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July 20, 2020

Spanish Mountain Announces \$5M Private Placement

VANCOUVER, B.C. - Spanish Mountain Gold Ltd. (the “**Company**”) (TSX-V: SPA) is pleased to announce that the Company has arranged a private placement of units at \$0.30 per unit (a “**Units**”) for gross proceeds of \$5,000,000 (the “**Offering**”), subscribed by Mr. Eric Sprott.

Each Unit 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 \$0.45 per share for a period of two years.

The proceeds of the private placement will be used to advance the Company’s Spanish Mountain gold project beyond the preliminary feasibility study, which is expected to be completed within 12 months as disclosed in a news release dated July 13, 2020.

Closing of the Offering, which is expected to occur on or about July 27, 2020, is subject to customary conditions, including the acceptance of the TSX Venture Exchange. All securities issued in connection with the private placement will be subject to a four month hold period in Canada.

Mr. Sprott’s investment 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 and on the Company's website: www.spanishmountaingold.com

On Behalf of the Board,
SPANISH MOUNTAIN GOLD LTD.

Larry Yau
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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.