



Suite 1120 – 1095 West Pender St.

Vancouver, BC V6E 2M6

Tel (604) 601 3651

May 29, 2012

Spanish Mountain Gold Reports Interim Results of In-fill Drilling Program- 64m Grading 3.25 g/t Gold Including 8.5m Grading 22.47 g/t Gold in Hole DH-1060

Spanish Mountain Gold Ltd. (“the Company”) (SPA-TSXV) is pleased to announce further results from the in-fill drilling program recently completed within the Main Zone of its Spanish Mountain Gold Project (the “Project”) located in central British Columbia, Canada. The results presented in this news release represent approximately an additional 20% of the total number of drill holes designed to reclassify gold mineralization from the Inferred to Measured and Indicated (M&I) categories. Results from the remaining drill holes are expected to be available within 4 weeks.

The results presented herein include one intersection of gold mineralization that yielded some of the highest assay results for the project to date.

Highlights of Drilling Results:

- **64.00 metres (m) grading 3.25 grams per tonne (g/t) gold including 41.50m grading 4.85g/t gold, 18.00m grading 10.73g/t gold and 8.50m grading 22.47g/t gold in hole DH-1060**
- 31.50m grading 1.14g/t gold (at shallow depth) and 63.00m grading 0.79g/t gold in hole DH-1056
- 89.00m grading 0.52g/t gold in hole DH-1054
- 62.50m grading 0.51g/t gold including 23.10m grading 0.98g/t gold in DH-1057
- 52.60m grading 0.75g/t gold in hole DH-1059
- 21.50m grading 1.88g/t gold in hole DH-1070
- 53.90m grading 0.70g/t gold in hole DH-1073
- 43.50m grading 1.05g/t gold in hole DH-1086

Significant assay results are contained in Table 1 appended to this news release. A map showing the location of drill holes reported in this release may be found on the Company website: <http://www.spanishmountaingold.com/s/SpanishMountain.asp?ReportID=527402>

Discussion of Results

The objective of the drilling program within the Main Zone is to support a further reclassification of Inferred gold ounces, as previously reported in a resource statement on November 15, 2011, to Measured and Indicated ounces.

The assays from the highly mineralized intersections within Hole DH-1060 exceed any previous drill results and are interpreted as an indication of the gold concentrations present within one of the rock units hosting gold in the Main Zone. This hole is located in an area between two mineralized regions within the Main Zone that previously had been assumed to have little potential to host gold mineralization. The Company now believes that a recently completed re-interpretation of controls on gold mineralization combined with these drilling results supports the view that the potential of this area has been underestimated.

Upon receipt of all assay results for this program, an updated resource estimate for the Main Zone will be prepared. It is anticipated that this NI 43-101 compliant resource estimate will be finalized during the summer and will be incorporated in a technical report for the Project to be published in the fall of 2012. The Feasibility Study for the Project is currently on schedule for completion in the third quarter of 2013.

Brian Groves, President and CEO commented: “The results from Hole DH-1060 are very encouraging in returning the best assays to date for the Project. The results from this hole and others presented in this release support our belief that we will be successful in increasing the Measured and Indicated gold resource 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 were assayed at ALS Chemex Laboratory in Vancouver, BC. The Company has retained Discovery Consultants of Vernon, BC, to monitor independently the quality control and quality assurance (QC/QA) data on the Spanish Mountain Gold Project. Analytical precision and accuracy are being measured and monitored by the use of duplicate core, prep and pulp samples and by standards (reference material). Possible contamination during the sampling and processing procedures is being monitored by the insertion of blank samples.

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 a strong cash position with 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,
SPANISH MOUNTAIN GOLD LTD.

Brian Groves,
President and CEO

Contact:
Colin Clancy

(604) 601-3651

info@spanishmountaingold.com

Andreas Curkovic,
Proconsul Capital Ltd.

