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Spanish Mountain Gold Presents Project Update to the Chief and Council of Xatśúll First Nation and Signs Engagement Protocol Agreement

Vancouver, BC - Spanish Mountain Gold Ltd. (the “**Company**”) (TSX-V: SPA) wishes to thank the Chief and Council as well as other members of Xatśúll First Nation (“**XFN**”) for meeting with management of the Company to learn about the Spanish Mountain Gold Project (the “**Project**”) located near Likely, BC.

During the meeting on October 14, 2021, management presented the Company’s plans for the proposed development of the Project’s resource and the comprehensive strategy to manage and mitigate the potential environmental impacts. Management also addressed various concerns raised by the leadership team of XFN regarding the proposed construction, operations and closure of a gold mine in their traditional territory. The meeting was immediately followed by the execution of the Agreement for Engagement Protocol (the “**Agreement**”) with Xatśúll First Nation.

Engagement Protocol Agreement

The Agreement acknowledges that Xatśúll First Nation has existing rights protected under s.35(1) of the *Constitution Act, 1982* and interests within its Traditional Territory, which includes the area occupied by the Project. The Company and XFN will work together in a spirit of cooperation, mutually respect each other’s values to establish a long term, mutually beneficial relationship based on honesty, trust, respect and understanding. General procedures will be established to guide the relationship whereby information regarding the project activities may be exchanged, and issues of concern can be raised and addressed.

The signing of the Agreement by XFN and the Company marks the completion of the first phase of a two-phase process to negotiate a comprehensive Relationship Agreement between the parties. The second phase negotiations will proceed immediately and are set to be completed within 90 days based on the timeline established by the Agreement.

Relationship Agreement

Once completed, the comprehensive Relationship Agreement will guide the relationship between XFN and the Company and the participation of XFN in the Project as the Company advances the Project through the environmental assessment/ permitting process and later through the construction, operation, and closure of the mining project.

Under the Relationship Agreement, XFN and the Company will form a joint advisory committee to facilitate ongoing engagement in respect of a wide range of project activities.

Larry Yau, Chief Executive Officer, commented: “I would like to thank the leadership team of Xatśúll First Nation for their diligence and professionalism, which allows us to expeditiously formalize the engagement protocol for cooperation going forward. We will now work diligently to complete the

Relationship Agreement providing a clear and respectful framework to jointly advance our Project for the benefit of XFN and our shareholders.”

About Spanish Mountain Gold

Spanish Mountain Gold Ltd. is focused on advancing its 100%-owned Spanish Mountain gold project in southern central British Columbia. The Company is simultaneously pursuing the dual objectives of delivering critical project milestones for the multi-million ounce Mineral Reserve and further expanding the overall Mineral Resource. The Pre-Feasibility Study (2021) demonstrates the Project’s potential to be a mining operation with a robust production profile (**>150,000 oz per year**) and profitability (**AISC \$801 per oz**) over a mine life of 14 years. Details on the Project and the Company are 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
Chief Executive Officer

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