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Spanish Mountain Gold Reports Completion of In-fill Drilling Program in Main Zone

Spanish Mountain Gold Ltd. (“the Company”) (SPA-TSXV) is pleased to announce the results from the final group of drill holes completing the in-fill drilling program within the Main and North Zones of its Spanish Mountain Gold Project (the “Project”) located in central British Columbia, Canada. The results from the in-fill drilling program are designed to provide additional information to enable a re-classification from the Inferred to Measured and Indicated categories for gold contained within the Main and North Zones of mineralization at the Project. The program was designed to also test for extensions to gold mineralization laterally and at depth. The results of the drilling conducted to date continue to confirm the continuity of potentially economic mineralization in areas presently classified as inferred resources.

Brian Groves, President and CEO said today, “With the completion of the in-fill drilling program and new geological model, the Company will now focus on integrating the forthcoming updated resource estimate in the pre-feasibility study currently underway for the Project. We are encouraged by the presence of areas of higher grade gold mineralization at depth as indicated in holes such as DDH-988.”

Highlights of Drilling Results include:

MAIN ZONE HIGHLIGHTS:

- **39.50m grading 1.09g/t gold** in hole 11-DDH-965
- **61.00m grading 0.65g/t gold** in hole 11-DDH-987.
- **70.29m grading 0.53g/t gold**, a second interval of 45.50m grading 0.54g/t gold and a third interval of **39.00m grading 0.96g/t gold** in hole 11-DDH-963.
- **34.50m grading 0.82g/t gold** in hole 11-DDH-974.
- 30.00m grading 0.77g/t gold in hole 11-DDH-979.
- 116.50m grading 0.36g/t gold and a second interval of 45.00m grading 0.42 g/t gold in hole 11-DDH-964.
- 102.00m grading 0.33g/t gold and **9.00m grading 1.32 g/t gold (near bottom of hole)** in hole 11-DDH-988.

NORTH ZONE HIGHLIGHTS:

- **82.50m grading 0.54g/t gold** in hole 11-DDH-966
- **50.00m grading 0.62g/t gold** in hole 11-DDH-968.
- 57.50m grading 0.41g/t in hole 11-DDH-972.

Significant assay results are contained in Table 1 appended to this news release.

Discussion of Results

The 2011 drilling program on the Main and North Zones of the Spanish Mountain gold deposit has now been completed. The program was designed primarily to provide in-fill data for an updated resource calculation. The results from new zones of mineralization that have been encountered during this program will be included in the updated model. An updated geological model has been completed and will serve as the basis for the updated resource estimate to be completed in late October.

Drilling of additional holes is underway to provide geotechnical data that will enable the optimization of pit wall slopes for conceptual open pit designs within the ongoing Pre-feasibility study for the Project.

Judy Stoeterau, P.Geo., the Company's Vice-President of Geology and the qualified person as defined under National Instrument 43-101, has reviewed the contents of this news release. All core samples are assayed at ALS Chemex Laboratory in Vancouver, BC.

About Spanish Mountain Gold

Spanish Mountain Gold Ltd is focused on the responsible development of its flagship Spanish Mountain gold project in southern central British Columbia, Canada. The Company has more than \$20 million in working capital, has no debt and owns 100% of four gold properties located in British Columbia. Additional information about the Company is available on its website: www.spanishmountaingold.com

On Behalf of the Board,
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This News Release contains forward-looking statements. Forward looking statements are statements which relate to future events. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", believes", "estimates", "predicts", "potential", or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking-statements. Management has assumed that these will be our major projects going forward. Risks include that we are unable to satisfy environmental or other regulators, that we determine that our resources are not commercially viable, or that we have difficulties due to unavailability of labour or equipment.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggests herein. Except as required by applicable law the Company does not intend to update any forward-looking statements to conform these statements to actual results.

