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Spanish Mountain Gold Signs Engagement Protocol Agreement with Lhtako Dené Nation

Vancouver, BC - Spanish Mountain Gold Ltd. (the “**Company**”) (TSX-V: SPA) wishes to thank the officials of Lhtako Dené Nation (“LDN”) for taking their time to work with management of the Company with respect to the Spanish Mountain Gold Project (the “**Project**”) located near Likely, BC.

During the meeting on November 29, 2021, management presented the Company’s plans for the proposed development of the Project’s mineral resource and an overview of the approach towards environmental issues. Management also provided an outline of the critical information that will be included in the Initial Project Description (IPD) and addressed questions regarding the proposed construction, operation, and closure of a gold mine in LDN’s traditional territory. The meeting was subsequently followed by execution of the Agreement for Engagement Protocol (the “**Agreement**”) with Lhtako Dené Nation.

In addition, LDN and the Company have agreed to commence the pre-submission review of the IPD documents, which the Company plans to later submit to the BC Environmental Assessment Office and Impact Assessment Agency of Canada. The submission of the IPD to the provincial and federal authorities represents a significant milestone in the Project’s environmental assessment/permitting process. The Company believes that active engagement by First Nations and other communities is critical for the success of the EA process and is pleased to support the full involvement of the First Nations with an interest in the Project area.

Engagement Protocol Agreement

The Agreement acknowledges that Lhtako Dené Nation has existing rights protected under s.35(1) of the *Constitution Act, 1982* and interests within its asserted Traditional Territory, which includes the area occupied by the Project. The Company and LDN 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 LDN 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 LDN and the Company and the participation of LDN 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, LDN and the Company will form a joint advisory committee to facilitate ongoing engagement in respect of a wide range of project activities.

Larry Yau, CEO, commented: "I would like to thank Chief Lebrun and other members of the Chief and Council for their expeditious review and signing of the Agreement. I am also grateful for the diligence and professionalism demonstrated by the officials of Lhtako Dené Nation, 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 LDN 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.

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