



1120-1095 West Pender Street
Vancouver, British Columbia, V6E 2M6
Tel: 604.601.3651

September 13, 2018

Spanish Mountain Gold Provides Update on 2018 Field Programs

Vancouver, B.C. - **Spanish Mountain Gold Ltd.** (the “Company”) (TSX-V: SPA) is pleased to provide an update on its 2018 field programs for its Spanish Mountain gold project (the “Project”) located in British Columbia, Canada. The Company has successfully completed Phase One of the planned program, the results for which are expected in the coming weeks. Phase Two is currently underway. The entire 2018 program is expected to complete in accordance with the proposed plan and budget.

The activities completed during the Phase One of the 2018 program and the current status for each are as follows:

Archeological Impact Assessment

The Archeological Impact Assessment is a critical component of the Project’s permitting process for future drilling, development and construction. The proposed open pit area has previously been investigated and found to be free of any archeological concerns. The objective of the current year’s program is to assess the entire project area where future mining infrastructure has been proposed under the 2017 Preliminary Economic Assessment. With the completion of the field work and studies, the Company is awaiting the reports by the archaeological experts.

Consistent with its longstanding practice, the Company collaborated extensively with field technicians and heritage specialists representing all three First Nations communities throughout the summer field program. The Company is appreciative of the participation by the Williams Lake Indian Band, Xat’sùll First Nation and Lhtako Dené Nation and look forward to sharing with members of the communities the findings of the reports.

Confirmatory Metallurgical Testwork

The summer program has obtained fresh sample material totaling approximately 4 tonnes for a metallurgical testwork program that will provide confirmation of predicted results as well as the detailed information required for the design and costing of the process plant. The samples are currently being shipped to an independent laboratory where testwork will be performed under the direction of independent metallurgical consultants.

The Company has previously conducted extensive metallurgical testwork for the Project at three other independent laboratories and in the latest Preliminary Economic Assessment has reported a robust flowsheet incorporating flotation followed by cyanidation of the concentrate that achieves a consistent high overall gold recovery averaging 90%.

Exploration Drilling Program—the Phoenix Zone

The Company drilled three shallow holes with wide spacing along the one-kilometre corridor between the Phoenix Zone and the additional gold-bearing area to the north acquired by the Company in 2012 in order to test the potential continuity of mineralization through this corridor.

The Phoenix Zone, which was discovered in 2011, is located less than two kilometers west of the proposed pit. Preliminary metallurgical test work has shown that core samples from this area are amenable to the same gold recovery process as has been developed for the Main Zone.

Phase Two—Infill Drilling Program within First Zone

A drilling crew has been mobilized and has commenced a strategic drilling program within the high-grade, near-surface First Zone of the Project's multi-million ounce gold resource⁽¹⁾. The objective of the program is to increase the total number of gold ounces captured in a future mine plan by upgrading Inferred resources to the Measured & Indicated categories. The Company currently expects to drill approximately 1,800 metres in areas of high potential and may adjust the size of the program based on feedback from field staff.

By design, the 2017 PEA only incorporated M&I resource ounces into the mine plan and thereby treated Inferred ounces as “waste” even though mining cost for these ounces were included in the PEA's cashflow model. If the current drilling program successfully upgrades the targeted ounces, it is expected to further improve the Project's robust economic.

The Company believes that the work programs outlined above will build on the highly positive results reported in the latest PEA completed in May 2017 and are expected to provide additional data to support the quality of the Project's multi-million ounce gold resource.

Note (1): Resource Estimate

On April 10, 2017, the Company released an updated resource estimate along with the results of a PEA. The PEA established an economic cut-off of 0.15 g/t gold based on assumptions of operating costs for a potential open pit operation. The following table presents the updated resource, inclusive of First and Second Zones, at various categories and cut-off grades of gold:

Measured & Indicated Resource*

Au Cut-off (g/t)	Tonnes > Cut-off (tonnes)	Grade > Cut-off		Contained Metal	
		Au (g/t)	Ag (g/t)	Oz. Gold	Oz. Silver
0.15	306,530,000	0.39	0.64	3,880,000	6,280,000
0.20	238,840,000	0.46	0.66	3,510,000	5,030,000
0.25	187,240,000	0.52	0.67	3,140,000	4,020,000
0.30	149,260,000	0.59	0.68	2,810,000	3,240,000
0.40	96,030,000	0.72	0.69	2,210,000	2,130,000
0.50	65,040,000	0.85	0.69	1,770,000	1,450,000

Inferred Resource*

Au Cut-off (g/t)	Tonnes > Cut-off (tonnes)	Grade > Cut-off		Contained Metal	
		Au (g/t)	Ag (g/t)	Oz. Gold	Oz. Silver
0.15	450,640,000	0.28	0.61	4,110,000	8,900,000
0.20	307,410,000	0.34	0.63	3,320,000	6,250,000
0.25	203,740,000	0.39	0.65	2,580,000	4,240,000
0.30	136,250,000	0.45	0.66	1,980,000	2,900,000
0.40	61,590,000	0.59	0.69	1,160,000	1,360,000
0.50	32,180,000	0.72	0.69	740,000	710,000

*Mineral resources, which are not mineral reserves, do not have demonstrated economic viability

About Spanish Mountain Gold

Spanish Mountain Gold Ltd is focused on advancing its flagship Spanish Mountain gold project in southern central British Columbia. The Company has adopted a two-zone project approach in which the pit-delineated high grade core (the First Zone) of the multi-million ounce resource is expected to sustain a robust stand-alone operation exceeding 24 years. The positive economics of the First Zone have been demonstrated in a Preliminary Economic Assessment completed in 2017. Furthermore, the adjacent Second Zone could potentially expand and extend the project's production profile for decades. Additional information about the Company is available on its website: www.spanishmountaingold.com.

On Behalf of the Board,
SPANISH MOUNTAIN GOLD LTD.

Larry Yau
Chief Executive Officer

Inquiries:

SPANISH MOUNTAIN GOLD LTD.

Phone: (604) 601-3651

E-mail: info@spanishmountaingold.com

Website: www.spanishmountaingold.com

Neither TSX Venture Exchange nor its Regulations Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 www.sedar.com. 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.