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Spanish Mountain Gold Announces Closing of Private Placement

Spanish Mountain Gold Ltd. (“**Spanish Mountain**” or the “**Company**”) (TSX-V:SPA) has closed its brokered private placement offering of flow-through units and non-flow through units (the “**Offering**”), previously announced in a news release dated September 5, 2013.

Pursuant to the Offering, 8,719,136 flow-through units (the “**FT Units**”) have been placed at a price of \$0.12 per FT Unit and 1,974,000 non-flow through units (the “**Units**”), and together with the FT Units, the “**Offered Securities**”) have been placed at a price of \$0.10 per Unit, for total gross proceeds of approximately \$1,245,000. Each FT Unit consists of one flow-through common share of the Company (each, an “**FT Share**”) and one-half of one common share purchase warrant of the Company (each whole warrant, a “**Warrant**”). Each FT Share is designated as a “flow-through share” for the purposes of the *Income Tax Act (Canada)* (the “**Tax Act**”). Each Unit consists of one common share of the Company and one Warrant. Each Warrant entitles the holder to acquire a common share of the Company at a price of \$0.15 per share for a period of 24 months.

The Offering was conducted pursuant to an agency agreement dated September 27, 2013 (the “**Agency Agreement**”) between the Company and Secutor Capital Management Corporation (the “**Agent**”). Pursuant to the terms of the Agency Agreement, the Company (i) paid the Agent a cash commission of \$43,529, representing 3.5% of the aggregate gross proceeds of the Offering, (ii) issued to the Agent an aggregate of 435,294 Units, and (iii) issued to the Agent and aggregate of 534,656 compensation warrants (the “**Compensation Warrants**”), with each Compensation Warrant exercisable to acquire one common share of the Company at a price of \$0.10 per share for a period of 24 months.

The Company also closed a non-brokered private placement of 2,000,000 Units at a price of \$0.10 per Unit for aggregate gross proceeds of \$200,000 (the “**Non-Brokered Offering**”).

The Offering and Non-Brokered Offering were available only to accredited investors, and all of the securities issued in connection therewith are subject to a statutory four-month hold period expiring on January 28, 2014.

The gross proceeds from the sale of the FT Units will be used by the Company to incur exploration expenditures on the Company’s Spanish Mountain project and will constitute

“Canadian exploration expenses” and “flow through mining expenditures” (as defined in the Tax Act) which will be renounced to purchasers of the FT Units for the 2013 taxation year. The net proceeds from the sale of the Units will be used by the Company for general corporate purposes.

The Offering is subject to final acceptance by the TSX Venture Exchange upon filing of final documentation.

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. The Company has no debt and owns 100% of all 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.

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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.

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.