Sienna Gold Exploration Update: 2013- Building on Success

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CALGARY, 01/16/13 - Sienna Gold Inc ("Sienna" or the "Company") (TSX VENTURE: SGP) (LMA: SGP) provides an update of exploration over the last year and details of the Company's plans for 2013 at its 100%-owned Igor project, in La Libertad, Peru.

Mineral Resource Estimate

The main focus in 2012 was drilling, which resulted in the production of an initial Mineral Resource Estimate (NI 43-101) for the Callanquitas Structure. The estimate was announced in a press release dated November 13, 2012.

The resource estimate resulted in a resource of 7.2 million tonnes grading 1.9 grams per tonne (g/t) gold and 71.8 g/t silver; this equates to 3.16 gold equivalent (Au Eq(i)) g/t using a cut-off grade of 1.5 Au Eq(i) g/t. This is approximately 448,500 ounces of gold and 16,600,000 ounces of silver, which equates to approximately 730,500 Au Eq(i) ounces.

The NI 43-101 report was filed on December 17, 2012 and can be viewed on the Company's web site at www.siennagold.com or on Sedar at www.sedar.com.

Surface Sampling and Mapping

In addition to the Callanquitas drilling, mapping and sampling continued throughout 2012. A total of 296 surface samples was collected from outcrops, trenches and old workings. Of these, 138 were greater than 0.5 g/t gold and 98 were greater than 1 g/t gold. The following table shows the most significant samples.

Sample ID	Au Grade (g/t)	Ag Grade (g/t)
E982777	21.4	53
E982826	14.4	26
E982762	6.4	1019
E982763	5.99	537
E982896	27.8	284
I237973	7.73	287
I237874	11.2	242
I237902	5.1	1.6
I237934	4.6	7.6
I237883	4.3	79.1
I237886	4	126

Detailed mapping at 1:1,000 scale expanded outwards from the Callanquitas Structure. Approximately 340 hectares have been completed.

To view Figure 1, please visit the following link:
http://media3.marketwire.com/docs/116sgp1.pdf

This mapping and sampling has been very successful and identified about 8 km of significant veins and mineralized structures. These are grouped into four main target areas (Figures 1-3). These figures show the results of all 4,300 samples collected since the Company acquired Igor in 2005. The maximum values are 94.3 g/t gold and 11,319 g/t silver. Note the restricted area of the current Callanquitas Resource in relation to the other targets.

To view Figure 2, please visit the following link:
http://media3.marketwire.com/docs/116sgp1.pdf

To view Figure 3, please visit the following link:
http://media3.marketwire.com/docs/116sgp1.pdf

Future Development

Upon securing funding, Sienna Gold plans a 20,000-22,000 m drilling campaign with the following objectives:

- infill drilling along the Callanquitas Structure
- step out drilling at Callanquitas to the north and south
- drilling of new target areas (including Domo and Tesoros)

Metallurgical test work, geotechnical and provisional engineering studies are planned with the goal of producing a Preliminary Economic Assessment (PEA) towards the end of 2013.

Warren Pratt, Director of Sienna Gold Inc, comments "The timely production of the Callanquitas resource estimate was a tremendous step forward for Sienna Gold and Igor. In particular, it demonstrated very high silver grades at a particular topographic elevation. We intend to learn from Callanquitas and use it as the springboard to grow the global resource. Surface sampling and mapping clearly demonstrate the enormous potential of Callanquitas-type structures; there are approximately 8 km that have not been tested with a drill. The future looks very bright."

This press release was reviewed and approved by Dr Warren Pratt (CGeol) who is a Qualified Person according to National Instrument 43-101. Robert Sim (PGeo) is a Qualified Person and is responsible for the preparation of the mineral resource estimate.

Sienna Gold Inc is a gold exploration company with property interests in Peru. Its key prospect is the Igor Mine Project, a formerly producing mine that the Corporation is exploring further.

If you wish any further information, please feel free to contact John Rucci at any of the contact points noted above.

John M Rucci
President

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