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

Table 1: Significant Assay Results

**Under the Area Column: MZ = Main Zone; NZ = North Zone; Expl = Exploration/ Step-out Hole*

Hole	From	To	Length (m)	Au g/t	Area*
11-DDH-962	98.00	135.50	37.50	0.33	MZ
including	98.00	105.50	7.50	0.66	MZ
and	98.00	99.50	1.50	1.29	MZ
and	123.50	135.50	12.00	0.50	MZ
and	134.00	135.50	1.50	2.77	MZ
11-DDH-962	188.70	232.87	44.17	0.34	MZ
including	211.50	212.25	0.75	1.61	MZ
and	225.00	232.87	7.87	0.94	MZ
and	229.50	232.87	3.37	1.14	MZ
11-DDH-963	6.71	77.00	70.29	0.53	MZ
including	6.71	13.50	6.79	1.48	MZ
and	33.50	35.00	1.50	1.05	MZ
and	45.50	50.25	4.75	1.47	MZ
and	75.50	77.00	1.50	1.14	MZ
11-DDH-963	107.00	152.50	45.50	0.54	MZ
including	116.00	117.50	1.50	1.92	MZ
and	134.00	135.50	1.50	3.14	MZ
and	151.00	152.50	1.50	1.45	MZ

Hole	From	To	Length (m)	Au g/t	Area*	
11-DDH-963	209.00	248.00	39.00	0.96	MZ	(Capped to 10g/t Gold)
including	227.69	229.00	1.31	38.80	MZ	
and	237.75	238.50	0.75	7.44	MZ	
11-DDH-963	288.95	311.00	22.05	0.45	MZ	
including	288.95	293.50	4.55	1.34	MZ	
11-DDH-963	323.37	324.50	1.13	2.17	MZ	
11-DDH-964	11.50	128.00	116.50	0.36	MZ	
including	64.50	113.50	49.00	0.53	MZ	
and	69.00	70.50	1.50	1.13	MZ	
and	79.50	84.00	4.50	1.70	MZ	
11-DDH-964	148.75	149.50	0.75	26.10	MZ	
11-DDH-964	164.00	188.00	24.00	0.82	MZ	
including	164.00	165.25	1.25	1.27	MZ	
and	172.50	188.00	15.50	1.14	MZ	
11-DDH-964	236.00	281.00	45.00	0.42	MZ	
including	257.25	258.00	0.75	3.72	MZ	
and	274.50	279.50	5.00	1.32	MZ	
11-DDH-965	6.71	24.00	17.29	0.38	MZ	
including	22.50	24.00	1.50	1.39	MZ	
11-DDH-965	43.50	58.50	15.00	0.89	MZ	
11-DDH-965	102.50	106.50	4.00	1.27	MZ	
11-DDH-965	202.00	241.50	39.50	1.09	MZ	
including	229.00	229.75	0.75	7.20	MZ	

Hole	From	To	Length (m)	Au g/t	Area*
11-DDH-966	6.71	38.50	31.79	0.59	NZ
including	8.50	14.50	6.00	1.38	NZ
and	17.00	18.50	1.50	1.15	NZ
and	35.50	37.00	1.50	1.16	NZ
11-DDH-966	143.50	226.00	82.50	0.54	NZ
including	158.00	159.50	1.50	1.07	NZ
and	168.50	173.50	5.00	1.83	NZ
and	200.00	206.50	6.50	1.48	NZ
and	216.50	218.00	1.50	1.18	NZ
11-DDH-967	3.05	15.50	12.45	0.36	NZ
including	9.50	11.00	1.50	1.08	NZ
11-DDH-967	159.50	173.00	13.50	0.74	NZ
including	164.00	171.50	7.50	1.11	NZ
11-DDH-968	14.50	15.78	1.28	1.13	NZ
11-DDH-968	59.50	109.50	50.00	0.62	NZ
including	88.00	89.50	1.50	2.13	NZ
and	94.00	95.50	1.50	1.39	NZ
and	108.00	109.50	1.50	7.51	NZ
11-DDH-968	125.50	173.00	47.50	0.33	NZ
including	171.50	173.00	1.50	1.37	NZ
11-DDH-969	86.50	113.50	27.00	0.36	NZ
including	92.50	94.00	1.50	1.07	NZ
11-DDH-969	182.50	184.00	1.50	1.29	NZ
11-DDH-970	83.00	102.00	19.00	0.57	NZ
including	83.00	84.50	1.50	1.35	NZ
and	89.00	90.50	1.50	1.38	NZ

