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Spanish Mountain Announces Non-brokered Private Placement

VANCOUVER, B.C. - **Spanish Mountain Gold Ltd.** (the “**Company**”) (TSX-V: SPA) announces a non-brokered private placement offering (the “**Offering**”) to raise up to \$2,000,000 through the issuance of up to 15,384,615 of common share units (the “**Units**”).

Each Unit will be sold at a price of \$0.13 per Unit and will consist of one common share of the Company and one common share purchase warrant (a “**Warrant**”). Each Warrant will entitle its holder to purchase one common share at a price of \$0.20 per share for a period of two years following the closing of the Offering.

All securities issued in connection with the Offering will be subject to a four month hold period in Canada. Closing of the Offering, which is expected to occur on or about September 26, 2017, is subject to customary conditions, including the acceptance of the TSX Venture Exchange.

The entire proceeds of the private placement will be used to advance the Company’s Spanish Mountain gold project.

Certain insiders of the Company will be subscribing to the Units in connection with the private placement. Any such participation is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transaction will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any securities issued to nor the consideration paid by such persons will exceed 25% of the Company's market capitalization.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Spanish Mountain Gold Ltd.

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. Furthermore, the 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

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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 SEDAR (see 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.