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Spanish Mountain Gold Acquires Cedar Mountain Property

Spanish Mountain Gold Ltd. (“the Company”) (SPA-TSXV) announces that the Company and Cedar Mountain Exploration Inc. (“Cedar Mountain”) have entered into a binding agreement whereby the Company will acquire a 100% interest in the Cedar Creek Property from Cedar Mountain (“the Transaction”).

The Cedar Creek Property (the “Property”), which occupies an area of approximately 14 square kilometers (or 5 square miles), is contiguous to the western boundary of the Company’s flagship Spanish Mountain Gold Project near Likely, British Columbia. The location of both properties occupying a combined area of over 51 square kilometers (or 20 square miles) is shown in the maps (Fig. 1 & Fig. 2) attached to this news release.

Details of the Transaction are as follows:

- The Company may acquire a 100% undivided interest in the Property by making a cash payment to Cedar Mountain of CAN\$500,000.
- The 100% undivided interest in the Property is subject to an underlying net smelter return (‘NSR’) royalty of 2.5% in favour of a third party. The royalty may be purchased by the Company through the payment to the holder of the royalty CAN\$500,000 per 1% NSR.

The maps attached to this release also display areas of the Property that are considered to be prospective for gold mineralization.

Brian Groves, President and CEO of the Company commented: “Our primary focus is the advancement of our Spanish Mountain Gold Project. We have identified areas on the Cedar Creek Property and close to the common property line which we believe have the potential to host gold mineralization. We will work quickly to better define these areas as targets for drilling.”

About Spanish Mountain Gold

Spanish Mountain Gold Ltd is focused on advancing its flagship Spanish Mountain gold project in central southern British Columbia. The Company has a current cash position of approximately \$6.0 million (with no debt) and has applied for Mineral Exploration Tax Credit refund from the Province of British Columbia totaling \$1.9 million. These funds are expected imminently.

On Behalf of the Board,
SPANISH MOUNTAIN GOLD LTD

Brian Groves

Brian Groves.
President and CEO

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



Fig. 1: Spanish Mountain & Cedar Mountain Property Boundaries

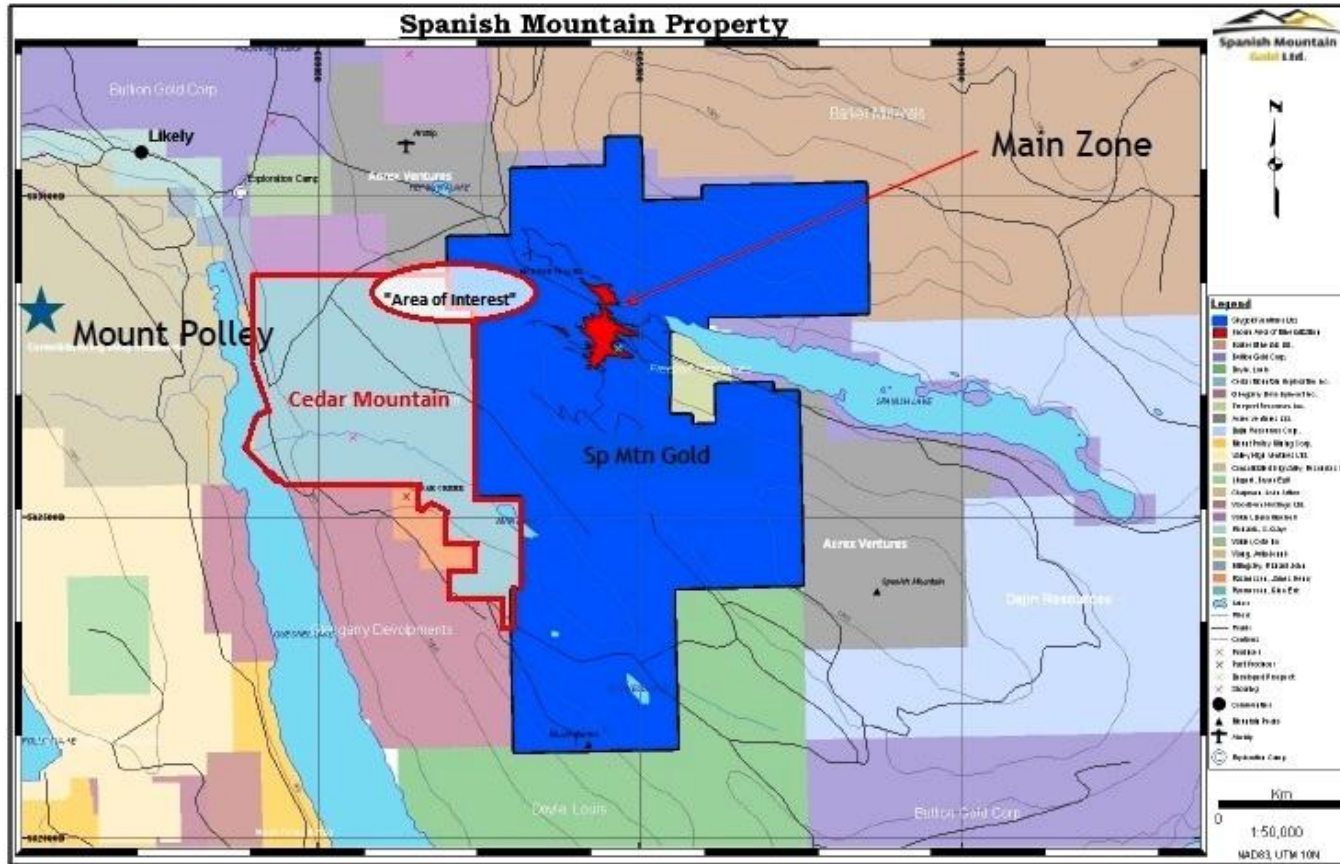


Fig. 2: Soil Gold Geochemistry on Cedar Mountain & Spanish Mountain

