



Media Release

Silver Spruce Signs LOI to Acquire 100% Interest in 8,750-hectare Mystery, Till and Marilyn Gold Properties, Exploits Gold Belt, central Newfoundland

August 17, 2021 - Bedford, NS - (TSXV:SSE) - Silver Spruce Resources, Inc. ("Silver Spruce" or the "Company") is pleased to announce that it has signed a binding Letter of Intent ("LOI") with two parties (the "Vendors") to acquire 100% of three early-stage gold exploration properties, Mystery, Till and Marilyn, (the "Property" or the "Properties") located near Grand Falls, Newfoundland, Canada, 20-25 kilometres west of New Found Gold Corp.'s Queensway project and 15-35 kilometres south of Sokomon Iron Inc.'s Moosehead gold project.

"Newfoundland offers a favorable regulatory environment, supportive communities, outstanding provincial geological survey, near year-round operating conditions, excellent property access and of principal importance, significant potential for new deposits as indicated by the number and quality of recent successful exploration projects," said Greg Davison, Silver Spruce VP Exploration and Director. "The Silver Spruce Board of Directors has made a strategic decision to add multiple properties to our portfolio in high-quality jurisdictions which will give shareholders more opportunities for notable discoveries, and with an easy and inexpensive exit strategy, in the event the properties do not fulfill our early exploration criteria."

The 8,750-hectare project is located strategically within the Exploits Subzone, an extensive area of mineral exploration activity and discoveries over the past two years (Figure 1). The Properties are well situated in logistics for exploration, located close to each other and <10-25 kilometres southeast and south by road from Grand Falls, Newfoundland. The Properties are located <50 kilometres from the Gander International Airport and are easily accessible from major paved roads and local logging and bush roads and trails largely by vehicles and more remote areas by ATV.

"We will be expediting our initial geological studies on the Properties during the week of August 23rd and look forward to completing a definitive agreement with the Vendors shortly thereafter. We are excited with the timely opportunity to acquire these Properties given their strategic location in a very active exploration camp, and proximal to major and structural features defined by the regional and local geophysical and geological coverage," said Greg Davison, Silver Spruce VP Exploration and Director. "We look forward to building out the project ArcGIS database and investigating the most up-to-date geochemical and geophysical techniques to optimize a Fall 2021 Phase 1 exploration program."

Multiple occurrences are reported of agate chalcedony to colloform and crystalline silica veining, carbonate replacement by quartz, and open-space filling quartz and calcite (see Figures 2 and 3), all textures indicative of the upper zones of epithermal systems, and are accompanied by Au and arsenopyrite with minor Cu sulphide and carbonate mineralization in several host lithologies.

The region is structurally complex and located, in large part, between two major crustal lineaments, the Grub Line and Valentine Lake Faults (Figure 1). Numerous major to lesser sub-parallel features merge and bifurcate along strike and are transected by NW and EW-trending faults. These deep-seated structures, which juxtapose geological terranes over hundreds of kilometres, are key

to the location and formation of orogenic gold deposits containing several million ounces of gold as reported by a number of junior companies in the district. Though younger, the lineaments are very similar to those of the Abitibi Gold Belt in Ontario and Quebec in scale, splaying surface expression and wide distribution of mineral endowment, though in an earlier stage of overall exploration and development.

