



910 – 1111 Melville Street
Vancouver, British Columbia, V6E 3V6
Tel: 604.601.3651

September 16, 2022

Spanish Mountain Gold Mobilized for Field Program and Provides Project Update

Vancouver, BC - Spanish Mountain Gold Ltd. (the “**Company**”) (TSX-V: SPA) is pleased to report successful mobilization of contractors and employees for the fall field program for the Spanish Mountain Gold Project (the “**Project**”) located British Columbia, Canada. The work programs underway build on the successful completion of the Project’s Pre-feasibility study (PFS filed in June 2021) in which a multi-million ounce Mineral Reserve has been delineated along with robust economics and a 14-year mine plan.

Project Optimization

As previously reported, the Company has initiated a number of targeted optimization exercises designed to potentially further improve the Project’s economics and the quality of the resource.

Metallurgical & Drilling Program

Following the completion of the PFS, the Company’s technical team has continued to advance the metallurgical test work with Ausenco Engineering to further improve the gold recovery process and to develop detailed parameters for the flowsheet. The exercise thus far has successfully assessed the metallurgical performance of samples using conventional gravity, flotation, and leaching processes. The field program underway will extract samples from five drill holes within the defined pit in order to complete variability sample testing and confirm the metallurgical performance with the optimized flowsheet. The samples will be shipped to BaseMet Laboratories (Kamloops, BC) for analyses which include concentrate generation for downstream testing such as oxygen uptake tests, dynamic settling tests, cyanide detoxification and carbon adsorption tests.

Once the current metallurgical program is complete, the optimized flowsheet and the detailed processing configuration will form the basis for ore processing and the recovery of gold in the definitive feasibility study.

Geotechnical Program

The Company has conducted a number of geotechnical programs to gather critical data for designing the pit and tailings facilities and will commence additional drilling programs in due course.

To achieve efficiency in overall project costs and schedule, the Company has mobilized BCG Engineering to conduct geotechnical work on three of the five holes drilled for the metallurgical program. The Company expects that the data from this exercise will give the technical team additional information to assess rock mechanics and to design a future program more effectively.

Power Line

As previously reported, the Company's technical team has successfully identified a modified route for the power line to the proposed mine that may potentially reduce the overall permitting risks as well as the linear length relative to the proposed route assumed in the PFS. Further progress had been made in a number of areas including power line routing and Right-of-Way for permitting, design and construction planning needs.

The Company expects to continue work on this critical piece of infrastructure and to adjust the design as opportunities for cost savings and permitting are identified.

Electrification

As detailed in the PFS, the Project's location is supported by excellent infrastructure including an abundance of connectivity to the provincial power grids supplied with low-cost, renewable hydro power.

Through the collaboration with BC Hydro (the provincial utility), the team has identified a number of opportunities that may potentially reduce capital and operating costs as well as green house gas emissions from the proposed mine. These opportunities include trolley assist trucks and equipment as well as various energy efficiency measures. The Company is actively assessing these opportunities with industry experts and in due course will provide more specific plans and the details for these initiatives.

Environmental Assessment

The Company continues to execute its stated strategy of fast-tracking its multi-million ounce Resource through the process for environmental assessment/ permitting.

The early engagement periods of both the BC and federal Environmental Assessment processes for the Project were completed on June 23, 2022, with issuance of the Summary of Engagement by the BC Environmental Assessment Office and the Joint Summary of Issues and Engagement by Impact Assessment Agency of Canada. Work is progressing on incorporating these findings into the Detailed Project Description and draft Application Information Requirements for submission in late 2022.

First Nations and Communities

Productive negotiations of Life-of-Mine Relationship Agreements are continuing with First Nations, with site visits by community representatives to be conducted into fall 2022. Management will continue to meet with First Nations, surrounding communities, regional governments and regulatory agencies throughout the EA process.

Ongoing Field Work and Analyses

The Company continues to expand its environmental database to support a robust EA process. Environmental field studies in 2022 are focussed on completing the baseline studies in advance of the planned preparation of the site-wide water balance and water quality model in Q1 2023 to support preparation of the Environmental Assessment Application later in 2023. Wildlife baseline studies and reporting were completed in Q2, 2022. The groundwater monitoring network on site was expanded in Q1, 2022, with quarterly monitoring continuing through the year. Surface water quality, hydrology, and

aquatic habitat studies are ongoing with completion of these baseline study reports on target for Q1 2023.

Stock Option Grant

The Board of Directors has authorized granting of incentive stock options to acquire 300,000 common shares of the Company to a director. The options, which will be vested in accordance with the Company's Incentive Stock Option Plan, have an exercise price of \$0.15 per share and will expire on September 13, 2027. The foregoing is subject to regulatory acceptance.

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
Chief Executive Officer

Inquiries:

Spanish Mountain Gold Ltd.
Phone: (604) 601-3651
E-mail: info@spanishmountaingold.com
Website: www.spanishmountaingold.com

FORWARD LOOKING STATEMENTS: Certain of the statements and information in this press release constitute "forward-looking statements" or "forward-looking information" 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.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this press release, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information. For the reasons set forth above, investors should not place undue reliance on forward-looking statements and information.

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