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Spanish Mountain Gold Activates First Module of Field Program

Vancouver, BC. Spanish Mountain Gold Ltd. (“Spanish Mountain” or the “Company”) (TSX-V: SPA) is pleased to announce that its technical team and contractors have been mobilized to the project site near Likely, B.C. to execute the first module of the field program for its Spanish Mountain gold project (the “Project”). The Company expects the summer program to contribute significantly to the realization of the dual objectives of fast tracking the Project’s Phase 1 to be “shovel ready” and expanding the multi-million ounce gold resource as stated in a news release dated August 10, 2020.

In accordance with the health and safety protocols mandated by the health authorities, company personnel have put in place various safety features and procedures that will be strictly enforced by management on-site throughout the duration of the field program. The camp and the enhanced operating procedures have been inspected and approved by the provincial health agency. Management believes that the necessary precautions have been taken to safeguard the health of our employees, consultants and community members and to avoid potential interruptions to the field work.

The first module of the field program will last approximately six weeks and will immediately be followed by a drilling campaign designed to further expand the Project’s multi-million ounce gold resource. This first module consists of a series of geotechnical drill holes and test pits that will develop additional data to sustain the proposed project infrastructure as outlined in the Preliminary Economic Assessment (“PEA”) filed in December 2019, which delineates the Project’s current mineral resource. The program will also develop additional data that will assist in the evaluation of the potential for an expanded Phase 1 scenario as part of the Preliminary Feasibility Study that could be undertaken later this year. The field program will be monitored by independent engineers from Knight Piésold Ltd.

The latest PEA highlighted the potential viability of Phase 1 operations, which target exclusively the near-surface/ higher-grade portion of the mineral deposit, comprising less than 30% of the measured and indicated ounces of the Project’s multimillion ounce gold resource. The Company believes that an expanded Phase 1, if supported by the underlying data, may further enhance the potential economics and multiple key metrics of the Project.

Larry Yau, CEO, commented: “In just over a month, we have achieved full funding for our dual project objectives and successful mobilization for our summer program. I believe it speaks volumes for our technical team’s competence and effectiveness as well as the strong support from our expert consultants. We look forward to a productive field program that could potentially add significant value to our Project.”

About Spanish Mountain Gold

Spanish Mountain Gold Ltd. is focused on advancing its multi-million ounce Spanish Mountain gold project in southern central British Columbia. The Project is fully funded to pursue the dual objectives of fast tracking Phase 1 of the Project to be “shovel ready” and actively expanding the mineral resource. Phase 1 focuses on the pit-delineated high-grade core of the deposit that is potentially expected to sustain a stand-alone operation of 11 years. The potential viability of Phase 1 has been demonstrated in a Preliminary Economic Assessment. The PEA illustrates the project potential with a combination of modest capital requirements (**US\$270m**) and low operating cost (**AISC \$549/oz**) over its mine life. Additional information on the PEA and about the Company is available on www.sedar.com and on the Company’s website: www.spanishmountaingold.com

On Behalf of the Board,
SPANISH MOUNTAIN GOLD LTD.

Larry Yau
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