

October 27, 2020

Spanish Mountain Commences Preliminary Feasibility Study

Vancouver, B.C. - Spanish Mountain Gold Ltd. (“Spanish Mountain” or the “Company”) (TSX-V: SPA) is pleased to announce that the Board of Directors has authorized management to proceed with a Preliminary Feasibility Study (PFS) for the proposed Phase 1 operation of its Spanish Mountain gold project (the “Project”) in British Columbia, Canada. As indicated below, the PFS will be based on various enhanced parameters in order to evaluate further improvements on multiple project metrics over the results reported in the 2019 Preliminary Economic Assessment. The PFS will also maintain the current strategy of fast-tracking the development scenario for Phase I, which focuses on mining exclusively the near-surface/ higher-grade portion of its multimillion ounce gold resource as a standalone operation.

The PFS will build on extensive data collected and various scoping studies previously completed for the Project. The Company’s experienced technical team has determined that a mill throughput of 20,000 tonnes per day can be expected to deliver the optimal combination of capital expenditure, operational efficiency, economic metrics, mine life and production profile. The PFS will also delineate a Mineral Reserve for Phase 1 of the Project.

The Company expects to deliver on its stated objective of completing the PFS during the first quarter of 2021.

Larry Yau, CEO commented: *“This is truly an exciting moment for our shareholders. As we proceed with a PFS for our Project, our technical team is encouraged by the facts that our extensive work to date and our sizable resource allow for great development flexibility and the delivery of project metrics that are highly desirable in a rising gold price environment. At the same time, our Project’s favourable cost structure offers excellent value protection during periods of subdued gold price.”*

Team of Independent Consultants

The PFS will be conducted in accordance with standards mandated by National Instrument 43-101. Many members of the PFS team have been involved in the Project’s previous studies and are familiar with its technical attributes. They will contribute in their respective areas of expertise as follows:

- **Moose Mountain Technical Services** – Study Lead, and Mine Plan
- **Knight Piesold** – Tailings, Water Management and Environmental/Permitting
- **BGC Engineering** – Geotechnical and pit water
- **Ausenco** – Process and Site Infrastructure
- **pHase Geochemistry** – Waste Characterization
- **MCA Engineering** - Power Supply
- **Discovery Consultants** – Geology and Drilling

- **Ginto Consulting Inc – Mineral Resource Estimate**

About Spanish Mountain Gold

Spanish Mountain Gold Ltd. is focused on advancing its multi-million ounce Spanish Mountain gold project in southern central British Columbia. The Project is well funded to pursue the dual objectives of fast tracking Phase 1 of the Project to be “shovel ready” and actively expanding the mineral resource. The Company has commenced a Preliminary Feasibility Study for Phase 1 with the target of completion during the second quarter of 2021. Phase I focuses on the pit-delineated high-grade core of the deposit that is potentially expected to sustain a stand-alone operation for more than a decade. The potential viability of Phase 1 has been demonstrated in a 2019 Preliminary Economic Assessment, which profiles an operation with low operating cost and modest capital expenditures. 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
Chief Executive Officer

Inquiries:

SPANISH MOUNTAIN GOLD LTD.

Phone: (604) 601-3651

E-mail: info@spanishmountaingold.com

Website: www.spanishmountaingold.com

Neither TSX Venture Exchange nor its Regulations Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 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.

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.