



(TSX.V:TLG)

TAGISH – THE COMPANY AND THE SKUKUM PROPERTY

August 19, 2009

Tagish Lake Gold Corp., Richmond, BC (TSX-V: TLG)

The Company has become aware of statements and rumours published on various web sites or otherwise communicated to shareholders and other members of the public about the Company and the Skukum Property that the Company considers to be inaccurate and/or misleading. The Company is issuing this news release in order to address these statements and ensure that all shareholders are properly informed.

The Company holds the mineral claims constituting the Skukum Mineral Property. Accurate, up-to-date information about mineral claims is in the public domain, and holdings can be viewed on the Yukon Mining Recorder website at: www.yukonminingrecorder.ca where the database provides a complete list of the 982 mineral claims of the Skukum Mineral Property, a number that has not changed materially for a number of years. The map sheet to view the Skukum property is 105D03. Links to the database and map can be found on the Company website. As shown on the 105D03 map sheet, most of the land around the Skukum property is held by the Carcross Tagish First Nation, and is classed as Category A land, that cannot be staked by others.

The Company stands behind its published Resource Estimates. The Resource Estimates for the Skukum Creek deposit provided by the Company on www.Sedar.com are NI 43-101 compliant, prepared by MineTech International, a reputable independent firm of consulting engineers. Their estimate for the resources in the Rainbow zone, which accounts for the bulk of the resources, at Skukum Creek is comparable to historical estimates prepared by other professional geologists. And, the mineralized zones at Skukum Creek remain open, so there is excellent potential to increase the resources in these zones.

There are no material environmental issues on the Skukum property. The waste rock types encountered in the Skukum Creek workings has been tested for their potential for Acid Rock Drainage (ARD), and found not to be acid generating. The mineralization in the Rainbow and other zones at Skukum Creek contains sufficient carbonates to have a Net Neutralization Potential. These findings are confirmed by the performance of the waste rock dumps and low-grade stockpiles, some of which have been exposed for over twenty years without any acid discharge.

The Company has dealt with all of the matters within its control to facilitate the proposed amalgamation with 804722 BC Ltd., and its wholly-owned subsidiary, Yukon-Shaanxi Mining Corp. The proposed amalgamation is considered to be a Reverse Takeover (RTO) by the TSX Venture Exchange (TSX-V). The TSX-V has detailed guidelines for a RTO and the related Information Circular, requiring essentially prospectus level disclosure for both amalgamating entities and the resulting merged company. The disclosure of certain information related to 804722 BC Ltd., including audited annual and interim financial statements, as well as the future plans, capitalization and funding of the merged company can only come from Yukon Shaanxi. Following receipt of that information, the Company and Yukon Shaanxi will file a revised Information Circular with the TSX-V and address other matters raised by the TSX-V in the initial filing. Once the TSX-V has accepted these, a special meeting of Tagish shareholders will be scheduled, and the Information Circular and related proxy materials will be mailed to shareholders. If the proposed amalgamation is approved by shareholders, the Company will then apply to the British Columbia Supreme Court for court approval under the *Business Corporations Act*.

Funding for the Company's ongoing expenses has been provided by Yukon-Shaanxi.

About Tagish Lake Gold Corp.

Tagish Lake Gold Corp. explores for and develops high grade gold-silver mineral deposits in the Yukon Territory of Canada. The Company is currently focused on its wholly owned, 178 km² Skukum Mineral District located 80 km by road south of Whitehorse. The Skukum Mineral District hosts the Skukum Creek gold-silver deposit, the Goddell Gully and the Mt. Skukum gold deposits.

FOR FURTHER INFORMATION, visit the Company's website at www.tagishgold.com, or contact:

Tagish Lake Gold Corp.
Robert Rodger, Interim CEO

Tel: 604-273-6477

Fax: 604-273-6488

www.tagishgold.com

Neither the 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 news release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities of the Company have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Certain statements contained in this news release using the terms "may", "expects to", "projects", "estimates", "plans", and other terms denoting future possibilities, are forward-looking statements in respect to various issues including upcoming events based upon current expectations which involve risks and uncertainties that could cause actual outcomes and results to differ materially. The future conduct of the Company's business and the feasibility of its mineral exploration properties are dependent upon a number of factors and there can be no assurance that the Company will be able to conduct its operations as contemplate and the accuracy of these statements cannot be guaranteed as they are subject to a variety of risks that are beyond our ability to predict or control and which may cause actual results to differ materially from the projections or estimates contained herein. The risks include, but are not limited to, the risks described in the above press release; those risks set out in the company's disclosure documents and its annual, quarterly and current reports; the fact that exploration activities seldom result in the discovery of a commercially viable mineral resource and are also significant amounts of capital to undertake and the other risks associated with start-up mineral exploration operations with insufficient liquidity, and no historical profitability. The Company disclaims any obligation to revise any forward looking statements as a result of information received after the fact or regarding future events.