(416) 577-9927

www.spanishmountaingold.com

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

Hole	From	To	Length	Au g/t	Ag g/t
12-DH-1051	16.00	19.00	3.00	3.50	0.3
12-DH-1051	57.50	78.05	20.55	0.34	0.5
including	72.50	78.05	5.55	0.63	0.6
12-DH-1051	146.00	168.50	22.50	0.75	0.9
including	146.00	156.77	10.77	1.37	1.4
12-DH-1052	111.00	155.00	44.00	0.25	1.5
12-DH-1053	6.10	67.50	61.40	0.35	1.1
including	23.26	47.00	23.74	0.56	1.2
and	35.00	43.00	8.00	1.03	1.1
12-DH-1053	93.00	126.13	33.13	0.65	0.5
including	93.00	94.50	1.50	1.54	0.7
including	120.50	126.13	5.63	2.27	0.4
12-DH-1054	63.09	107.50	44.41	0.22	2.0
12-DH-1054	125.00	214.00	89.00	0.52	0.4
including	125.00	151.50	26.50	0.74	0.4
and	128.00	137.00	9.00	1.11	0.6
including	195.50	198.50	3.00	2.62	1.3
including	207.50	214.00	6.50	0.80	0.5
12-DH-1055	80.50	239.00	158.50	0.36	1.6
including	85.50	88.50	3.00	1.00	1.2
including	180.00	200.50	20.50	1.06	0.5
including	215.00	226.00	11.00	0.60	0.8
12-DH-1056	7.50	39.00	31.50	1.14	0.7
including	7.50	31.50	24.00	1.46	0.7
and	18.08	22.00	3.92	4.32	2.1
and	28.50	31.50	3.00	3.89	0.4
and	25.50	31.50	6.00	2.06	0.3
12-DH-1056	60.00	123.00	63.00	0.79	1.4
including	72.00	123.00	51.00	0.93	1.1
and	102.00	121.50	19.50	1.49	0.8
and	102.00	108.50	6.50	3.58	1.4
12-DH-1056	200.00	226.50	26.50	0.21	2.4
including	212.00	214.32	2.32	0.67	5.4
12-DH-1057	67.50	130.00	62.50	0.51	0.6
including	88.90	112.00	23.10	0.98	0.6
and	93.50	102.50	9.00	1.54	0.9
12-DH-1057	142.50	203.61	61.11	0.34	1.2
including	149.00	174.50	25.50	0.54	1.9
and	162.50	166.50	4.00	1.51	1.0

12-DH-1058	86.55	148.00	61.45	0.35	2.2
including	134.50	140.00	5.50	1.05	0.4
12-DH-1058	194.50	210.50	16.00	0.94	0.7
including	199.50	210.50	11.00	1.33	0.8
12-DH-1058	228.00	234.00	6.00	0.62	0.3
including	228.00	229.50	1.50	1.57	0.3
12-DH-1059	38.40	125.00	86.60	0.30	1.0
including	69.00	70.50	1.50	1.08	1.4
including	79.50	94.50	15.00	0.56	1.6
12-DH-1059	161.50	198.00	36.50	0.28	0.5
including	161.50	167.85	6.35	0.69	0.5
12-DH-1059	234.40	287.00	52.60	0.75	0.5
including	234.40	265.56	31.16	1.13	0.6
and	234.40	240.40	6.00	4.08	0.8
12-DH-1060	55.50	119.50	64.00	3.25	0.9
including	55.50	97.00	41.50	4.85	1.3
and	79.00	97.00	18.00	10.73	1.2
and	83.50	92.00	8.50	22.47	2.1
12-DH-1060	140.50	166.00	25.50	0.89	1.2
including	140.50	160.00	19.50	1.10	1.0
12-DH-1060	181.50	188.37	6.87	1.72	1.3
12-DH-1061	51.00	66.00	15.00	0.61	2.7
including	51.00	57.00	6.00	1.15	1.6
12-DH-1061	80.50	89.00	8.50	0.68	0.5
12-DH-1061	153.00	175.50	22.50	0.28	1.7
including	153.00	165.50	12.50	0.34	2.6
12-DH-1062	9.00	126.00	113.95	0.40	0.5
including	9.00	24.20	12.15	0.70	1.4
including	39.00	46.50	7.50	0.93	0.7
including	121.50	126.00	4.50	1.44	0.7
12-DH-1062	156.00	166.50	10.50	0.50	0.6
12-DH-1062	198.00	201.00	3.00	4.13	0.3
12-DH-1063	96.50	107.00	10.50	1.19	0.9
including	96.50	102.50	6.00	1.96	1.2
12-DH-1063	124.50	133.00	8.50	0.84	1.9
12-DH-1063	195.50	198.75	3.25	0.70	0.8
12-DH-1063	240.00	241.00	1.00	1.04	0.3
12-DH-1064	16.00	47.00	31.00	0.70	0.6
including	23.50	31.00	7.50	1.00	0.8
including	42.50	47.00	4.50	1.48	0.6
12-DH-1065	40.00	64.50	24.50	0.53	0.5
including	40.00	54.00	14.00	0.78	0.6

