

Report on work completed on the Crooked Green Lake Property September – October, 2009

Mining Claims # 4241588, 4242228, 4247973, 4247975, 4247976, 4247977, 4247978, 4247979 and 4250110

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Toronto, Ontario

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Introduction

The Crooked Green Lake Property is located approximately 190 km NE of Thunder Bay and 31 km NE of Beardmore, Ontario. It consists of nine mining claims (Table 1) which are situated on the eastern edge of the Crooked Green mafic pluton. Thus, the Property is largely underlain by various phases of mafic to ultramafic (largely gabbroic) intrusive rocks with the potential to host mafic-ultramafic style (Cu-Ni-PGE) mineralization. The mafic intrusive rocks are often crosscut by granitic to granodioritic intrusive rocks likely related to the nearby Elmhirst intrusion.

High-grade structurally controlled gold veins have also been reported in the area (e.g. Golden Mile and Golden Extension to the south) and on the Property at the CGL-1 showing, where a 38.0 g/t Au sample was taken in 2000 and a nearby 30.85 g/t Au sample was taken during the 2009 prospecting program that is the subject of this report.

All coordinates presented in the report are in Universal Transverse Mercator (UTM). The datum used for the projection of these coordinates is the North American Datum 83 (NAD83) in zone 16 of Ontario, Canada.

