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June 17, 2020

## **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 20,000,000 of common share units (the “**Units**”).

Each Unit will be sold at a price of \$0.10 per Unit and will consist of one common share of the Company and one common share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder to purchase one common share at a price of \$0.15 per share for a period of two years.

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 July 10, 2020, 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 engineering of the project to achieve major project milestones within 12 months for the Company’s Spanish Mountain gold project (the “**Project**”). The key expenditures will include summer field work and the completion of the Project’s inaugural preliminary feasibility study, which will present a reserve statement for Phase 1 of the mineral deposit as described in the Preliminary Economic Analysis and reported in a news release dated October 23, 2019. The details and commencement of project work will be announced in due course.

Larry Yau, CEO, comments: “Having assured ourselves of a safe operating environment for our employees and consultants during the pandemic, we are ready to gear up toward major project milestones. I believe the next 12 months will be the most exciting investment horizon in the Company’s history. Our extensive project work to date and our confidence in our project’s potential economics will allow us to achieve our ambitious objectives with an accelerated timeline and a modest budget.”

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 multi-million ounce Spanish Mountain gold project in southern central British Columbia. The Company has prioritized the development of the first phase of the Project in which the pit-delineated high-grade core of the deposit is potentially expected to sustain a stand-alone operation of 11 years. The potential viability of the Project's Phase 1 has been demonstrated in a Preliminary Economic Assessment. The PEA illustrates the project potential with a combination of modest capital requirements (**US\$270m**) and low operating cost (**AISC \$549/oz**) over its mine life. Additional information on the PEA and about the Company is available on [www.sedar.com](http://www.sedar.com) and on the Company's website: [www.spanishmountaingold.com](http://www.spanishmountaingold.com)

On Behalf of the Board,  
**SPANISH MOUNTAIN GOLD LTD.**

Larry Yau  
Chief Executive Officer

### **Inquiries:**

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*FORWARD LOOKING STATEMENTS: Certain of the statements and information in this press release constitute "forward-looking statements" or "forward-looking information", including statements regarding the expected closing date of the private placement and the completion of the preliminary feasibility study on the Spanish Mountain Project. Further, any statements or information that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "believes", "plans", "estimates", "intends", "targets", "goals", "forecasts", "objectives", "potential" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements or information.*

*The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this press release, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information. For the reasons set forth above, investors should not place undue reliance on forward-looking statements and information.*

***The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.***