

SANDSPRING RESOURCES LTD.

PRESS RELEASE

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES OF AMERICA

Sandspring Resources Ltd. Announces Completion of Private Placement for \$5.7 Million

August 14, 2009 - Calgary, Alberta: Sandspring Resources Ltd. (the “**Corporation**”) (TSX-V: SSP.P) is pleased to announce that it has successfully completed the first tranche of its previously announced bought-deal equity financing (the “**Offering**”) of subscription receipts (“**Subscription Receipts**”) with a syndicate of underwriters led by Research Capital Corporation (“**Research**”) (collectively, the “**Underwriters**”). The Underwriters exercised their option, to purchase an additional 2,047,200 Subscription Receipts at the August 14, 2009 closing (the “**First Closing**”) resulting in the issuance of a total of 16,333,000 Subscription Receipts at a price of \$0.35 per Subscription Receipt for aggregate gross proceeds of approximately \$5.7 million. The Underwriters also exercised their option to purchase additional Subscription Receipts at one or more future closings.

The subscription proceeds from the Offering will be held in escrow pending the anticipated closing of the Corporation’s previously announced business combination with GoldHeart Investment Holdings Ltd. (“**GoldHeart**”) pursuant to the terms of an acquisition agreement entered into between the Corporation, GoldHeart and certain creditors of GoldHeart, whereby the Corporation will acquire all the issued and outstanding securities of GoldHeart resulting in GoldHeart becoming a wholly-owned subsidiary of the Corporation (the “**Qualifying Transaction**”).

Concurrent with the closing of the Qualifying Transaction, each Subscription Receipt shall be exchanged automatically, for no additional consideration, into one unit of the Corporation (a “**Unit**”). Each Unit shall consist of one common share of the Corporation (a “**Common Share**”), and one half of one Common Share purchase warrant (each whole Common Share purchase warrant being a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one Common Share at a price of \$0.50 per Common Share for a period of 36 months following the closing of the Qualifying Transaction.

The gross proceeds of the First Closing (the “**Gross Proceeds**”), less any amounts paid to the Underwriters as Commission (as defined below) and expenses (the “**Escrowed Funds**”), were deposited into an interest-bearing escrow account, releasable to the Corporation at the closing of the Qualifying Transaction and upon the satisfaction or waiver of certain conditions of the Underwriters (the “**Release Conditions**”). In the event certain of the Release Conditions are not satisfied or waived by the Underwriters by August 21, 2009, subject to an extension of up to one week which may be granted by Research, and the remainder of the Release Conditions are not satisfied or waived by the Underwriters by December 12, 2009 (the “**Escrow Deadline**”), the Escrowed Funds will be returned to subscribers by the escrow agent, and the Commission will be returned to the subscribers by the Underwriters; provided, however, that the Corporation shall have the right to extend the Escrow Deadline by up to sixty (60) days upon receipt of written consent of holders of Subscription Receipts that represent more than fifty percent (50%) of the Units issuable upon exchange of the Subscription Receipts. To the extent that the Escrowed Funds, accrued interest thereon, plus the Commission are less than the Gross Proceeds, subscribers will receive less than their full subscription amount and the Corporation will not be liable to pay the difference.

In connection with the First Closing, the Underwriters received a cash commission (the “**Commission**”), equal to eight percent (8%) of the aggregate Gross Proceeds raised through the First Closing and compensation option receipts entitling the holder thereof to acquire 1,633,300 compensation options

(“**Compensation Options**”) upon the Release Conditions being satisfied, for no additional consideration. Each Compensation Option shall be exercisable into one Unit by the holders thereof until the second anniversary of the closing of the Qualifying Transaction at an exercise price of \$0.35 per Unit.

The net proceeds of the Offering will be used by the Corporation to pay costs associated with the closing of the Qualifying Transaction (including payment of up to a maximum of USD\$1,200,000 in respect of the Revolving Debt) and costs associated with the Offering, to finance an initial work program relating to Toroparu Gold-Copper Prospect and for general working capital purposes of the Corporation.

For Further Information, Please Contact:

Mr. Mark Maier
President, Chief Executive Officer, Chief Financial Officer and Director
Sandspring Resources Ltd.
115 - 17th Ave. S.W.
Calgary, Alberta, T2S 0A1
Tel: (403) 228-8154

Cautionary Statements

This media release contains certain statements which constitute forward-looking statements or information, including the use of the Offering proceeds and the completion of the Qualifying Transaction. Although the Corporation believes that the expectations reflected in our forward-looking statements are reasonable, our forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward looking information. As such, readers are cautioned not to place undue reliance on the forward looking information, as no assurance can be provided as to future results, levels of activity or achievements. Risks include, but are not limited to: the Qualifying Transaction, the second closing of the Offering and/or associated transactions, that the ultimate terms of the Qualifying Transaction and the associated transactions will differ from those that currently are contemplated, and that the Qualifying Transaction and/or the second closing of the Offering will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities), uncertainties and other factors that are beyond the control of the Corporation, risks associated with the mining industry, commodity prices and exchange rate changes, operational risks associated with exploration, development and production operations, delays or changes in plans, risks associated with the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The Corporation assumes no obligation to update any forward-looking statements or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to the Corporation. Additional information identifying risks and uncertainties is contained in filings of the Corporation with Canadian securities regulators, which filings are available under the Corporation’s profile at www.sedar.com.

Neither the 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.