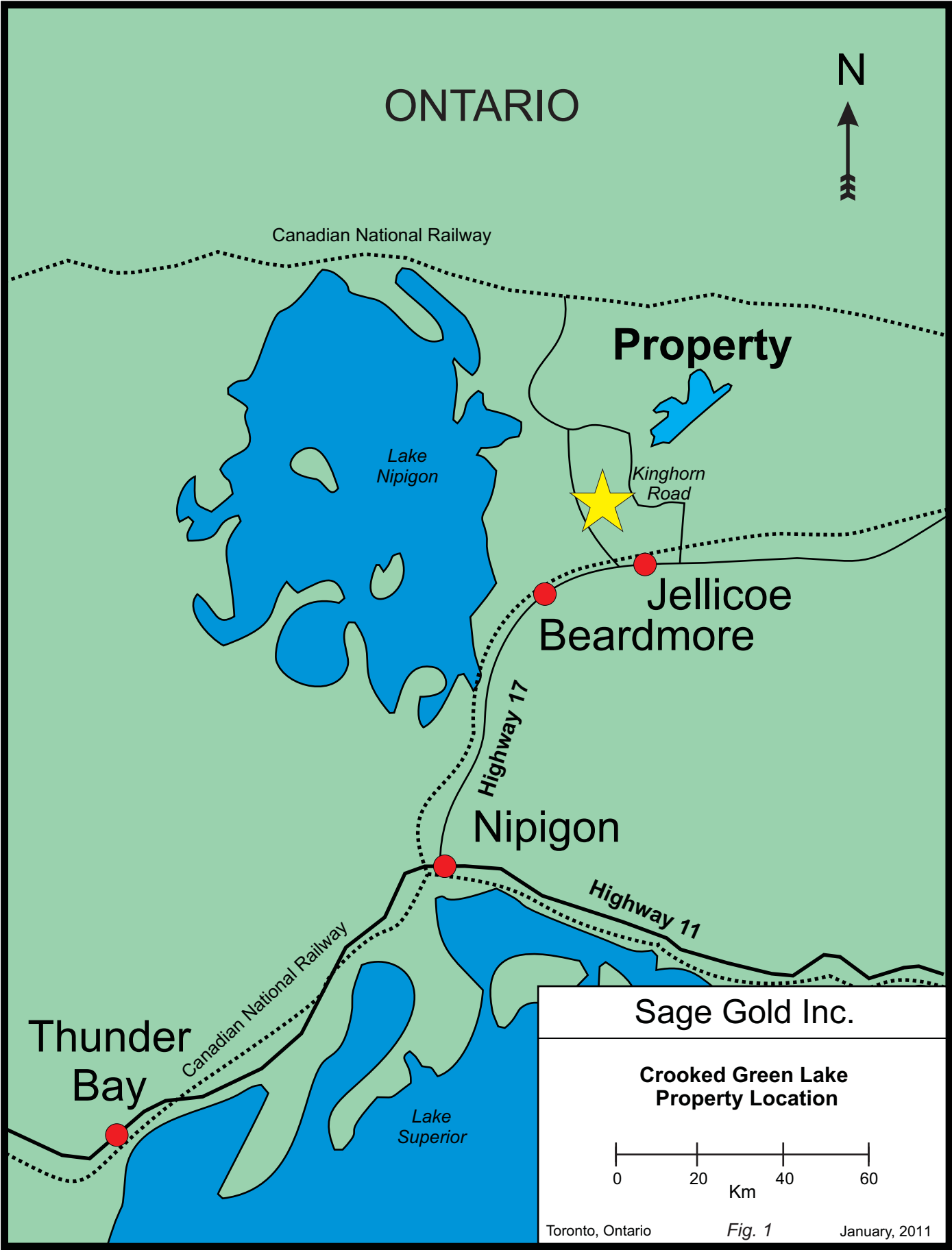
Location, Access and Topography

The Crooked Green Lake Property is situated approximately 31 km NNE of Beardmore approximately 190 km NNE of Thunder Bay, Ontario on National Topographic System (NTS) sheet 42E/13 in the Thunder Bay Mining Division. The Property is accessed by travelling 21 km east of Beardmore, then 29 km north on highway 801. From here, one proceeds approximately 3.5 km NNE on an old bush road to arrive at the southwest corner of claim # 4241588. Details regarding the Properties claims status are shown below in Table 1. The original Property consisted of a single claim (4241588). Staking in late 2009 enlarged the Crooked Green Lake Property by 8 additional claims (Figure 2; Table 1).

The topography on the Property is rather subdued with the exception of the western shore of Crooked Green Lake, the southwest part of the Property and towards a small creek that runs NE-SW through the Property.

Township	Claim Number	Number of Units	Recording Date	Due Date
Martin Lake	4241588	6	05-Feb-09	05-Feb-11
Martin Lake	4242228	16	18-Dec-09	18-Dec-11
Martin Lake	4247973	1	18-Dec-09	18-Dec-11
Martin Lake	4247975	16	22-Dec-09	22-Dec-11
Castlewood Lake	4247976	15	22-Dec-09	22-Dec-11
Castlewood Lake	4247977	16	22-Dec-09	22-Dec-11
Castlewood Lake	4247978	15	22-Dec-09	22-Dec-11
Castlewood Lake	4247979	16	22-Dec-09	22-Dec-11
Martin Lake	4250110	16	22-Dec-09	22-Dec-11

Table 1: Property Claims Status



Sage Gold Inc.
Crooked Green Lake
Property Location

0 20 40 60
Km

Toronto, Ontario Fig. 1 January, 2011

History

The only historical work relevant to the Property and available to the current author is documented by L. Holt from work completed in the year 2000 (AFRI # 42E14NW2001). A VLF survey and a number of trenches were completed during this program, particularly at VLF conductors and at poorly documented historical showings (70-80 years old). Pt, Pd, Cu and Au were the primary commodities sought during this program. While no significant results were obtained for the first three elements, a value of 38.0 g/t Au was obtained from a showing now named the CGL-1 showing.

Geology & Mineralization

Regional Geology

Wabigoon Subprovince

The Property lies within the Wabigoon subprovince of the Archean-aged Superior Province. The Wabigoon subprovince is a 900 km long east-west trending granite-greenstone terrane composed of metavolcanic and lesser metasedimentary rocks that have been intruded by polyphase granitoid batholiths (Blackburn *et al.*, 1991). To the north, the subprovince is bound by the Winnipeg River and English River subprovinces, the contact being variably interpreted as intrusive (Breaks *et al.*, 1978), faulted (Blackburn *et al.*, 1985) and a tectonically modified unconformity (Clark *et al.*, 1981). To the south, it is bound by the metasedimentary Quetico subprovince along a structurally complicated fault-shear zone that corresponds to the southern boundary of the Beardmore-Geraldton Belt (BGB). As described by Blackburn *et al.* (1991) the Wabigoon subprovince has been subdivided into three major regions based on structural and lithological elements: 1) the western portion consists of large areas of supracrustal rocks intruded by synvolcanic polyphase batholiths; 2) the central area contains numerous gneiss domes intruded by elliptical batholiths and surrounded by small greenstone belts; 3) the eastern region (the location of the Property) consists of abundant supracrustal rocks intruded by synvolcanic granitoid batholiths.

Onaman-Tashota Belt (OTB)

The following text has been summarized from Mason and White (1986).

