overburden. In the Keystone-Jumbo area, overburden covers approximately 85% of the land position and typically ranges from 0 to 2 meters depth.

Phase 1 of the soil sampling program was conducted over the main area of interest that surrounds the historic Keystone and Jumbo mine workings. Results outlined a 1,100 meter long soil anomaly that follows a distinct N30-45W trending structural break (see November 14, 2016 news release). This trend sub-parallel to the N30W structure mapped in the Keystone pit, which is determined to be the main structural control to mineralisation.

Phases 2 and 3 of the sampling program covered the remainder of the Keystone-Jumbo project area that was not subjected to ground disturbance during historical mining operations. Results have extended the soil anomaly's strike length 130 meters to the southeast, outlining a 1,230 meter mineralised trend that crosses nearly the entire NW length of the Keystone Jumbo land holdings.

Results from this soil sample program correlate well with the interpreted structural geology from the field mapping and the ground magnetic/VLF electromagnetic geophysical surveys recently processed. Of note is the spatial association of high-grade soil samples from all 3 phases with the granite-metasediment contact, especially where favorable structural orientations are found. This lithological contact is considered a promising exploration target in addition to the multiple NW trending structures recognized in the area.

Scorpio Gold's management considers the Keystone-Jumbo project area to have exceptional exploration merit. Additional detailed mapping and modeling is underway to define drill targets within the mineralised corridor.

Anomalous results from geochemical analyses of the 49 samples collected in Phase 2 and 41 samples collected in Phase 3 are presented in Table 1.

Table 1. Phase 2 and 3 Soil Sampling Program – Samples Returning ≥30 ppb Au

B Samples (2-80 mesh) C Samples (+80 mesh)

Phase	Sample ID	Au (ppb)	Phase	Sample ID	Au (ppb)
-------	-----------	----------	-------	-----------	----------

Phase 2	GWSS-16-0154B	56.9	Phase 2	GWSS-16-0154C	39.2
---------	---------------	------	---------	---------------	------

Phase 2	GWSS-16-0171B	46.1	Phase 3	GWSS-16-0227C	31.1
---------	---------------	------	---------	---------------	------

Phase 2	GWSS-16-0175B	36.4	Phase 3	GWSS-16-0229C	82.7
---------	---------------	------	---------	---------------	------

Phase 3	GWSS-16-0227B	30.0
---------	---------------	------

Phase 3	GWSS-16-0229B	683.3
---------	---------------	-------

Plan maps showing the structural interpretation, soil sampling grids and results to date can be viewed in the following links.

[Phase 1-3 C Fraction \(+80 mesh\) Soil Samples & Geology Compilation: Compilation](#)

[Phase 1-3 C Fraction \(+80 mesh\) Soil Samples & Structure: C Samples](#)

[Phase 2-3 B Fraction \(2-80 mesh\) Soil Samples & Structure: B Samples](#)

The Jumbo and Keystone deposits are located approximately 4 km southeast of the Company's Goldwedge deposit. The Keystone

open pit was mined by Nevada Goldfields in 1990 and reported 5,750 ounces recovered at 0.32 opt gold. The Jumbo underground mine/pit has no historically reported recovered gold ounces associated with it. New Concept Mining reported mineral resource estimates for both the Jumbo and Keystone deposits in May 1997; however, neither estimate is compliant with NI 43-101 and await verification.

Soil Samples – B and C Fractions

The soil samples are sieved into three size fractions, coarser than 2 mesh (A Sample), 2 mesh to 80 mesh (B Sample) and finer than 80 mesh (C Sample). The A samples were retained as a lithological reference, while the B and C samples were analysed for both Au and tracer elements.

The C samples are considered to be the better indicators for Au mineralisation as Au is preferentially adsorbed onto clay minerals and the finer particle size reduces statistical errors and nugget effect. The coarser B samples, while also indicative for Au, are better representatives of geochemical tracer elements such as As, Hg, Sb, as their associated minerals are part of the host rock alteration assemblage that is better sampled using a coarser fraction.

Soil samples were prepped at Bureau Veritas in Reno, Nevada and pulps analysed at Bureau Veritas, Vancouver. Both are ISO 9001 certified testing laboratories and operate in compliance with ISO/IEC 17025:2005 standards. Further details are presented in the Company's quality assurance and quality control program for the Keystone-Jumbo project, available at: QAQC-KJ.

About Scorpio Gold

Scorpio Gold holds a 70% interest in the Mineral Ridge gold mining operation located in Esmeralda County, Nevada with joint venture partner Elevon, LLC (30%). Mineral Ridge is currently in production as 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 Chairman, 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

Chris Zerga,
President