



TSX-V: SSP
OTCQX: SSPXF

Sandspring Resources Receives Final 2015 Payment Under Its Silver Wheaton Agreement

January 12, 2016 – Denver, Colorado and Vancouver, British Columbia – Sandspring Resources Ltd. (TSX-V:SSP, OTCQX:SSPXF) (“Sandspring” or the “Company”) announces that in December 2015 the Company received the final 2015 installment of US\$500,000 from Silver Wheaton (Caymans) Ltd., a wholly-owned subsidiary of Silver Wheaton Corp. (“Silver Wheaton”) (TSX:SLW, NYSE:SLW), under the Amended Precious Metals Purchase Agreement (“PMPA”) entered into between Sandspring and Silver Wheaton (see Sandspring press release dated April 23, 2015). Under the PMPA, Silver Wheaton agreed to pay Sandspring incremental up-front cash payments totaling US\$5 million for 50% of the payable silver production from the Company’s Toroparu Gold Project in Guyana, South America (the “Toroparu Project”). Sandspring was entitled to receive US\$2 million of the US\$5 million cash payment in four equal installments over the course of 2015, subject to the satisfaction of certain conditions. Installments of US\$500,000 were received in April, June and September 2015, and the final installment was paid on December 17, 2015. Proceeds from the installments have been used primarily for the advancement of the Company’s operations at its Toroparu Project.

Under the original Gold Purchase Agreement entered into in November 2013, Silver Wheaton agreed to pay Sandspring US\$148.5 million for 10% of the payable gold production from the Toroparu Project. Including payments associated with the gold stream, Sandspring has received a total of US\$15.5 million in up-front payments from Silver Wheaton for the silver and gold. The balance of the US\$153.5 million payable under the PMPA is subject to Silver Wheaton’s election to proceed or not proceed following receipt of a final feasibility study for the Toroparu Project. Depending on Silver Wheaton’s decision to proceed or not, both Sandspring and Silver Wheaton have various rights and elections that are set out in detail in the PMPA and described in the Sandspring press release dated April 23, 2015.

About Sandspring Resources Ltd.

Sandspring Resources Ltd. is a Canadian junior mining company currently moving toward a definitive feasibility study for the multi-million ounce Toroparu Project in the Republic of Guyana. The PMPA with Silver Wheaton and the transaction with PNO Resources Ltd. that closed in September 2015 (see Sandspring press release dated September 14, 2015) provide Sandspring with a strong base as it proceeds with the ongoing development of the Toroparu Project. A prefeasibility study completed in May 2013 (NI 43-101 Technical Report, Prefeasibility Study, Toroparu Gold Project, Upper Puruni River Area, Guyana, dated May 24, 2013 completed by SRK Consulting (U.S.), Inc., available on SEDAR at www.sedar.com) outlined the design of an open-pit mine producing more than 200,000 ounces of gold annually over an initial 16-year mine life. Significant exploration potential, along with copper credits, provides additional upside potential for the Toroparu Project. Additional information is available by email at info@sandspringresources.com or on the Company’s website at www.sandspringresources.com.

On Behalf of the Board of Directors of Sandspring Resources Ltd.

“Richard A. Munson”

Per:

Richard Munson
Chief Executive Officer

Contact Sandspring Resources

Ms. Rhylin Bailie

Vice President, Communications & Investor Relations

Tel: 604-609-5132 or via email at info@sandspringresources.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.

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "is subject to", "is payable", 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 that Sandspring has 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 since Sandspring can give no assurance that such expectations will prove to be correct. 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: results from drilling and exploration activities and Sandspring's ability to identify additional gold mineralization; risks associated with the uncertainty of exploration results and estimates; Sandspring's future plans; whether Silver Wheaton will elect to proceed under the terms of the Precious Metals Purchase Agreement; the availability of financing and/or cash flow to fund current and future plans and expenditures; the impact of increasing competition; the general stability of applicable economic and political environments; the general continuance of current industry conditions; uncertainty regarding the market price for gold, silver and copper; uncertainty of conducting operations under a foreign regime; uncertainty of obtaining all applicable regulatory approvals and related timing matters; Sandspring's dependence on 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.