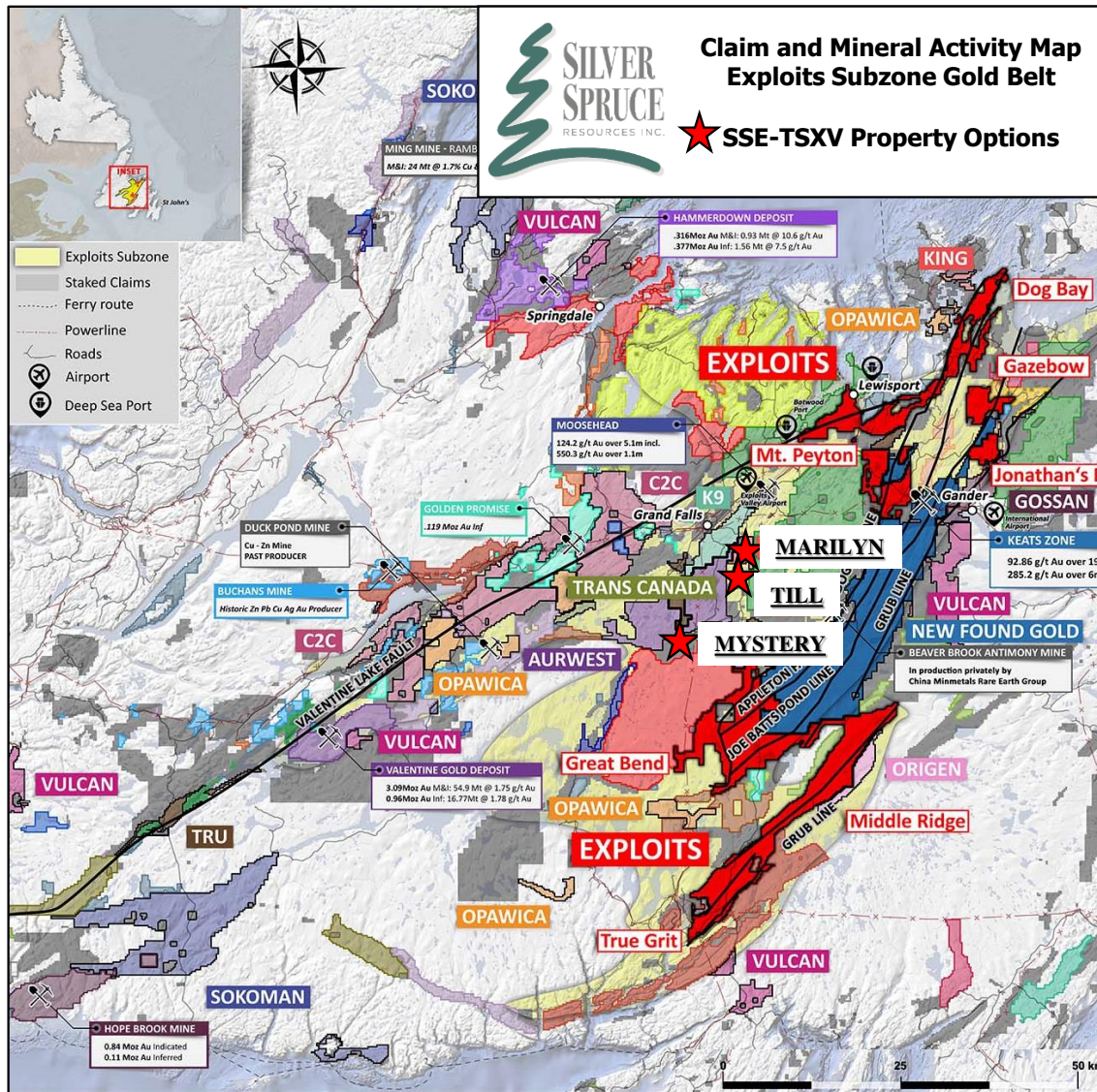


Figure 1. Location Map of Mystery, Till and Marilyn Gold Properties in the Exploits Subzone Gold Belt (Image adapted from exploits.gold).

Letter of Intent

The principal terms to purchase 100% interest in the Properties include cash payments and Silver Spruce common shares, with CAD\$40,000 in cash and 1,000,000 shares on signing, and escalating payments of CAD\$575,000 and 9,000,000 shares spread over five years on the anniversary date of TSX Venture Exchange approval. The minimum work expenditures over the life of the agreement total CAD\$1,500,000, with CAD\$150,000 required during the first year. The Vendors will retain a two percent Net Smelter Return royalty (“NSR”) of which 1% can be purchased by the Company for CAD\$2,000,000 and the remaining 1% at market price. An advance royalty of CAD\$15,000 per annum would be payable upon and subsequent to the 6th anniversary. A finder’s fee is payable on the acquisition pursuant to the guidelines of the TSX Venture Exchange.

Silver Spruce has a 30-day window after signing the LOI to carry out its due diligence and prepare a Definitive Agreement (“DA”) for the Property acquisition.



Figure 2. Epithermal chalcedonic silica veining with complex depositional and compositional banding, open space filling and multi-stage brecciation from Mystery property.



Figure 3. Silica veining with complex deposition as fine laminations to coarse crustiform textures, compositional and textural banding, and multi-stage or episodic brecciation and infilling from Marilyn property.

Qualified Person

Greg Davison, PGeo, Silver Spruce VP Exploration and Director, is the Company's internal Qualified Person for the Mystery, Marilyn and Till Projects and is responsible for approval of the technical content of this press release within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("N.I. 43-101"), under TSX guidelines.

About Silver Spruce Resources Inc.

Silver Spruce Resources Inc. is a Canadian junior exploration company which has signed Definitive Agreements to acquire 100% of the Melchett Lake Zn-Au-Ag project in northern Ontario, and with Colibri Resource Corp. in Sonora, Mexico, to acquire 50% interest in Yaque Minerales S.A de C.V. holding the El Mezquite Au project, a drill-ready precious metal project, and up to 50% interest in each of Colibri's early stage Jackie Au and Diamante Au-Ag projects, with the three properties located from 5 kilometres to 15 kilometres northwest from Minera Alamos' Nicho deposit, respectively. The Company also is acquiring 100% interest in the drill-ready and fully permitted Pino de Plata Ag project, located 15 kilometres west of Coeur Mining's Palmarejo Mine, in western Chihuahua, Mexico. Silver Spruce Resources Inc. continues to investigate opportunities that Management has identified or that have been presented to the Company for consideration.

Contact:

Silver Spruce Resources Inc.

Greg Davison, PGeo, Vice-President Exploration and Director

(250) 521-0444

gdavison@silverspruceresources.com

Michael Kinley, CEO

(902) 826-1579

mkinley@silverspruceresources.com

info@silverspruceresources.com

www.silverspruceresources.com

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

Notice Regarding Forward-Looking Statements

This news release contains "forward-looking statements," Statements in this press release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future, including but not limited to, statements regarding the private placement.

Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with mineral exploration and difficulties associated with obtaining financing on acceptable terms. We are not in control of metals prices and these could vary to make development uneconomic. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although we believe that the beliefs, plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that such beliefs, plans, expectations or intentions will prove to be accurate.