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July 3, 2019

Spanish Mountain Gold Announces Project Activities

Vancouver, BC - Spanish Mountain Gold Ltd. (the “**Company**”) (TSX-V: SPA) is pleased to announce programs that are underway to advance the Spanish Mountain Gold Project (the “**Project**”) located in central British Columbia, Canada.

The news release dated September 13, 2018, indicated that the Company executed a number of work programs during the year in order to actively advance the Project in multiple technical areas. The news release dated December 4, 2018 further indicated that the results from the 2018 drilling program raised the potential for further scaling down from the 2017 mill throughput, which could potentially further reduce the initial capital cost significantly. Under such a scenario, it is envisioned that the Project could potentially achieve higher process plant feed grades with a lower capital cost than that assumed in the 2017 PEA.

The Company has engaged Moose Mountain Technical Services to prepare an updated block model that incorporates the high grade drill results achieved during the 2018 drill program and that updates the resource estimating (kriging) parameters used to prepare the block model.

The Company has also engaged Moose Mountain Technical Services to study the alternatives in developing a mine plan for a conceptual 10,000 tonnes per day (tpd) project using the updated block model and focusing on the higher grade central portion of the deposit. In the Project's 2017 Preliminary Economic Assessment, the mine plan entailed a process plant throughput of 20,000 tpd throughout its mine life of 24 years. The Company believes that a lower throughput with a higher cut-off grade will potentially reduce the capital expenditure while maintaining an increased mill feed grade.

Morris Beattie, Chairman of the Board, states: “Our decision to commence these studies is based on extensive internal investigations that indicated that the above studies potentially provide the basis for an improvement in the Project's metrics.”

The Board of Directors has authorized granting of incentive stock options to certain employees and directors of the Company to acquire an aggregate of 2,850,000 common shares of the Company. The options, which will be vested in accordance with the Company's Incentive Stock Option Plan, have an exercise price of \$0.08 per share expiring July 3, 2024. The foregoing is subject to regulatory acceptance.

About Spanish Mountain Gold

Spanish Mountain Gold Ltd is focused on advancing its flagship multi million ounce Spanish Mountain gold project in south central British Columbia. The potential viability of the project has been demonstrated in a Preliminary Economic Assessment completed in 2017 that indicated the potential for a stand-alone operation. Additional information about the Company is available on its website: www.spanishmountaingold.com.

On Behalf of the Board,
SPANISH MOUNTAIN GOLD LTD.

Morris Beattie,
Chairman

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This news release contains forward-looking information, which involves known and unknown risks, uncertainties and other factors that may cause actual events to differ materially from current expectation. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time on [SEDAR](#). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.