



September 10, 2019

Spanish Mountain Gold Announces PEA for a New Project Concept

Vancouver, BC - Spanish Mountain Gold Ltd. (the “Company”) (TSX-V: SPA) is pleased to announce that the Board of Directors has authorized the Company to proceed with a Preliminary Economic Assessment (“PEA”) for the Spanish Mountain Gold Project (the “Project”) located in central British Columbia, Canada. The Company expects the PEA to investigate the potential viability of a mining operation with the following parameters:

- Milling throughput at 10,000 tonnes per day
- A proposed pit focused on a higher grade resource and an initial decade of mining operations

In light of the positive results and findings from various field programs conducted during 2018 and the recently-announced study for project alternatives, the PEA will assess the potential technical and economic viability of the new project scenario. As announced in a news release dated August 19, 2019, the Company has set four key project objectives for the alternate project concept compared to the PEA that was completed in 2017 for a 20,000 tpd operation as follows:

- Lower initial capital cost
- Higher process plant feed grades
- Refined pit shell that could isolate a higher grade pit-constrained resource
- Improved economic metrics for the Project

CEO Comments

Larry Yau states: “Over the past decade, the Company has firmly established a growing multi-million ounce gold deposit in successive resource estimates. Going forward, we will focus on demonstrating the quality of our mineral resource. The new PEA is expected to determine whether our ambitious project objectives are attainable and the initial value that the Project can potentially deliver during its first decade of operation.”

Team of Independent Consultants

The PEA will be conducted in accordance with standards mandated by National Instrument 43-101. Each member of the PEA team has been involved in the Project’s previous studies and is familiar with its technical attributes. They will contribute in their respective areas of expertise as follows:

- Moose Mountain Technical Services—Lead Consultant, Resource Estimate, Mine Plan and Metallurgy
- Discovery Consultants— Geology and Exploration
- Knight Piésold Ltd.—Tailings, Water Balance and Permitting

Mr. Marc Schulte, P.Eng, a qualified person as defined under National Instrument 43-101, has reviewed and approved the scientific and technical information included this news release.

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.

Larry Yau,
Chief Executive Officer

Inquiries:

SPANISH MOUNTAIN GOLD LTD.

Phone: (604) 601-3651

E-mail: info@spanishmountaingold.com

Website: www.spanishmountaingold.com

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