Hole	From	To	Length (m)	Au g/t	Area*
11-DDH-971	20.50	22.00	1.50	1.63	NZ
11-DDH-971	40.00	56.00	16.00	0.67	NZ
including	53.50	56.00	2.50	1.80	NZ
11-DDH-972	41.00	98.50	57.50	0.41	NZ
including	41.00	42.50	1.50	2.90	NZ
and	50.50	52.00	1.50	1.08	NZ
and	97.00	98.50	1.50	1.35	NZ
11-DDH-973	4.57	29.50	24.93	0.54	NZ
including	21.50	29.50	8.00	1.09	NZ
11-DDH-973	81.00	103.50	22.50	0.46	NZ
including	101.00	103.50	2.50	1.33	NZ
11-DDH-974	19.50	21.00	1.50	1.81	Expl
11-DDH-974	88.00	122.50	34.50	0.82	Expl
including	105.00	111.00	6.00	2.98	Expl
and	117.00	121.13	4.13	1.18	Expl
11-DDH-975	182.50	184.00	1.50	4.53	Expl
11-DDH-977	4.57	79.00	74.43	0.38	NZ
including	11.00	12.50	1.50	1.13	NZ
11-DDH-978	113.00	114.50	1.50	2.04	Expl
11-DDH-979	10.00	40.00	30.00	0.77	Expl
including	22.26	24.58	2.32	2.62	Expl
and	35.00	40.00	5.00	2.18	Expl
11-DDH-979	103.50	105.50	2.00	130.00	Expl

Hole	From	To	Length (m)	Au g/t	Area*
11-DDH-980	82.09	106.50	24.41	0.92	NZ
including	83.50	85.09	1.59	1.24	NZ
and	90.00	93.00	3.00	2.38	NZ
and	101.00	105.00	4.00	1.47	NZ
11-DDH-981	20.50	44.80	24.30	0.72	Expl
including	29.50	31.00	1.50	2.25	Expl
and	41.50	44.80	3.30	2.83	Expl
11-DDH-981	64.00	64.75	0.75	72.80	Expl
11-DDH-981	93.50	94.25	0.75	14.05	Expl
11-DDH-981	118.00	119.50	1.50	1.12	Expl
11-DDH-985	44.50	63.00	18.50	0.47	NZ
including	56.50	58.00	1.50	2.39	NZ
11-DDH-986	156.00	156.75	0.75	35.90	MZ
11-DDH-986	161.00	162.50	1.50	2.07	MZ
11-DDH-986	187.50	189.00	1.50	2.58	MZ
11-DDH-986	242.00	243.50	1.50	1.78	MZ
11-DDH-986	303.00	304.50	1.50	1.12	MZ
11-DDH-986	385.25	386.50	1.25	1.18	MZ
11-DDH-987	59.50	60.25	0.75	2.68	MZ
11-DDH-987	78.50	139.50	61.00	0.65	MZ
including	59.50	60.25	0.75	2.68	MZ
and	104.00	105.50	1.50	2.38	MZ
and	109.00	112.00	3.00	5.58	MZ
and	134.00	135.50	1.50	1.68	MZ
11-DDH-987	484.50	508.00	23.50	0.58	MZ
including	499.50	502.69	3.19	1.38	MZ

Hole	From	To	Length (m)	Au g/t	Area*
11-DDH-988	49.00	50.50	1.50	1.41	MZ
11-DDH-988	72.00	109.00	37.00	0.35	MZ
including	72.00	79.28	7.28	1.14	MZ
11-DDH-988	207.50	211.00	3.50	1.64	MZ
11-DDH-988	291.00	295.50	4.50	1.08	MZ
11-DDH-988	396.00	498.00	102.00	0.33	MZ
including	415.50	417.00	1.50	1.03	MZ
and	489.00	498.00	9.00	1.32	MZ