and	43.00	49.00	6.00	1.22	0.8
12-DH-1066	32.00	83.00	51.00	0.58	0.6
including	53.50	57.46	3.96	3.22	1.8
including	60.50	65.00	4.50	1.05	0.8
including	69.50	77.00	7.50	1.09	0.5
12-DH-1066	116.00	158.50	42.50	0.30	0.3
including	120.50	122.00	1.50	1.36	0.3
including	134.00	142.00	8.00	0.42	0.3
12-DH-1066	200.50	212.45	11.95	0.57	0.5
including	207.50	212.45	4.95	0.98	0.7
12-DH-1067	14.00	23.50	9.50	0.63	0.3
including	14.00	15.72	1.72	3.22	0.3
12-DH-1067	47.00	56.00	9.00	0.99	0.4
including	50.00	56.00	6.00	1.33	0.5
12-DH-1067	73.00	107.00	34.00	0.51	0.3
including	85.00	100.50	15.50	0.86	0.3
12-DH-1068	61.05	77.00	15.95	0.81	0.6
including	61.05	72.00	10.95	1.14	0.8
and	68.50	72.00	3.50	2.48	1.3
12-DH-1068	134.50	136.30	1.80	1.77	0.6
12-DH-1068	166.00	167.50	1.50	1.72	1.2
12-DH-1069	18.00	19.50	1.50	1.13	0.8
12-DH-1069	30.00	47.87	17.87	1.01	0.4
12-DH-1069	95.50	97.00	1.50	1.18	0.3
12-DH-1070	44.00	48.50	4.50	1.37	0.8
12-DH-1070	92.50	114.00	21.50	1.88	0.6
including	92.50	105.00	12.50	3.05	0.3
and	97.00	103.50	6.50	5.44	0.4
12-DH-1070	198.50	200.00	1.50	1.72	0.3
12-DH-1070	227.50	241.50	14.00	0.21	0.8
12-DH-1071	20.07	24.50	4.43	0.33	0.3
12-DH-1071	99.00	103.00	4.00	0.83	0.8
12-DH-1072	27.00	41.60	14.60	0.57	0.7
including	36.00	41.60	5.60	0.82	1.2
12-DH-1073	6.10	60.00	53.90	0.70	2.0
including	6.10	24.50	18.40	1.67	1.8
and	6.10	13.50	7.40	3.38	3.1
12-DH-1073	84.00	93.00	9.00	0.55	0.6
12-DH-1073	108.00	117.00	9.00	0.70	0.8
including	111.00	114.00	3.00	1.42	1.0
12-DH-1073	129.50	130.62	1.12	1.93	0.9

12-DH-1074	48.00	59.50	11.50	0.41	0.3
including	56.50	59.50	3.00	1.31	0.4
12-DH-1075	9.14	38.00	28.86	0.73	0.3
including	9.14	24.50	15.36	0.95	0.4
and	12.00	21.50	9.50	1.11	0.4
12-DH-1076	206.50	222.00	15.50	1.34	2.4
12-DH-1077	27.00	55.50	28.50	1.48	0.5
including	27.00	42.00	15.00	2.73	0.7
and	32.57	37.50	4.93	7.22	0.8
12-DH-1077	69.00	82.00	13.00	0.32	0.3
including	69.00	73.50	4.50	0.50	0.3
12-DH-1078	32.00	53.00	21.00	0.50	0.9
including	32.00	33.50	1.50	3.87	0.3
including	51.50	53.00	1.50	1.34	0.7
12-DH-1078	65.00	95.00	30.00	0.73	0.6
including	65.00	77.00	12.00	1.37	1.0
12-DH-1079	60.50	62.00	1.50	0.55	0.3
12-DH-1080	6.10	18.13	12.03	0.70	0.8
including	14.88	18.13	3.25	1.38	1.6
12-DH-1081	36.50	42.00	5.50	0.60	0.3
12-DH-1082	Hole was Abandoned				
12-DH-1083	15.00	23.89	8.89	0.91	0.3
including	21.50	23.89	2.39	2.98	0.3
12-DH-1083	64.00	65.50	1.50	1.72	0.8
12-DH-1083	90.50	96.00	5.50	0.46	0.3
including	90.50	92.00	1.50	1.45	0.3
12-DH-1083	148.50	151.00	2.50	2.71	2.0
12-DH-1083	196.50	198.00	1.50	1.62	1.8
12-DH-1084	7.62	17.00	9.38	0.52	0.3
12-DH-1085	8.00	55.50	47.50	0.25	0.4
including	8.00	30.50	22.50	0.37	0.6
including	27.50	30.50	3.00	1.03	0.7
12-DH-1085	76.50	86.00	9.50	0.49	0.3
including	84.00	86.00	2.00	1.87	0.3
12-DH-1086	6.10	12.00	5.90	0.66	0.6
12-DH-1086	149.00	192.50	43.50	1.05	1.8

including	155.93	174.50	18.57	2.16	2.6
and	157.50	165.00	7.50	4.50	2.7
12-DH-1086	221.78	229.75	7.97	0.56	1.9
12-DH-1087	21.00	36.00	15.00	0.22	0.6
12-DH-1088	79.00	81.69	2.69	0.26	0.3
12-DH-1089	6.10	46.50	40.40	0.51	0.7
including	22.00	28.00	6.00	0.80	0.6
including	39.00	45.00	6.00	1.03	1.1
12-DH-1089	81.00	95.00	14.00	1.20	1.0
including	85.50	93.50	8.00	1.73	1.4
12-DH-1089	158.00	176.50	18.50	0.54	1.0
including	158.00	170.25	12.25	0.74	1.4
and	167.00	170.25	3.25	2.50	4.5
12-DH-1089	188.06	195.50	7.44	0.30	0.5
12-DH-1090	14.50	49.00	34.50	0.24	0.3
including	19.50	32.00	12.50	0.45	0.4
12-DH-1090	74.50	80.50	6.00	0.60	0.3