The OTB consists of a felsic to mafic metavolcanic (calc-alkaline and tholeiitic) sequence bound to the south by the BGB's northern contact defined by the Paint Lake Deformation Zone. Metavolcanic rocks of the OTB are deformed into arcuate shaped belts related to the emplacement of ovoid granitoid intrusions. Regional structures and stratigraphy exhibit a north and northeasterly strike while late northwest trending structures are common in the southern part of the OTB. Preliminary age determinations suggest that the OTB predates the BGB (Mason and White, 1986 and references therein).

Mafic metavolcanic rocks in the OTB are interbedded with felsic pyroclastic rocks and minor quartz porphyry & rhyolite flows. The mafic metavolcanic rocks consist of massive to foliated, pillowed, porphyritic and amygdaloidal flows, chlorite schist, volcanoclastic tuff & breccia and agglomerate. Felsic metavolcanics consist of rhyolitic to rhyodacitic flows, rhyolite porphyry, crystal

tuff, lapilli-tuff, tuff breccia, rhyolitic quartz feldspar porphyry and pyroclastic breccia. Metasedimentary rocks are also present as argillite, wacke, sandstone, conglomerate and minor chemical metasediments in the form of iron formation.

Local/Property Geology

Broadly speaking, the Property is situated within the South-Central part of the Onaman-Tashota belt. Locally, northward facing metavolcanics consist of massive to pillowed to brecciated flows with lesser intermediate to felsic tuffs. These supracrustals are intruded by late gabbroic to granodioritic plutons.

More specifically, the Property is located along the eastern margin of the Crooked Green pluton. The pluton is composed of various phases of largely mafic to ultramafic intrusives, largely gabbroic in composition and texture. These rocks have historically been explored for their potential to host mafic-ultramafic style mineralization (Cu-Ni-PGE). An example of this style of mineralization can be found a few km's south at the Jacobus Cu-Ni deposit, which is hosted within a differentiated gabbroic sill. The described mafic intrusive rocks are often crosscut by granitic to granodioritic intrusive rocks likely related to the Elmhirst intrusion. The mafic intrusives are immediately bordered by mafic metavolcanic rocks that have been extensively carbonitized and silicified with less common zones of albitization.

During 2009, a brief visit to the Property was conducted by N. Duke and R. Therriault. A synopsis of what was observed during this visit follows:

