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Sandspring and PNO Announce Signing of Definitive Agreement

Denver, Colorado and Vancouver, British Columbia: July 20, 2015 — Sandspring Resources Ltd. (SSP: TSX-V) ("**Sandspring**") and PNO Resources Ltd. (PNO.H: TSX-V) ("**PNO**") are pleased to announce that, further to the press release dated July 6, 2015, they have now entered into a definitive agreement (the "**Definitive Agreement**") providing for the acquisition (the "**Acquisition**") by Sandspring of PNO by way of a court approved plan of arrangement.

Sandspring is a Canadian junior mining company currently in advanced exploration and in the process of finalizing a feasibility study for the multi-million ounce Toroparu Gold Project in Guyana, South America. PNO's principal business activity is the acquisition and exploration of natural resource properties. Following the Acquisition, Sandspring will continue to trade on the TSX Venture Exchange ("**TSXV**") and PNO will be delisted.

Summary of the Acquisition

Pursuant to the Definitive Agreement and the proposed plan of arrangement, PNO will amalgamate with a wholly-owned subsidiary of Sandspring, and all of the issued and outstanding common shares of PNO ("**PNO Shares**") will be acquired by Sandspring from the existing holders thereof in consideration of the issuance of one Post-Consolidation Sandspring Share (as defined below) for each PNO Share so held (the "**Exchange Ratio**"). Prior to the completion of the Acquisition, Sandspring shall consolidate its issued and outstanding common shares ("**Sandspring Shares**") on the basis of one "new" common share (a "**Post-Consolidation Sandspring Share**") for every three Sandspring Shares outstanding (the "**Consolidation**"). At its annual and special meeting of Sandspring shareholders, currently scheduled to be held on September 3, 2015, Sandspring will seek the approval of its shareholders for the Consolidation.

Also in connection with the Acquisition, all of the outstanding stock options and warrants of PNO will be converted to stock options and warrants to acquire Sandspring Shares and subject to adjustments based on the Exchange Ratio.

Private Placement and Loan

Prior to completion of the Acquisition, a private placement financing shall be completed in PNO to raise up to gross proceeds of \$4,500,000 (the “**Private Placement**”). The Private Placement will consist of subscription receipts (“**Subscription Receipts**”) at a price of \$0.20 per Subscription Receipt. Each Subscription Receipt will, immediately prior to the closing of the Acquisition, convert into one PNO common share and one PNO warrant, which shares and warrants will be exchanged for Post-Consolidation Sandspring Shares and Sandspring warrants (“**Sandspring Warrants**”) pursuant to the Acquisition. Each Sandspring Warrant will entitle the holder to acquire one Post-Consolidation Sandspring Share for a period of five years at an exercise price of \$0.30.

PNO has also agreed to advance \$800,000 to Sandspring as a loan (the “**Loan**”). The Loan proceeds will be used by Sandspring to pay its anticipated operating expenses prior to the closing of the Acquisition and to commence work on an exploration program.

Authorization to proceed with the Acquisition will require approval by disinterested shareholders of PNO which PNO will seek at a Special Meeting of Shareholders to be held on September 3, 2015 and approval by the Supreme Court of British Columbia. Substantial additional information regarding the details of the proposed Acquisition will be included in the Management Information Circular to be prepared for the Special Meeting of Shareholders of PNO set to approve the Acquisition.

The Definitive Agreement contains customary terms and conditions for a transaction of this nature, including covenants applicable to each such entity until closing of the Acquisition regarding their respective businesses and affairs, and certain standstill provisions.

Board of Sandspring

Following the closing of the Acquisition, the board of directors of Sandspring shall be comprised of eight members, of which five such members shall be designated by Sandspring and three such members shall be designated by PNO.

Conditions to Closing

Completion of the Acquisition is subject to a number of conditions, including, receipt of applicable regulatory, court and requisite approval of shareholders of PNO in respect of the Acquisition and of shareholders of Sandspring in respect of the Consolidation, TSXV acceptance and completion of the Private Placement and the Loan. There can be no assurance that the Acquisition will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in any Management Information Circular to be prepared in connection with the Acquisition, any information released or received with respect to the proposed Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of Sandspring and PNO should be considered highly speculative. The TSXV has in no way passed upon the merits of the proposed Acquisition and neither has approved nor disapproved the contents of this press release.

Additional information on Sandspring can be viewed on SEDAR under the Company's profile at www.sedar.com or on Sandspring's website at www.sandspringresources.com

Additional information on PNO Resources Ltd. can be viewed on SEDAR under the Company's profile at www.sedar.com

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "might", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information and/or statements. Forward-looking statements and/or information are based on a number of material factors, expectations and/or assumptions of Sandspring which have been used to develop such statements and/or information but which may prove to be incorrect. Although Sandspring believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements as Sandspring can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: that the Acquisition will be effected as currently proposed, and that all requisite shareholder, regulatory and third party consents will be obtained in connection therewith in form and substance acceptable to each of Sandspring and PNO; the anticipated timing of the Acquisition and the expected benefits of the Acquisition; that Sandspring will continue to conduct its operations in a manner consistent with past operations; results from drilling activities; Sandspring's future plans; availability of financing and/or cash flow to fund current and future plans and expenditures, including with respect to the Private Placement; the impact of increasing competition; the general stability of applicable economic and political environments; the general continuance of current industry conditions; and the timely receipt of any required regulatory approvals. The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and/or statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results and/or events to differ materially from those anticipated in such forward-looking information and/or statements including, without limitation: risks associated with the failure to complete the Acquisition and/or Private Placement, in each as currently proposed or at all; risks associated with the uncertainty of exploration results and estimates, the uncertainty of conducting operations under a foreign regime, exploration risk, the uncertainty of obtaining all applicable regulatory and/or shareholder approvals, and the Company's dependence on Sandspring's management personnel, and/or certain other risks detailed from time-to-time in Sandspring's public disclosure documents. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws.

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.