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Spanish Mountain Receives Additional Sources of Funds for Project

Vancouver, BC. Spanish Mountain Gold Ltd. (the “Company”) (TSX-V: SPA) is pleased to report the receipt of additional funds to advance its Spanish Mountain Gold Project (the “Project”) in British Columbia, Canada.

The Company has reached a settlement agreement with The Department of Justice representing Canada Revenue Agency in relation to the refundable mining exploration tax credit (METC) attributable to qualified mining exploration expenses incurred for the Project. As a result, the Company expects to receive METC totalling \$1.4 million during the fiscal year 2021. A similar settlement was reached in 2016 between the parties resulting in the Company receiving a total of \$3.9 million related to several years of tax credits.

In addition, a total of 3,860,000 warrants and 2,150,000 options have been exercised during the current fiscal year bringing proceeds to the Company totalling \$1,034,744. Former and current insiders of the Company have elected to exercise and hold an additional 3,682,500 common shares during the year.

The Company expects to use all proceeds to advance the Spanish Mountain gold project.

Larry Yau, CEO, commented: “I am particularly pleased with another success in the METC appeal which represents a source of project funding without stock dilutions, debt or sale of assets. Once again, our hard work and persistence have paid off for our shareholders. We will maintain our practice of allocating maximum resources to advance our Project.”

About Spanish Mountain Gold

Spanish Mountain Gold Ltd. is focused on advancing its 100%-owned Spanish Mountain gold project in southern central British Columbia. The Company is simultaneously pursuing the dual objectives of delivering critical project milestones for the multi-million ounce Mineral Reserve and further expanding the overall Mineral Resource. The Pre-Feasibility Study (2021) demonstrates the Project’s potential to be a mining operation with a robust production profile (**>150,000 oz per year**) and profitability (**AISC \$801 per oz**) over a mine life of 14 years. Details on the Project and the Company are 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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