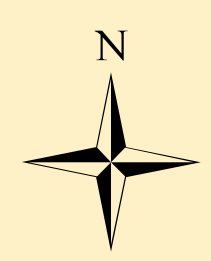
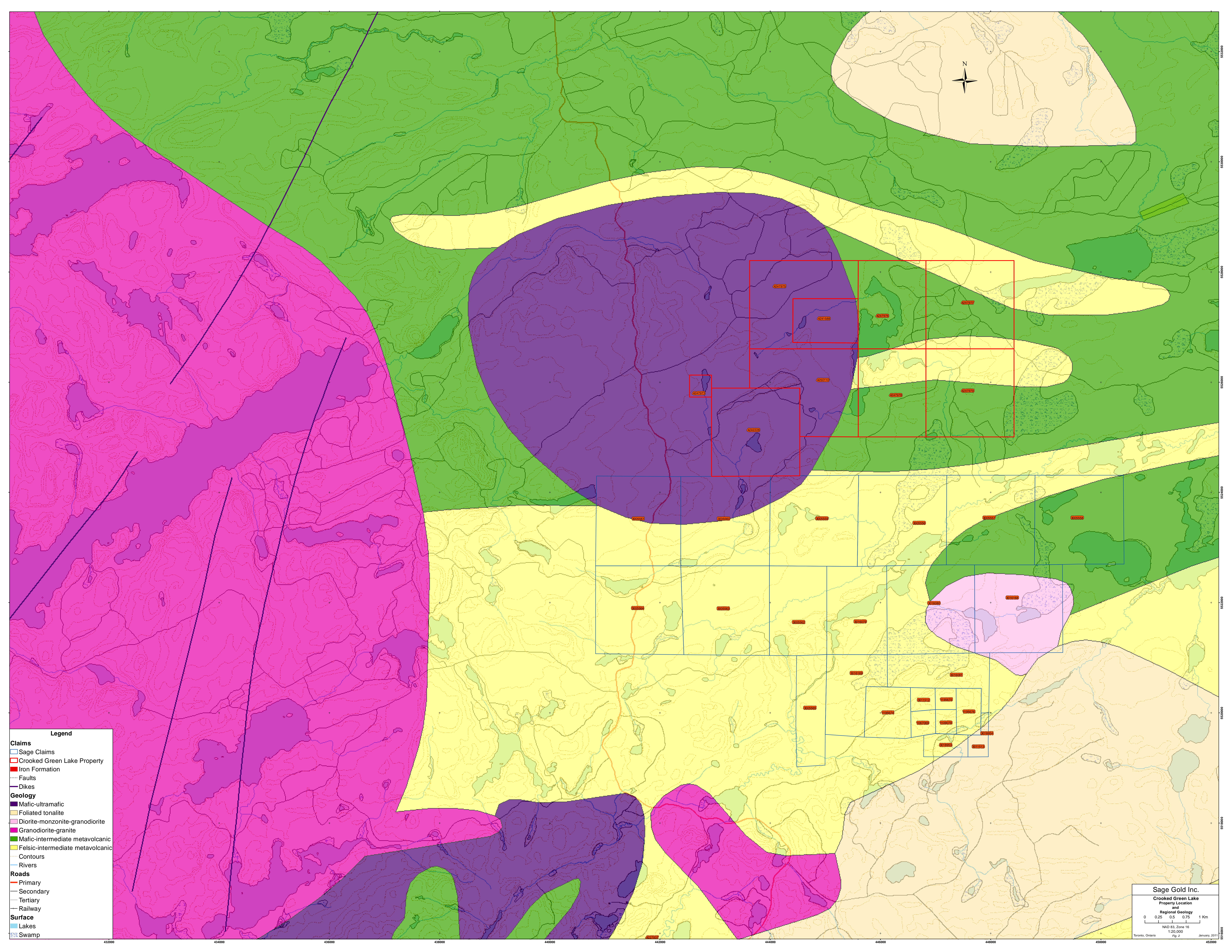
"The Crooked Green Gabbro Stock is on-strike northwest of the Elmhirst Ferrodiorite Stock. The Crooked Green Gabbro intrudes the lower mafic to intermediate flows underlying the Elmhirst-Rickaby felsic center. Several quartz veins were observed in deformation zones paralleling the eastern margin of Crooked Green Lake. Locally these veins have "laminated aplite" as borders, indicating an underlying granitic plutonic phase. A large coarsely textured quartz vein with associated molybdenite and tourmaline on an old trail about 0.5 km west of the north end of Crooked Green Lake has strongly sheared, carbonated and sulphidized margins, suggesting a potential for a Kodiak-type vein system along the 020° sheared margin of the gabbro body."

For a more detailed review of the geology surrounding the Property, the reader is referred to Amukin, 1980 and Stott *et al.*, 1996.

2009 Exploration Program

Prospecting on the Property was conducted during the 2009 summer and fall field seasons resulting in the collection of approximately 183 grab samples from claim 4241588 (Appendix C). The gold assay results of this survey are illustrated in Figure 3 while highlights from the program are shown below in Table 2. The best gold value, 30.85 g/t, is from a thin discontinuous NE trending quartz vein in the south-central part of the claim from an historical showing discovered/rediscovered by L. Holt in 2000 (AFRI # 42E14NW2001). Previous samples from this showing have assayed up to 38.0 g/t Au.

A number of grab samples, particularly the mafic-ultramafic intrusives, were assayed for Cu-PGE's. Unfortunately, no significant values were returned.



- Legend**
- Claims**
 - Sage Claims
 - Crooked Green Lake Property
 - Iron Formation
 - Faults
 - Dikes
 - Geology**
 - Mafic-ultramafic
 - Foliated tonalite
 - Diorite-monzonite-granodiorite
 - Granodiorite-granite
 - Mafic-intermediate metavolcanic
 - Felsic-intermediate metavolcanic
 - Contours
 - Rivers
 - Roads**
 - Primary
 - Secondary
 - Tertiary
 - Railway
 - Surface**
 - Lakes
 - Swamp

Sage Gold Inc.
 Crooked Green Lake
 Property Location
 and
 Regional Geology
 0 0.25 0.5 0.75 1 Km
 NAD 83, Zone 16
 1:20,000
 Fig. 2
 Toronto, Ontario January, 2011

The prospecting program was carried out sporadically throughout the late summer and fall by James Buta (Beardmore), Shawna Cross (Thunder Bay), Christopher Thompson (Beardmore), Bill Spade (Thunder Bay), John Metansinine (Beardmore) and Alex Nayookceesic (Jellicoe).

