Scorpio Gold reports Q4 and end of year results

Scorpio Gold Corporation {TSX.V: SGN}

Announced its financial results for the fourth quarter (“Q4”) and year ended December 31, 2018.

This press release should be read in conjunction with the Company’s consolidated financial statements for the year ended December 31, 2018 and MD & A for the same period, available on the Company’s website.

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Scorpio Gold Reports Fourth Quarter and Provides Year-End Financial Results for 2018

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Vancouver, April 29, 2019 – Scorpio Gold Corporation ("Scorpio Gold" or the "Company") (TSX-V: SGN) announces its financial results for the fourth quarter ("Q4") and year ended December 31, 2018. This press release should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2018 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 name on SEDAR 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 share capital. All share and per share amounts are shown on a post-consolidated basis retroactively throughout these financial statements

PERFORMANCE HIGHLIGHTS:

	Q4 2018	Q4 2017	**2018**	2017
	$	$	**$**	$
Revenue (000's)	**2,095**	4,777	**9,824**	26,993
Mine operating earnings (000's)	**114**	144	**3,038**	2,576
Net (loss) earnings (000's)	**(382)**	(1,205)	**423**	(4,224)
Basic and diluted loss per share	**(0.01)**	(0.02)	**(0.00)**	(0.06)
Adjusted net (loss) earnings[(1)] (000's)	**321**	(578)	**1,467**	419

Adjusted basic and diluted net (loss) earnings per share[1]	**0.00**	(0.01)	**0.01**	(0.00(
Adjusted EBIDTA[1] (000's)	**532**	(281)	**2,403**	2,777
Adjusted basic and diluted EBIDTA per share[1]	**0.00**	(0.00)	**0.02**	0.03
Cash flow from (used in) operating activities (000's)	**644**	(161)	**2,498**	3,440
Total cash cost per ounce of gold sold[1]	**1,159**	1,188	**883**	1,026
Gold ounces produced	1,580	3,709	7,767	19,045

2018 HIGHLIGHTS AND SUBSEQUENT EVENTS

- 7,767 ounces of gold were produced at the Mineral Ridge mine, compared to 19,045 ounces produced during 2017.
- Revenue of $9.8 million, compared to $27.0 million during 2017.
- Total cash cost per ounce of gold sold[1] of $883, compared to $1,026 during 2017.
- Mine operating earnings of $3.0 million, compared to $2.6 million during 2017.
- Net earnings of $0.4 million ($0.00 basic and diluted per share), compared to net loss of $4.2 million ($0.06 basic and diluted per share) during 2017.
- Adjusted net earnings[1] of $1.5 million ($0.01 basic and diluted per share), compared to $0.4 million ($0.00 basic and diluted per share) during 2017.

- Adjusted EBITDA[(1)] of $2.4 million ($0.02 basic and diluted per share), compared to $2.8 million ($0.03 basic and diluted per share) million during 2017.
- Subsequent to December 31, 2018, the Company completed a $7 Million convertible debenture private placement financing, and the Company used a portion of the proceeds to extinguish certain debts and buy back the remaining 30% interest in Mineral Ridge (Refer to "Debenture Financing and Waterton Buyout" below).

FOURTH QUARTER HIGHLIGHTS

- 1,580 ounces of gold were produced at the Mineral Ridge mine during Q4 of 2018, compared to 3,709 ounces during Q4 of 2017.
- Revenue of $2.1 million, compared to $4.8 million during Q4 of 2017.
- Total cash cost per ounce of gold sold[(1)] of $1,159 compared to $1,188 during Q4 of 2017.
- Mine operating earnings of $0.1 million compared to $0.1 million during Q4 of 2017.
- Net loss of $0.4 million ($0.01 basic and diluted per share), compared to net loss of $1.2 million ($0.02 basic and diluted per share) during Q4 of 2017.
- Adjusted net earnings[(1)] of $0.3 million ($0.00 basic and diluted per share) compared to adjusted net loss of $0.6 million ($0.01 basic and diluted per share) for Q4 of 2017.
- Adjusted EBITDA[(1)] of $0.5 million ($0.00 basic and diluted per share) compared to negative $0.3 million ($0.00 basic and diluted per share) during Q4 of 2017.

[(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 a complete definition and reconciliation to the Company's financial statements.

2019 Outlook

The Company's main focus is to raise sufficient financing to improve its financial position to allow it 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.

NON-IFRS MEASURES

The discussion of financial results in this press release includes reference to Adjusted net earnings, Adjusted EBITDA, Total cash cost per ounce of gold sold which are non-IFRS measures. The Company provides these measures as additional information regarding the Company's financial results and performance. Please refer to the Company's MD&A for the year ended December 31, 2018 for definitions of these terms and a reconciliation of these measures to reported International Financial Reporting Standards ("IFRS") results.

About Scorpio Gold

Scorpio Gold holds a 100% interest in the producing Mineral Ridge gold mining operation located in Esmeralda County, Nevada. Mineral Ridge is a conventional open pit mining and heap leach operation. Mining at Mineral Ridge was suspended in November 2017; however, the Company continues to generate limited revenues from residual but diminishing recoveries from the leach pads. 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, P.Geo., is a

Qualified Person as defined in National Instrument 43-101 and has reviewed and approved the content of this release.

ON BEHALF OF THE BOARD
SCORPIO GOLD CORPORATION

Brian Lock,
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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The Company relies on litigation protection for “forward-looking” statements. This news release contains forward-looking statements that are based on the Company’s current expectations and estimates. Forward-looking statements are frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “suggest”, “indicate” and other similar words or statements that certain events or conditions “may” or “will” occur, and include, without limitation, statements regarding the Company’s plans to seek and obtain sufficient financing to improve its financial position and to construct a new processing facility at Mineral Ridge, plans to re-commence mining operations and to plans with respect to the development and exploitation of its Mineral Ridge mine, including any forecasts regarding future production or costs related thereto. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements, including risks relating to operation of a gold mine, including the

availability of cash flows or financing to meet the Company’s ongoing financial obligations; unanticipated changes in the mineral content of materials being mined; unanticipated changes in recovery rates; changes in project parameters; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; availability of skilled labour and the impact of labour disputes; obtaining the required permits to expand and extend mining activities; delays in obtaining governmental approvals; changes in metals prices; unanticipated changes in key management personnel; changes in general economic conditions; other risks of the mining industry and those risk factors outlined in the Company’s Management Discussion and Analysis as filed on SEDAR. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty thereof.