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Toronto, March 8, 2012

**PRESS RELEASE**

**SANDSPRING RESOURCES LTD. ANNOUNCES \$25MILLION BOUGHT DEAL PUBLIC OFFERING OF COMMON SHARES**

Sandspring Resources Ltd. (SSP: TSX-V) ("Sandspring" or the "Company") is pleased to announce that it has entered into an agreement with a syndicate of underwriters co-led by RBC Capital Markets and Scotiabank (collectively the "Underwriters") to purchase 23,150,000 common shares (the "Common Shares") at \$1.08 per Common Share for gross proceeds of \$25.0 million (the "Offering"). The Company has granted the Underwriters an option to purchase up to an additional 15% of the Common Shares, exercisable in whole or in part, at any time prior to the 30th day following the Closing Date.

The net proceeds of the Offering will be used to fund Sandspring's exploration and development activities, and for general corporate purposes.

The Offering is scheduled to close on or about March 30, 2012, and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange.

**About Sandspring Resources Ltd.**

Sandspring Resources Ltd. is a Canadian junior mining company currently in advanced exploration and prefeasibility assessment of the Toroparu Gold Deposit in the Republic of Guyana. Please visit <http://www.sandspringresources.com> for further information.

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Additional information on Sandspring can be viewed on SEDAR under the Company's profile at [www.sedar.com](http://www.sedar.com) or on Sandspring's website at [www.sandspringresources.com](http://www.sandspringresources.com).

This press release includes certain forward-looking statements concerning future performance and operations of the Company as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management at the time such statements are made. All forward-looking statements and information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, the Company's successful advancement of the Toroparu Gold Deposit and obtaining positive results from ongoing evaluation and testing of its gold targets, among other risks as described in our public filings available at [www.sedar.com](http://www.sedar.com). Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. Sandspring Resources Ltd. has an ongoing obligation to disclose material information, as it becomes available.

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.