Sample Number	Easting	Northing	Au (g/t)	Ag (g/t)
09ANCG029	444899	5526862	1.05	1.07
09JBCG241	444895	5526851	30.85	8.79
09SCCG243	444893	5526852	3.35	NA
09SCCG274	444898	5526861	1.32	0.00
09SCCG275	444901	5526862	1.99	1.53
09SCCG276	444909	5526872	0.47	0.00
Table 2: Grab Sample Highlights, 2009 Prospecting				

Interpretations and Recommendations

While a small number of grab samples did yield anomalous gold values, they are related to narrow locally high-grade gold veins that generally have a very limited strike length and lack significant alteration/stockworked selvages. This is typical of the area - mineralization of similar style is seen to the south at the Golden Mile and Golden Extension areas. While these small systems may eventually prove economic, they are difficult to find and expensive to develop. A wider (up to 10 m) quartz-sulphide vein was located in 2009 at 445206E/5527280N; however, no gold values were returned.

No anomalous values were obtained from the samples analyzed for Cu-Ni-PGE mineralization. While some of the gabbro phases on the Property are visually similar to the gabbro hosting the Jacobus Cu-Ni deposit to the south, no significant sulphidized gabbro samples were encountered during the 2009 exploration program.

Based on what was discussed above, additional exploration is not considered to be a prudent option at this juncture. If additional exploration is carried out, the following recommendations may be considered:

- 1) Relatively detailed (1:5000) geological mapping with emphasis on structure and separation of gabbro phases.
- 2) Completion of an MMI soil survey, ensuring that PGE's are included in the elements analyzed.
- 3) Attempt to follow up the high-grade Au sample at the CGL-1 showing.
- 4) Follow and sample the wide quartz vein discussed above along strike to see if it carries in gold to the north/south.
- 5) Additional prospecting on the newly-acquired claims that now fall under the definition of the 'Crooked Green Lake Property'.

References

AFRI # 42E14NW2001. L. Holt. 2000. Crooked Green Lake Property.

Amukun, S.E. 1980. Geology of the Conglomerate Lake Area, District of Thunder Bay; Ontario Geological Survey Report 197, 101p. Accompanied by Map 2429, scale 1:31 680 (1 inch to 1/2 mile).

Breaks, F.W., Bond, W.D. and Stone, D. 1978. Preliminary geological synthesis of the English River Subprovince, northwestern Ontario and its bearing upon mineral exploration: Ontario Geological Survey, Miscellaneous Paper 72.

Blackburn, C.E., Johns, G.W., Ayer, J. and Davies, D.W. 1991. Wabigoon Subprovince, *in* Thurston, P.C., Williams, H.R., Sutcliffe, R.H. and Stott, G.M., eds., Geology of Ontario: Ontario Geological Survey, Special Volume 4, Part 1.

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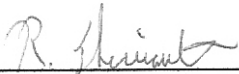
Clark, G.S., Bold, R., and Ayres, L.D. 1981. Geochronology of orthogneiss adjacent to the Archean Lake of the Woods greenstone belt, northwestern Ontario: a possible basement complex; Canadian Journal

Mason, J and White, G. 1986. Gold Occurrences, Prospects, and Deposits of the Beardmore-Geraldton Area, Districts of Thunder Bay and Cochrane; Ontario Geological Survey, Open File Report 5630, 680p., 21 figures, 11 tables, and 1 map in back pocket.

Qualifications

I, Ronnie Therriault, of #32 Hwy. 595, Kakabeka Falls, Ontario, do hereby certify that:

- 1) I am a consulting geologist with Sage Gold Inc. with an office at 365 Bay Street, Suite 500, Toronto Ontario, M5H-2V1
- 2) I am a graduate of The University of Western Ontario with a B.Sc. and in 2006 with an M.Sc., both in Geology.
- 3) I have practiced my profession continuously since 2006.
- 4) I am responsible for, or directly supervised, the writing of this report dated January 24, 2011. It is based on a study of the data and literature available on the Crooked Green Lake Property.
- 5) As of the date of this certificate, to the best of my knowledge, information and belief, the report contains all scientific and technical information that is required to be disclosed to make the report not misleading.



Ronnie Therriault, M.Sc.

Kakabeka Falls, Ontario